

CHAPTER NO. 712

HOUSE BILL NO. 848

INTRODUCED BY QUILICI, MENAHAN, DAILY, HARRINGTON,
ELLERD, PAVLOVICH, SCULLY, HUENNEKENS

IN THE HOUSE

February 16, 1979	Introduced and referred to Committee on Taxation.
March 24, 1979	Committee recommend bill do not pass. Report adopted.
March 26, 1979	Objection raised to adverse committee report. Bill placed on second reading. Printed and placed on members' desks.
March 27, 1979	Second reading, do pass. Considered correctly engrossed. Third reading, passed. Transmitted to second house.

IN THE SENATE

March 27, 1979	Introduced and referred to Committee on Taxation.
April 16, 1979	Committee recommend bill be concurred in as amended. Report adopted.
April 17, 1979	Second reading, concurred in. On motion rules suspended. Bill placed on Calendar for third reading this day. Third reading, concurred in as amended.

IN THE HOUSE

April 19, 1979	Returned from second house. Concurred in as amended.
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April 19, 1979

On motion rules suspended and bill placed on second reading this day.

Second reading, amendments rejected.

On motion Joint Conference Committee requested.

Joint Conference Committee appointed.

April 20, 1979

Joint Conference Committee reported.

Second reading, adopted.

Third reading, adopted.

Adopted by second house.

Sent to enrolling.

Reported correctly enrolled.

1 *House* BILL NO. *848*
 2 INTRODUCED BY *Lizbeth Monahan Daily*
 3 *Harrington Elliot Cabrit Scott*
 4 A BILL FOR AN ACT ENTITLED: "AN ACT TO PROVIDE A FEE IN
 5 LIEU OF PROPERTY TAX FOR MOTOR HOMES, TRAVEL TRAILERS,
 6 SNOWMOBILES, AND CAMPERS; AMENDING SECTIONS 15-6-101,
 7 15-6-110, 15-6-111, 15-6-201, 15-8-201, 15-8-202, 23-2-611,
 8 23-2-612, 23-2-616 THROUGH 23-2-618, 23-2-642, 61-3-303,
 9 61-3-317, 61-3-322, 61-3-441, 61-3-442, 61-3-501 THROUGH
 10 61-3-504, AND 61-3-509, MCA; REPEALING SECTIONS 15-6-121 AND
 11 15-8-203, MCA."

12 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

13 NEW SECTION. Section 1. Fee in lieu of tax for
14 certain vehicles. (1) There is a fee in lieu of property tax
15 imposed on motor homes, travel trailers, and campers. The
16 fee is in addition to annual registration fees.

17 (2) The fee imposed by subsection (1) need not be paid
18 by a dealer for vehicles that constitute inventory of the
19 dealership.

20 NEW SECTION. Section 2. Schedule of fees for motor
21 homes. (1) The owner of a motor home shall pay a fee based
22 on the age of the motor home according to the following
23 schedule:

24 less than 2 years old \$200

1	2 years old and less than 3 years old	180
2	3 years old and less than 4 years old	145
3	4 years old and less than 5 years old	100
4	5 years old and less than 6 years old	75
5	6 years old and less than 7 years old	50
6	7 years old and less than 8 years old	25
7	8 years old and older	15

8 (2) The age of a motor home is determined by
9 subtracting the manufacturer's designated model year from
10 the current calendar year.

11 NEW SECTION. Section 3. Schedule of fees for travel
12 trailers and campers. (1) The fee imposed by [section 1] on
13 a travel trailer less than 3 years old is \$40. In all other
14 cases the fee is \$15.

15 (2) The fee imposed by [section 1] on a camper less
16 than 3 years old is \$35. In all other cases the fee is \$15.

17 (3) The age of a travel trailer or camper is
18 determined by subtracting the manufacturer's designated
19 model year from the current calendar year.

20 NEW SECTION. Section 4. Fee in lieu of tax on
21 snowmobiles. (1) There is a fee in lieu of tax on
22 snowmobiles.

23 (2) The fee for a snowmobile less than 4 years old is
24 \$22. In all other cases the fee is \$15.

25 (3) The age of a snowmobile is determined by

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1 subtracting the manufacturer's designated model year from
2 the current calendar year.

3 (4) The fee need not be paid by a dealer for
4 snowmobiles that constitute inventory of the dealership.

5 NEW SECTION. Section 5. Motor home. "Motor home"
6 means a self-propelled motor vehicle originally designed or
7 permanently altered to provide temporary facilities for
8 recreational, travel, or camping use.

9 NEW SECTION. Section 6. Travel trailer. "Travel
10 trailer" means a trailer 32 feet or less in length and 8
11 feet or less in width originally designed or permanently
12 altered to provide temporary facilities for recreational,
13 travel, or camping use.

14 Section 7. Section 61-3-303, MCA, is amended to read:

15 "61-3-303. Application for registration. (1) Every
16 owner of a motor vehicle operated or driven upon the public
17 highways of this state shall for each motor vehicle owned,
18 except as herein otherwise expressly provided, file or cause
19 to be filed in the office of the county treasurer where the
20 motor vehicle is owned or taxable an application for
21 registration or reregistration upon a blank form to be
22 prepared and furnished by the division. The application
23 shall contain:

24 (a) name and address of owner, giving county, school
25 district, and town or city within whose corporate limits the

1 motor vehicle is taxable;

2 (b) name and address of conditional sales vendor,
3 mortgagee, or holder of other lien against the motor
4 vehicle, with statement of amount owing under such contract
5 or lien;

6 (c) description of motor vehicle, including make, year
7 model, engine or serial number, manufacturer's model or
8 letter, gross weight, type of body, and if truck, the rated
9 capacity;

10 (d) in case of reregistration, the license number for
11 the preceding year; and

12 (e) such other information as the division may
13 require.

