

CHAPTER NO. 589

HOUSE BILL NO. 702

INTRODUCED BY FABREGA, RAMIREZ, MOORE, KEMMIS,
TROPILA, GILLIGAN

IN THE HOUSE

February 9, 1979	Introduced and referred to Committee on Taxation.
March 8, 1979	Committee recommend bill do pass as amended. Report adopted.
March 9, 1979	Printed and placed on members' desks.
March 13, 1979	Second reading, do pass.
March 14, 1979	Considered correctly engrossed.
March 15, 1979	Third reading, passed. Transmitted to second house.

IN THE SENATE

March 16, 1979	Introduced and referred to Committee on Taxation.
March 26, 1979	Fiscal note requested.
March 28, 1979	Fiscal note returned.
	Committee recommend bill be concurred in as amended. Report adopted.
March 29, 1979	Second reading, concurred in.
March 31, 1979	Third reading, concurred in as amended.

IN THE HOUSE

April 2, 1979	Returned from second house. Concurred in as amended.
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April 3, 1979

Second reading, amendments
adopted.

April 4, 1979

Third reading, amendments
adopted. Sent to enrolling.

Reported correctly enrolled.

1 House BILL NO. 702
2 INTRODUCED BY Senator Mark Koenig
3 Senate Billy

4 A BILL FOR AN ACT ENTITLED: "AN ACT TO DESIGNATE THE
5 DEPARTMENT OF REVENUE AS THE PARTY DEFENDANT IN ALL ACTIONS
6 RELATING TO THE DEPARTMENT'S ASSESSMENT OF PROPERTY AND TO
7 PROVIDE THAT LOCAL TAXING UNITS ARE NOT RESPONSIBLE FOR ANY
8 COSTS, ASSESSMENTS, OR JUDGMENTS AGAINST THE DEPARTMENT."

9
10 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

11 Section 1. Department to defend property tax appeals
12 -- costs and judgments. (1) The department of revenue or its
13 agent is the party defendant in any proceeding before a
14 county tax appeal board, the state tax appeal board, or a
15 court of law that seeks to dispute or adjust an action of
16 the department under 15-8-101 arising from the exercise of
17 the department's duties as prescribed by law or
18 administrative rule.

19 (2) No costs, assessments, or judgments in a
20 proceeding described in (1) of this section may be assessed
21 against a taxing unit as defined in 15-1-101.

-End-

HB 702
INTRODUCED BILL

STATE OF MONTANA

REQUEST NO. 506-79

FISCAL NOTE

Form BD-15

In compliance with a written request received March 26, 19 79, there is hereby submitted a Fiscal Note for House Bill 702 pursuant to Chapter 53, Laws of Montana, 1965 - Thirty-Ninth Legislative Assembly.

Background information used in developing this Fiscal Note is available from the Office of Budget and Program Planning, to members of the Legislature upon request.

DESCRIPTION

This proposed bill would designate the Department of Revenue as the party defendant in all actions relating to the department's assessment of property and to provide that local taxing units are not responsible for any costs, or assessments, ~~or~~ judgments against the department.

ASSUMPTIONS

- 1) There will be approximately 10 cases in each fiscal year.
- 2) The average cost of a case will be \$2,000.

FISCAL IMPACT

	<u>FY80</u>	<u>FY81</u>
Total Revenue		
Estimated Increase	None	None
Total Expenditures		
Estimated Increase - General Fund	\$20,000	\$20,000

EFFECT ON LOCAL GOVERNMENT

This legislation should save local taxing units approximately \$20,000 in each fiscal year.

LONG-RANGE EFFECTS

Expenditures should be at least \$20,000 in each fiscal year that this legislation is in effect.

(Prepared by the Department of Revenue)

Richard L. Drury Jr.