14 (2) A person who files an application for registration
15 or reregistration of a motor vehicle, except of a mobile
16 home as defined in 15-1-101(1), shall upon the filing of the
17 application pay to the county treasurer:

18 (a) ~~pay--to-the-county-treasurer~~ the registration fee,
19 as provided in 61-3-311 and 61-3-321; and

20 (b) pay the personal property taxes assessed on the
21 new motor vehicle sales tax against the vehicle for the
22 current year of registration, or in the case of a motor
23 home, travel trailer, or camper, the fee in lieu of property
24 tax for the current year of registration, unless the same
25 shall have been theretofore paid for the year, before the

1 application for registration or reregistration may be
2 accepted by the county treasurer.

3 (3) The county treasurer may make full and complete
4 investigation of the tax status of the vehicle. Any
5 applicant for registration or reregistration must submit
6 proof from the tax records of the proper county at the
7 request of the county treasurer."

8 Section 8. Section 61-3-317, MCA, is amended to read:

9 "61-3-317. New registration required for transferred
10 vehicle -- grace period -- penalty -- display of proof of
11 purchase. (1) Except as otherwise provided herein, the new
12 owner of the transferred motor vehicle shall have the grace
13 period of 20 calendar days from the date of purchase to make
14 application and pay the taxes as provided by part 5 of this
15 chapter or the fee in lieu of tax as provided by [section 1]
16 unless the tax or fee has been paid for the year, as if the
17 same was being registered for the first time in that
18 registration year. If the motor vehicle was not purchased
19 from a duly licensed motor vehicle dealer as provided in
20 this chapter, it shall not be a violation of this chapter or
21 any other law for the purchaser to operate the vehicle upon
22 the streets and highways of this state without a certificate
23 of registration during the 20-day period; provided, that at
24 all times during that period a bill of sale or other proof
25 of purchase reciting the date of purchase shall be clearly

1 displayed in the rear window of the motor vehicle.
2 Registration and license fees collected under 61-3-321 are
3 not required to be paid when a license plate is transferred
4 under this section and 61-3-335. Failure to make
5 application within the time provided herein shall subject
6 the purchaser to a penalty of \$10. The penalty shall be
7 collected by the county treasurer at the time of
8 registration, and shall be in addition to the fees otherwise
9 provided by law.

10 (2) Any purchaser of a new or used motor vehicle from
11 a duly licensed motor vehicle dealer shall have the grace
12 period of 20 calendar days from the date of purchase to make
13 application for registration and to obtain registration
14 plates, and it shall not be a violation of this chapter or
15 any other law for such purchaser to operate such vehicle
16 upon the streets and highways of this state without a
17 certificate of registration and registration plates during
18 the 20-day period; provided that at all times during said
19 period the sticker issued by the dealer at the time of
20 purchase shall remain affixed to said vehicle as provided in
21 61-4-111. Failure to make such application within the time
22 provided herein subjects the purchaser to a penalty of \$10.
23 The penalty is to be collected by the county treasurer at
24 the time of registration and is in addition to the fees
25 otherwise provided by law."

1 Section 9. Section 61-3-322, MCA, is amended to read:

2 "61-3-322. Certificates of registration -- issuance.

3 (1) Upon completion of the application for registration, on
4 forms furnished by the division, the county treasurer shall
5 ~~file one copy in his office and~~ issue to the applicant two
6 copies of the application marked "Owner's Certificate of
7 Registration and Tax Receipt", one of which shall be marked
8 "file copy".

9 (2) The certificate of registration shall contain upon
10 the face thereof:

11 (a) the date issued;

12 (b) the registration number assigned to the owner and
13 the vehicle;

14 (c) the name and complete address of the owner, or the
15 names and addresses of joint owners;

16 (d) the name and complete address of any conditional
17 sales vendor, and also the name and address of any other
18 lienor as shown by said application;

19 (e) a description of the registered vehicle including
20 the year built and serial number, if any;

21 (f) any lien against such motor vehicle and the amount
22 due at the date of registration; and

23 (g) such other statement of facts as may be determined
24 by the division.

25 (3) Every owner, upon receiving a registration receipt

1 shall write his signature thereon with pen and ink in the
2 space provided. Every such registration receipt or a
3 notarized photostatic copy thereof or a duplicate thereof
4 furnished by the division shall at all times be carried in
5 the vehicle to which it refers or shall be carried by the
6 person driving or in control of such vehicle, who shall
7 display the same upon demand of a police officer or any
8 officer or employee of the division or the highway
9 department.

10 ~~(4) Upon receipt of application for registration, in~~
11 ~~quintuplet, and payment of license fees and taxes as herein~~
12 ~~provided, the county treasurer shall:~~

13 ~~(a) file one copy of said application in his office;~~

14 ~~(b) issue to the applicant two copies of the~~
15 ~~application entitled "Owner's Certificate of Registration~~
16 ~~and Tax Receipt" one of which shall be marked "file copy";~~
17 ~~and~~

18 ~~(c) forward one copy to the county clerk and record.~~

19 ~~(5)(4) The county treasurer shall daily forward to the~~
20 ~~division one copy of the application all applications for~~
21 ~~registration received that day.~~

22 ~~(5)(5) It shall not be necessary for the county~~
23 ~~treasurer, in said receipt, to segregate the amount of said~~
24 ~~taxes for state, county, school district, and municipal~~
25 ~~purposes."~~

1 Section 10. Section 61-3-441, MCA, is amended to read:

2 "61-3-441. ~~Fee-paid~~ ~~Fee-paid~~ decal required on camper
3 -- application for decal -- application fee -- issuance. (1)
4 No camper, subject to taxation in Montana, ~~shall~~ may be
5 operated by any person ~~in-the-state-of-Montana~~ on the public
6 highways or streets in this state unless there is displayed
7 in a conspicuous place thereon a decal as visual proof that
8 ~~Montana--person's--property--taxes--have~~ the fee in lieu of tax
9 has been paid thereon for the current year.

10 (2) Application for the issuance of ~~such-tax-paid~~ the
11 decal shall be made to the department of revenue or the
12 county treasurer upon forms to be furnished for this
13 purpose, which may be obtained from the department or at the
14 county ~~assessor's~~ treasurer's office in the county wherein
15 the owner resides, and is to provide for substantially the
16 following information:

17 (a) name of owner;

18 (b) address;

19 (c) name of manufacturer;

20 (d) model number;

21 (e) make;

22 (f) year of manufacture;

23 (g) statement evidencing ~~assessment-and~~ payment of the
24 fee in lieu of property tax; and

25 (h) such other information as the department may

1 require.

2 (3) ~~Setd~~ The application ~~shall~~ must be signed by the
3 county treasurer and transmitted by him to the department
4 accompanied by a an application fee of \$1. Upon receipt of
5 the application in approved form the department or county
6 treasurer shall issue to the applicant a decal in the style
7 and design prescribed by the department and of a different
8 color than the preceding year, numbered numerically."

9 Section 11. Section 61-3-442, MCA, is amended to read:

10 "61-3-442. Annual application for decals. Application
11 may be made to the department of revenue or county treasurer
12 for the issuance of ~~tax-paid camper~~ decals annually when the
13 motor vehicle to which the camper is customarily attached is
14 registered."

15 Section 12. Section 61-3-501, MCA, is amended to read:

16 "61-3-501. When vehicle property tax is due. (1)
17 Property taxes ~~and~~ new car taxes, and fees in lieu of tax
18 on a motor home or travel trailer shall must be paid on the
19 date of registration or reregistration of the vehicle.

20 (2) If the anniversary date for reregistration of a
21 vehicle ~~shall--pass~~ passes while the vehicle is owned and
22 held for sale by a licensed new or used car dealer, property
23 taxes ~~shall~~ or the fee in lieu of property taxes abate on
24 such vehicle properly reported with the department of
25 revenue until the vehicle is sold and thereafter the

1 purchaser shall pay the pro rata balance of the taxes or the
2 fee in lieu of tax due and owing on the vehicle.

3 (3) In the event a vehicle's registration period is
4 changed under 61-3-315, all taxes and other fees due thereon
5 shall be prorated and paid from the last day of the old
6 period until the first day of the new period in which the
7 vehicle shall be registered. Thereafter taxes and other fees
8 must be paid from the first day of the new period for a
9 minimum period of 1 year. When the change is to a later
10 registration period, taxes and fees shall be prorated and
11 paid based on the same tax year as the original registration
12 period. Thereafter, during the appropriate anniversary
13 registration period, each vehicle shall again register or
14 reregister and shall pay all taxes and fees due thereon for
15 a 12-month period."

16 Section 13. Section 61-3-502, MCA, is amended to read:

17 "61-3-502. Sales tax on new motor vehicles --
18 exemptions. (1) In consideration of the right to use the
19 highways of the state, there shall be imposed a tax upon all
20 sales of new motor vehicles for which a license is sought
21 and an original application for title is made. The tax
22 shall be paid by the purchaser when he applies for his
23 original Montana license through the county treasurer.

24 (2) The sales tax shall be:

25 (a) 1 1/2% of the F.O.B. factory list price or F.O.B.

1 port of entry list price, during the first quarter of the
2 year or prorated one-twelfth for each month or part of month
3 for a registration period other than a calendar year or
4 calendar quarter;

5 (b) 1 1/8% of the list price during the second quarter
6 of the year;

7 (c) 3/4 of 1% during the third quarter of the year;

8 (d) 3/8 of 1% during the fourth quarter of the year.

9 (3) If the manufacturer or importer fails to furnish
10 the F.O.B. factory list price or F.O.B. port of entry list
11 price, the department may use published price lists.

12 (4) The proceeds from this tax shall be remitted to
13 the state treasurer every 30 days for credit to the state
14 highway account of the earmarked revenue fund.

15 (5) The new vehicle is not subject to any other
16 assessment or taxation, or fee in lieu of tax during the
17 calendar year in which the original application for title is
18 made.

19 (6) (a) The applicant for original registration of any
20 wholly new and unused motor vehicle or new motor vehicle
21 furnished without charge by the dealer to the school
22 district for use as a traffic education motor vehicle by a
23 school district operating a state-approved traffic education
24 program within the state, whether or not previously licensed
25 or titled to the school district, except a mobile home as

defined in 15-1-101(1), acquired by original contract after January 1 of any year shall be required, whenever such vehicle has not been otherwise assessed, to pay the motor vehicle sales tax provided by this section, irrespective of whether the vehicle was in the state of Montana on January 1 of the year.

(b) No such motor vehicle may be registered or licensed under the provisions of this subsection unless the application for registration is accompanied by a statement or affidavit to be furnished by the dealer selling the vehicle, showing that the vehicle has not previously been registered or owned, except as otherwise provided herein, by any person, firm, corporation, or association that is not a new motor vehicle dealer holding a franchise or distribution agreement from a new car manufacturer, distributor, or importer.

(7) Motor vehicles operating exclusively for transportation of persons for hire within the limits of incorporated cities or towns and within 15 miles from such limits are exempt from subsection (1). Motor vehicles brought or driven into Montana by a nonresident migratory bona fide agricultural worker temporarily employed in agricultural work in this state where those motor vehicles are used exclusively for transportation of agricultural workers are also exempt from subsection (1). Vehicles

lawfully displaying a licensed dealer's plate as provided in 61-4-102 are exempt from subsection (1) when moving to or from a dealer's place of business when unladen or laden with dealer's property only, and in the case of vehicles having a gross laden weight of less than 24,000 pounds, while in the process of demonstration in the course of the dealer's business."

Section 14. Section 61-3-503, MCA, is amended to read:

"61-3-503. Assessment. (1) A person who files an application for registration or reregistration of a motor vehicle, ~~except of other than a motor home, travel trailers,~~ or a mobile home as defined in 15-1-101(1), shall before filing such application with the county treasurer submit the same to the county assessor of the county. The county assessor shall enter on the application in a space to be provided for that purpose the market value and taxable value of the vehicle for the year for which the application for registration is made.