BUDGET DIRECTOR

Office of Budget and Program Planning

Date: 3/28/79

Approved by Committee
on Taxation

1 PROTEST FUND, THE COURT SHALL ENTER JUDGMENT AGAINST THE
2 TREASURER IF THE COURT FINDS THE TAXES SHOULD BE REFUNDED.

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6 DEPARTMENT OF REVENUE AS THE PARTY DEFENDANT IN ALL ACTIONS
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9 COSTS, OR ASSESSMENTS, OR JUDGMENTS AGAINST THE DEPARTMENT."

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15 county tax appeal board, the state tax appeal board, or a
16 court of law that seeks to dispute or adjust an action of
17 the department under 15-8-101 arising from the exercise of
18 the department's duties as prescribed by law or
19 administrative rule.

20 (2) No costs, fees, assessments or judgments in a
21 proceeding described in (1) of this section may be assessed
22 against a taxing unit as defined in 15-1-101.

23 ~~131~~ IN ANY SUIT BROUGHT IN THE COURTS OF THIS STATE
24 FOR THE REFUND OF TAXES PAID UNDER PROTEST AND THOSE FUNDS
25 ARE HELD BY THE TREASURER OF A UNIT OF LOCAL GOVERNMENT IN A

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16 court of law that seeks to dispute or adjust an action of
17 the department under 15-8-101 arising from the exercise of
18 the department's duties as prescribed by law or
19 administrative rule.

20 (2) No costs, OR assessments--or--judgments in a
21 proceeding described in (1) of this section may be assessed
22 against a taxing unit as defined in 15-1-101.

131. IN ANY SUIT BROUGHT IN THE COURTS OF THIS STATE
132. FOR THE RECOVERY OF TAXES PAID UNDER PROTEST AND THOSE FUNDS
133. ARE HELD BY THE TREASURER OF A UNIT OF LOCAL GOVERNMENT IN A

1 PROSECUTOR, THE COURT SHALL ENTER JUDGMENT AGAINST THE
2 TREASURER, IF THE COURT FINDS THE TAXES SHOULD BE REFUNDED.

-End-

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15 agent is the party defendant in any proceeding before a
16 county tax appeal board, the state tax appeal board, or a
17 court of law that seeks to dispute or adjust an action of
18 the department under 15-8-101 arising from the exercise of
19 the department's duties as prescribed by law or
20 administrative rule. FOR THE PURPOSES OF PROCEEDINGS BEFORE
21 COUNTY TAX APPEAL BOARDS, SERVICE ON THE DEPARTMENT MAY BE
22 OBTAINED BY SERVING THE LOCAL COUNTY ASSESSOR.

23 (2) No-costs, BR-assessments, or judgments in a
24 proceeding described in (1) of this section may be assessed
25 against a taxing unit as defined in 15-1-101. (DSIS, 1F, ANY)

1 SHALL BE ASSESSED AGAINST THE DEPARTMENT AND NOT AGAINST A
2 LOCAL TAXING UNIT.
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4 FOR THE REFUND OF TAXES PAID UNDER PROTEST AND THOSE FUNDS
5 ARE HELD BY THE TREASURER OF A UNIT OF LOCAL GOVERNMENT IN A
6 PROTEST FUND. THE COURT SHALL ENTER JUDGMENT, EXCLUSIVE OF
7 COSTS, AGAINST THE TREASURER IF THE COURT FINDS THE TAXES
8 SHOULD BE REFUNDED.

-End-

March 28, 1979

SENATE STANDING COMMITTEE REPORT
(Taxation)

That House Bill No. 702, third reading bill, be amended as follows:

1. Title, line 9.

Following: "COSTS,"

Strike: "OR ASSESSMENTS"

Insert: "ASSESSED"

2. Page 1, line 19.

Following: "rule."

Insert: "For the purposes of proceedings before county tax appeal boards, service on the department may be obtained by serving the local county assessor."

3. Page 1, line 20.

Following: "(2)"

Strike: remainder of line 20 through 22 in their entirety

Insert: "Costs, if any, shall be assessed against the department and not against a local taxing unit."

4. Page 2, line 1.

Following: "JUDGMENT"

Insert: ", exclusive of costs,"