(2) Except as provided in subsection (3) motor vehicles, ~~except other than motor homes, travel trailers, or~~ mobile homes as defined in 15-1-101(1), are assessed for taxes on January 1 in each year irrespective of the time fixed by law for the assessment of other classes of personal property and irrespective of whether the levy and tax may be a lien upon real property within the state. In no event may

1 any motor vehicle be subject to assessment, levy, and
2 taxation more than once in each year.

3 (3) Vehicles subject to the provisions of 61-3-313
4 through 61-3-316 shall be assessed as of the first day of
5 the year in which the registration period occurs and a lien
6 for taxes and fees due thereon shall occur on the
7 anniversary date of the registration and shall continue
8 thereafter until such fees and taxes shall have been paid."

9 Section 15. Section 61-3-504, MCA, is amended to read:

10 "61-3-504. Computation of tax. The amount of taxes on
11 the a motor vehicle, except other than a motor home, travel
12 trailer, or a mobile home as defined in 15-1-101(1), is
13 computed and determined by the county treasurer on the basis
14 of the levy of the year preceding the current year of
15 application for registration or reregistration. The
16 determination is entered on the application form in a space
17 provided therefor."

18 Section 16. Section 61-3-509, MCA, is amended to read:

19 "61-3-509. Disposition of taxes and fees in lieu of
20 tax. The county treasurer shall credit all taxes on motor
21 vehicles so and fees in lieu of tax on motor homes and
22 travel trailers collected to a motor vehicle suspense fund,
23 and at some time between March 1 and March 10 of each year
24 and every 60 days thereafter, the county treasurer shall
25 distribute the same money in the motor vehicle suspense fund

1 in ~~the~~ relative proportions required by the levies for
2 state, county, school district, and municipal purposes in
3 the same manner as other personal property taxes are
4 distributed."

5 NEW SECTION. Section 17. Disposition of fees in lieu
6 of tax on snowmobiles. The county treasurer shall credit all
7 fees in lieu of tax collected on snowmobiles to the county
8 motor vehicle suspense fund provided for in 61-3-509.

9 Section 18. Section 15-6-101, MCA, is amended to read:

10 "15-6-101. Property subject to taxation --
11 classification. (1) All property in this state is subject to
12 taxation, except as provided otherwise.

13 (2) For the purpose of taxation, the taxable property
14 in the state shall be classified in accordance with 15-6-102
15 through ~~15-6-121~~ 15-6-120."

16 Section 19. Section 15-6-110, MCA, is amended to read:

17 "15-6-110. Class nine property -- description --
18 taxable percentage. (1) Class nine property includes:

19 (a) automobiles, motor trucks, and other power-driven
20 cars and vehicles of all kinds except motor homes, mobile
21 homes, motorcycles, aircraft, camper trailers, and truck
22 campers; and

23 (b) furniture and fixtures used in commercial, office,
24 and hotel activities, except improvements included in class
25 thirteen.

1 (2) Class nine property is taxed at 13.3% of its
2 market value."

3 Section 20. Section 15-6-111, MCA, is amended to read:

4 "15-6-111. Class ten property -- description --
5 taxable percentage. (1) Class ten property includes:

6 (a) aerial, surface, and portable ski lifts and ski
7 tows, including the towers, cables, ropes, sheave
8 assemblies, conveying devices, power units, and all
9 accessories; and

10 (b) manufacturing and mining machinery, fixtures, and
11 supplies, except those included in class eighteen, and

12 ~~(c) camper-trailers and truck campers valued in the~~
13 ~~"NewBvAv--Recreational-Vehicle-Appraisal-Guide"~~

14 (2) Class ten property is taxed at 12% of market
15 value."

16 Section 21. Section 15-6-201, MCA, is amended to read:

17 "15-6-201. Exempt categories. (1) (a) The property of
18 the United States, the state, counties, cities, towns,
19 school districts, irrigation districts organized under the
20 laws of Montana and not operating for profit, municipal
21 corporations, public libraries; buildings, with land they
22 occupy and furnishings therein, owned by a church and used
23 for actual religious worship and for residences of the
24 clergy, together with adjacent land reasonably necessary for
25 convenient use of such buildings owned by a church; such

1 other property as is used exclusively for agricultural and
2 horticultural societies, for educational purposes,
3 hospitals, and all property, both real and personal, without
4 limitation as to amount except that real property owned
5 shall not exceed 640 acres, owned and held by any
6 association or corporation organized under Title 35, chapter
7 20 or 21, Cemeteries, provided such cemeteries and any land
8 claimed to be exempt are not maintained and operated for
9 private or corporate profit; institutions of purely public
10 charity; evidence of debt secured by mortgages of record
11 upon real or personal property in the state of Montana; and
12 public art galleries and public observatories not used or
13 held for private or corporate profit are exempt from
14 taxation, but no more land than is necessary for such
15 purpose is exempt.

16 (b) As used in this subsection, the term "institutions
17 of purely public charity" includes organizations owning and
18 operating facilities for the care of the retired or aged or
19 chronically ill, which are not operated for gain or profit,
20 and the terms "public art galleries" and "public
21 observatories" mean only such art galleries and
22 observatories, whether of public or private ownership, as
23 are open to the public without charge or fee at all
24 reasonable hours and are used for the purpose of education
25 only.

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1 (2) All household goods and furniture, including
2 clocks, musical instruments, sewing machines, and wearing
3 apparel of members of the family, used by the owner for
4 personal and domestic purposes or for furnishing or
5 equipping the family residence are exempt from taxation.

6 (3) A truck canopy cover or topper weighing less than
7 300 pounds and having no accommodations attached is exempt
8 from taxation and the fee in lieu of tax."

9 Section 22. Section 15-8-201, MCA, is amended to read:

10 "15-8-201. General assessment day. (1) The department
11 of revenue or its agent must, between January 1 and the
12 second Monday of July in each year, ascertain the names of
13 all taxable inhabitants and assess all property subject to
14 taxation in each county. The department or its agent must
15 assess property to the person by whom it was owned or
16 claimed or in whose possession or control it was at midnight
17 of January 1 next preceding. It must also ascertain and
18 assess all mobile homes arriving in the county after
19 midnight of January 1 next preceding. No mistake in the name
20 of the owner or supposed owner of real property, however,
21 renders the assessment invalid.

22 (2) The procedure provided by this section may not
23 apply to:

24 (a) motor vehicles that are required by 15-8-202 to be
25 assessed on January 1 or upon their anniversary registration

1 date;

2 (b) motor homes and travel trailers subject to a fee
3 in lieu of property tax;

4 ~~(b)(c)~~ livestock which are required by 15-24-908 to be
5 assessed on an average inventory basis in each county;

6 ~~(c)(d)~~ property defined in 61-1-104(2) as "special
7 mobile equipment" that is subject to assessment for personal
8 property taxes on the date that application is made for a
9 special mobile equipment plate; and

10 ~~(d)(e)~~ mobile homes held by a distributor or dealer of
11 mobile homes as a part of his stock-in-trade; and

12 ~~(e)--snowmobiles that are required by 15-8-203--to--be~~
13 ~~assessed--as--of--July--1v~~

14 (3) Credits must be assessed as provided in
15 15-1-101(1)(b)."

16 Section 23. Section 15-8-202, MCA, is amended to read:

17 "15-8-202. Motor vehicle assessment. (1) (a) The
18 department or its agent must, in each year, ascertain and
19 assess all motor vehicles except other than motor homes,
20 travel trailers, or mobile homes in each county subject to
21 taxation as of January 1 or as of the anniversary
22 registration date of those vehicles subject to 61-3-313
23 through 61-3-316 and 61-3-501. The motor vehicles shall be
24 assessed in each year to the persons by whom owned or
25 claimed or in whose possession or control they were at

1 midnight of January 1 or the anniversary registration date
2 thereof, whichever is applicable.

3 ~~(b) A camper which is customarily attached to a motor
4 vehicle shall be assessed at the time the vehicle is
5 assessed.~~

6 ~~(c)~~ No tax may be assessed against motor vehicles
7 that constitute inventory of motor vehicle dealers as of
8 January 1. These vehicles and all other motor vehicles
9 brought into the state subsequent to January 1 as motor
10 vehicle dealers' inventories shall be assessed to their
11 respective purchasers as of the dates the vehicles are
12 registered by the purchasers.

13 ~~(d)(1)~~ "Purchasers" includes dealers who apply for
14 registration or reregistration of motor vehicles, except as
15 otherwise provided by 61-3-502.

16 ~~(e)(1)~~ Goods, wares, and merchandise of motor vehicle
17 dealers, other than new motor vehicles and new mobile homes,
18 shall be assessed at market value as of January 1.

19 (2) In all cases where taxes or a fee in lieu of tax
20 were required to be paid, the applicant for registration or
21 reregistration of a motor vehicle, other than a mobile home,
22 is not relieved of the duty of paying taxes or the fee in
23 lieu of tax if the taxes or fees have not been paid by a
24 prior applicant or owner."

25 Section 24. Section 23-2-611, MCA, is amended to read:

1 "23-2-611. Certificate of ownership. (1) No snowmobile
2 may be operated upon any public lands, trails, easements,
3 lakes, rivers, streams, roadways or shoulders of roadways,
4 streets, or highways, unless a certificate of ownership has
5 first been obtained from the division of motor vehicles in
6 accordance with the laws of this state.

7 ~~(2) Before such certificate may be obtained, the~~ the
8 owner of a snowmobile shall ~~make application~~ apply for a
9 certificate of ownership with the county treasurer of the
10 county in which the owner resides, upon forms to be
11 furnished for this purpose ~~which shall~~ that must require the
12 following information:

- 13 (a) name of owner;
14 (b) residence by town and county;
15 (c) business or home mail address;
16 (d) name and address of lien holder;
17 (e) amount due under contract or lien;
18 (f) name and address of manufacturer;
19 (g) model number or name;
20 (h) serial number; and
21 (i) name and address of dealer or other person from
22 whom acquired.

23 (3) The application ~~shall~~ must be signed by at least
24 one owner or by a properly authorized officer or
25 representative of the owner.

1 (4) If a certificate of ownership for a snowmobile has
 2 previously been issued under the provisions of this part,
 3 the application for a new certificate must be accompanied by
 4 the immediately previous certificate or by an affidavit upon
 5 a prescribed form stating under oath that the vehicle had
 6 not been operated during the immediately previous year. This
 7 subsection does not apply to snowmobiles that are purchased
 8 as new and unused machines or that were operated when the
 9 provisions of this part were not in force and effect.

10 (5) Upon completion of the application in
 11 quintuplicate on forms furnished by the division of motor
 12 vehicles, the county treasurer shall issue to the applicant
 13 two copies of the application, one of which shall be marked
 14 "file copy", and forward one copy and the original
 15 application to the division, which shall cause to be entered
 16 the information contained in the application upon the
 17 corresponding records of its office, and shall furnish the
 18 applicant a certificate of ownership which shall contain the
 19 information found on the application and a permanent
 20 ownership number. The certificate of ownership is not
 21 required to be renewed annually and is valid as long as the
 22 person holding it owns the snowmobile.

23 (6) The owner shall at all times retain possession of
 24 the certificate of ownership, except when the same is being
 25 transmitted to and from the division for endorsement or

1 cancellation. The owner of a snowmobile shall display his
 2 certificate of ownership number on both sides of the cowling
 3 of the snowmobile and shall maintain the number in legible
 4 condition at all times. The number shall read from left to
 5 right and be marked in Arabic numerals, in block characters
 6 of good proportion, and shall be a minimum of 3 inches in
 7 height, excluding border or trim, and of a color that
 8 contrasts with the color of the background.

9 (7) Upon application for a certificate of ownership, a
 10 fee of \$3 shall be paid to the county treasurer, one-half of
 11 which fee shall be forwarded by the county treasurer to the
 12 division of motor vehicles.

13 (8) Before a tax-paid decal indicating that the fee in
 14 lieu of property tax has been paid on the snowmobile for the
 15 current year may be applied for pursuant to the laws of this
 16 state, the owner must present the certificate of ownership
 17 or copy of completed application therefor as a prerequisite
 18 to completing the application for the tax-paid decal."

19 Section 25. Section 23-2-612, MCA, is amended to read:
 20 "23-2-612. Transfer of interest. (1) Except as
 21 provided in subsection (3), upon a transfer of any
 22 certificate of ownership to a snowmobile registered as
 23 required under the provisions of this part, the person whose
 24 title or interest is to be transferred shall write his
 25 signature with pen and ink upon the certificate of ownership

1 issued for the snowmobile in the appropriate space provided
2 upon the reverse side of the certificate, and such signature
3 shall be acknowledged before a notary public.

4 (2) Within 20 calendar days thereafter, the transferee
5 shall forward the certificate of ownership so endorsed,
6 together with the information required under this part, to
7 the division of motor vehicles, which shall file the same
8 upon receipt thereof. No certificate of ownership may be
9 issued by the division until the outstanding certificates
10 are surrendered to that office or their loss established to
11 its reasonable satisfaction. The division shall collect a
12 fee of \$3 for each application for transfer of ownership.

13 (3) A purchaser of a new or used snowmobile from a
14 licensed snowmobile dealer has a grace period of 20 calendar
15 days from the date of purchase to make application for a
16 certificate of ownership and to obtain a tax-paid decal
17 indicating that the fee in lieu of property tax has been
18 paid on the snowmobile for the current year. It is not a
19 violation of this part or any other law for the purchaser to
20 operate such a snowmobile without a certificate of ownership
21 and a tax-paid decal during the 20-day period. During this
22 period the sticker, provided for in subsection (4), shall
23 remain affixed to the snowmobile.

24 (4) Prior to the delivery of the snowmobile to the
25 purchaser, the dealer shall issue and affix to the

1 snowmobile a sticker (in a form to be prescribed by the
2 division of motor vehicles). The sticker shall contain the
3 name and address of the purchaser, the date of sale, the
4 name and address of the dealer, and a description of the
5 snowmobile, including its serial number. The dealer shall
6 keep a copy of the sticker for his records and shall send a
7 copy of the sticker to the division.

8 (5) The provisions of subsection (2) of this section,
9 requiring a transferee to forward the certificate of
10 ownership after endorsement to the division, do not apply in
11 the event of the transfer of a snowmobile to a duly licensed
12 snowmobile dealer intending to resell the snowmobile and who
13 operates it only for demonstration purposes, but every such
14 dealer, upon transferring such interest, shall deliver the
15 certificate of ownership with an application for a new
16 certificate executed by the new owner in accordance with the
17 provisions of this part. The division, upon receipt of the
18 certificate of ownership and application for a new
19 certificate, together with the conditional sales contract or
20 other lien, if any, shall issue a new certificate of
21 ownership together with a statement of any conditional sales
22 contract, mortgage, or other lien."

23 Section 26. Section 23-2-616, MCA, is amended to read:
24 "23-2-616. Display of tax-paid decals -- application
25 and issuance -- use of fees. (1) No snowmobile may be

1 operated by any person in ~~the state of~~ Montana unless there
2 is displayed in a conspicuous place on it a decal as visual
3 proof that ~~Montana personal property taxes have the fee in~~
4 lieu of property tax has been paid on it for the current
5 year.

6 (2) Application for the ~~tax-paid~~ decal shall be made
7 to the county treasurer upon forms to be furnished for this
8 purpose, which may be obtained from the division of motor
9 vehicles or at the county assessor's ~~treasurer's~~ office in
10 the county where the owner resides. The application shall
11 contain the following information:

- 12 (a) name of owner;
13 (b) address;
14 (c) certificate of ownership number;
15 (d) name of manufacturer;
16 (e) model number;
17 (f) make;
18 (g) horsepower;
19 (h) year of manufacture;
20 (i) statement evidencing ~~assessment and~~ payment of the
21 fee in lieu of property tax; and
22 (j) such other information as the division of motor
23 vehicles may require.

24 (3) The application shall be signed by the county
25 treasurer and transmitted by him to the division of motor

1 vehicles accompanied by a fee of \$2. Upon receipt of the
2 application in approved form, the division of motor vehicles
3 or county treasurer shall issue to the applicant a decal in
4 the style and design prescribed by the division and of a
5 different color than the preceding year, numbered in
6 sequence.

7 ~~(4) Before filing the application with the county~~
8 ~~treasurer, the applicant shall submit it to the county~~
9 ~~assessor of the county and the county assessor shall enter~~
10 ~~on the application in a place provided for that purpose the~~
11 ~~market value and taxable value of the snowmobile for the~~
12 ~~year for which the application is made.~~

13 ~~(5)(4)~~ The applicant shall pay the county treasurer
14 the application fee and the ~~personal property taxes assessed~~
15 ~~against~~ fee in lieu of property tax on the snowmobile for
16 the current year before the application may be accepted by
17 the county treasurer.

18 ~~(6)(5)~~ All moneys ~~money~~ collected from payment of ~~the~~
19 application fees and all interest accruing from use of these
20 moneys shall be turned over to the state treasurer and
21 placed in the earmarked revenue fund to the credit of the
22 department, with \$1 designated for use in enforcing the
23 purposes of this part and \$1 designated for use in the
24 development, maintenance, and operation of snowmobile
25 facilities."

1 Section 27. Section 23-2-617, MCA, is amended to read:
 2 "23-2-617. Duplicate decal. In the event any tax-paid
 3 decal indicating that the fee in lieu of property tax has
 4 been paid on a snowmobile for the current year is lost,
 5 mutilated, or becomes illegible, the person to whom the same
 6 was issued shall immediately make application for and may
 7 obtain a duplicate thereof, upon payment of a fee of \$1 to
 8 the county treasurer."

9 Section 28. Section 23-2-618, MCA, is amended to read:
 10 "23-2-618. Application to be made annually -- grace
 11 period -- proof of purchase. (1) Application must be made
 12 annually to the county treasurer for the issuance of
 13 tax-paid-decals-annually a decal indicating that the fee in
 14 lieu of property tax has been paid for the current year. All
 15 tax-paid decals expire on June 30 of each year.

16 (2) An owner of a newly purchased snowmobile shall
 17 have a grace period of 20 calendar days from the date of
 18 purchase to make application for a current tax-paid decal,
 19 provided that at all times during that period a bill of sale
 20 or other proof of purchase reciting the date of purchase
 21 shall be carried by the operator or with the snowmobile. An
 22 owner or operator of such a snowmobile being operated after
 23 the 20-day grace period without a current tax-paid decal
 24 displayed on the snowmobile shall be subject to the
 25 penalties of 23-2-642(1), as amended."

1 Section 29. Section 23-2-642, MCA, is amended to read:
 2 "23-2-642. Penalties. (1) The failure to display a
 3 current tax-paid decal indicating that the fee in lieu of
 4 property tax has been paid on the snowmobile for the current
 5 year during the time provided in this part is a misdemeanor,
 6 punishable by a fine of not less than \$10 or more than \$50.
 7 (2) A person who violates any other provision of this
 8 part or a rule adopted pursuant thereto shall pay a civil
 9 penalty of not less than \$15 or more than \$500 for each
 10 separate violation.

11 (3) A person who willfully violates any other
 12 provision of this part or a rule adopted pursuant thereto
 13 shall pay a civil penalty of not less than \$50 or more than
 14 \$1,000 for each separate violation.

15 (4) A manufacturer who certifies that a new snowmobile
 16 can meet the sound-level limitations imposed by this part
 17 shall be subject to the penalty provisions of subsections
 18 (2) and (3) if any machine so certified does not meet the
 19 appropriate sound level limitation. For the purposes of this
 20 section, every sale of a new snowmobile that does not meet
 21 the sound-level limitations imposed by this part constitutes
 22 a separate violation."

23 Section 30. Repealer. Sections 15-6-121 and 15-8-203,
 24 MCA, are repealed.

25 Section 31. Applicability. This act applies to motor

H.C. F. S.

LC 0135/01

- 1 homes, travel trailers, campers, and snowmobiles registered
- 2 during and after 1980.

-End-

STATE OF MONTANA

REQUEST NO. 406-79

FISCAL NOTE

Form BD-15

In compliance with a written request received February 20, 1979, there is hereby submitted a Fiscal Note for House Bill 848 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 provides a fee in lieu of property tax for motor homes, travel trailers, snowmobiles, and campers.

ASSUMPTIONS

- 1) No accurate data exists on the number of vehicles dealt with in this legislation, thus no estimate of the revenues expected from the fee system can be determined. (See Technical Note)
2) The university levy on vehicles in this category would be eliminated due to this legislation.
3) The revenues anticipated from the property tax on vehicles in this category can be estimated for FY 80 & FY 81.
4) The taxable value for vehicles in this category was \$8,439,280 for taxable year 1979. The taxable value for FY 80 & FY 81 will be \$8,900,000.
5) A university levy of 6 mills.
6) An average statewide local levy of 200 mills.
7) The legislation applies to vehicles in this category registered during and after 1980.

FISCAL IMPACT

Table with 3 columns: Description, FY80, FY81. Rows include University Levy (6 mills) under current law, under proposed law, and Estimated Decrease.

FUND INFORMATION

Table with 3 columns: Description, FY80, FY81. Row includes University Levy Estimated Decrease.

EFFECT ON LOCAL GOVERNMENT

Revenues to local governments would be approximately \$1,780,000 in both FY 80 and FY 81 under current law, but no estimate can be made for the proposed law. (See Technical Note)

TECHNICAL NOTE

Although no estimate of the revenues from the fee system can be determined, the data available indicate that revenues to local governments might be decreased slightly due to this legislation.

Richard L. Frang for BUDGET DIRECTOR

Office of Budget and Program Planning

Date: 4/22/79

Committee on Taxation

Objection Raised to Adverse Committee Report

1 *House* BILL NO. *848*
 2 INTRODUCED BY *Lizilee Manahan Daily*
 3 *Harrington Elliot Cabrit Seely*
 4 *maeken* A BILL FOR AN ACT ENTITLED: "AN ACT TO PROVIDE A FEE IN
 5 LIEU OF PROPERTY TAX FOR MOTOR HOMES, TRAVEL TRAILERS,
 6 SNOWMOBILES, AND CAMPERS; AMENDING SECTIONS 15-6-101,
 7 15-6-110, 15-6-111, 15-6-201, 15-8-201, 15-8-202, 23-2-611,
 8 23-2-612, 23-2-616 THROUGH 23-2-618, 23-2-642, 61-3-303,
 9 61-3-317, 61-3-322, 61-3-441, 61-3-442, 61-3-501 THROUGH
 10 61-3-504, AND 61-3-509, MCA; REPEALING SECTIONS 15-6-121 AND
 11 15-8-203, MCA."
 12
 13 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:
 14 NEW SECTION. Section 1. Fee in lieu of tax for
 15 certain vehicles. (1) There is a fee in lieu of property tax
 16 imposed on motor homes, travel trailers, and campers. The
 17 fee is in addition to annual registration fees.
 18 (2) The fee imposed by subsection (1) need not be paid
 19 by a dealer for vehicles that constitute inventory of the
 20 dealership.
 21 NEW SECTION. Section 2. Schedule of fees for motor
 22 homes. (1) The owner of a motor home shall pay a fee based
 23 on the age of the motor home according to the following
 24 schedule:
 25 less than 2 years old \$200

1 2 years old and less than 3 years old 180
 2 3 years old and less than 4 years old 145
 3 4 years old and less than 5 years old 100
 4 5 years old and less than 6 years old 75
 5 6 years old and less than 7 years old 50
 6 7 years old and less than 8 years old 25
 7 8 years old and older 15
 8 (2) The age of a motor home is determined by
 9 subtracting the manufacturer's designated model year from
 10 the current calendar year.
 11 NEW SECTION. Section 3. Schedule of fees for travel
 12 trailers and campers. (1) The fee imposed by [section 1] on
 13 a travel trailer less than 3 years old is \$40. In all other
 14 cases the fee is \$15.
 15 (2) The fee imposed by [section 1] on a camper less
 16 than 3 years old is \$35. In all other cases the fee is \$15.
 17 (3) The age of a travel trailer or camper is
 18 determined by subtracting the manufacturer's designated
 19 model year from the current calendar year.
 20 NEW SECTION. Section 4. Fee in lieu of tax on
 21 snowmobiles. (1) There is a fee in lieu of tax on
 22 snowmobiles.
 23 (2) The fee for a snowmobile less than 4 years old is
 24 \$22. In all other cases the fee is \$15.
 25 (3) The age of a snowmobile is determined by

1 subtracting the manufacturer's designated model year from
2 the current calendar year.

3 (4) The fee need not be paid by a dealer for
4 snowmobiles that constitute inventory of the dealership.

5 **NEW SECTION.** Section 5. Motor home. "Motor home"
6 means a self-propelled motor vehicle originally designed or
7 permanently altered to provide temporary facilities for
8 recreational, travel, or camping use.

9 **NEW SECTION.** Section 6. Travel trailer. "Travel
10 trailer" means a trailer 32 feet or less in length and 8
11 feet or less in width originally designed or permanently
12 altered to provide temporary facilities for recreational,
13 travel, or camping use.

14 Section 7. Section 61-3-303, MCA, is amended to read:

15 "61-3-303. Application for registration. (1) Every
16 owner of a motor vehicle operated or driven upon the public
17 highways of this state shall for each motor vehicle owned,
18 except as herein otherwise expressly provided, file or cause
19 to be filed in the office of the county treasurer where the
20 motor vehicle is owned or taxable an application for
21 registration or reregistration upon a blank form to be
22 prepared and furnished by the division. The application
23 shall contain:

24 (a) name and address of owner, giving county, school
25 district, and town or city within whose corporate limits the

motor vehicle is taxable;

(b) name and address of conditional sales vendor,
mortgagee, or holder of other lien against the motor
vehicle, with statement of amount owing under such contract
or lien;

(c) description of motor vehicle, including make, year
model, engine or serial number, manufacturer's model or
letter, gross weight, type of body, and if truck, the rated
capacity;

(d) in case of reregistration, the license number for
the preceding year; and

(e) such other information as the division may
require.

(2) A person who files an application for registration
or reregistration of a motor vehicle, except of a mobile
home as defined in 15-1-101(1), shall upon the filing of the
application pay to the county treasurer:

(a) ~~pay to the county treasurer~~ the registration fee,
as provided in 61-3-311 and 61-3-321; and

(b) pay the personal property taxes assessed ~~or~~ the
new motor vehicle sales tax against the vehicle for the
current year of registration, or in the case of a motor
home, travel trailer, or camper, the fee in lieu of property
tax for the current year of registration, unless the same
shall have been theretofore paid for the year, before the

1 application for registration or reregistration may be
2 accepted by the county treasurer.

3 (3) The county treasurer may make full and complete
4 investigation of the tax status of the vehicle. Any
5 applicant for registration or reregistration must submit
6 proof from the tax records of the proper county at the
7 request of the county treasurer."

8 Section 8. Section 61-3-317, MCA, is amended to read:

9 "61-3-317. New registration required for transferred
10 vehicle -- grace period -- penalty -- display of proof of
11 purchase. (1) Except as otherwise provided herein, the new
12 owner of the transferred motor vehicle shall have the grace
13 period of 20 calendar days from the date of purchase to make
14 application and pay the taxes as provided by part 5 of this
15 chapter or the fee in lieu of tax as provided by [section 1]
16 unless the tax or fee has been paid for the year, as if the
17 same was being registered for the first time in that
18 registration year. If the motor vehicle was not purchased
19 from a duly licensed motor vehicle dealer as provided in
20 this chapter, it shall not be a violation of this chapter or
21 any other law for the purchaser to operate the vehicle upon
22 the streets and highways of this state without a certificate
23 of registration during the 20-day period; provided, that at
24 all times during that period a bill of sale or other proof
25 of purchase reciting the date of purchase shall be clearly

1 displayed in the rear window of the motor vehicle.
2 Registration and license fees collected under 61-3-321 are
3 not required to be paid when a license plate is transferred
4 under this section and 61-3-335. Failure to make
5 application within the time provided herein shall subject
6 the purchaser to a penalty of \$10. The penalty shall be
7 collected by the county treasurer at the time of
8 registration, and shall be in addition to the fees otherwise
9 provided by law.

10 (2) Any purchaser of a new or used motor vehicle from
11 a duly licensed motor vehicle dealer shall have the grace
12 period of 20 calendar days from the date of purchase to make
13 application for registration and to obtain registration
14 plates, and it shall not be a violation of this chapter or
15 any other law for such purchaser to operate such vehicle
16 upon the streets and highways of this state without a
17 certificate of registration and registration plates during
18 the 20-day period; provided that at all times during said
19 period the sticker issued by the dealer at the time of
20 purchase shall remain affixed to said vehicle as provided in
21 61-4-111. Failure to make such application within the time
22 provided herein subjects the purchaser to a penalty of \$10.
23 The penalty is to be collected by the county treasurer at
24 the time of registration and is in addition to the fees
25 otherwise provided by law."

Section 9. Section 61-3-322, MCA, is amended to read:

"61-3-322. Certificates of registration -- issuance.

(1) Upon completion of the application for registration, on forms furnished by the division, the county treasurer shall file one copy in his office and issue to the applicant two copies of the application marked "Owner's Certificate of Registration and Tax Receipt", one of which shall be marked "file copy".

(2) The certificate of registration shall contain upon the face thereof:

(a) the date issued;

(b) the registration number assigned to the owner and the vehicle;

(c) the name and complete address of the owner, or the names and addresses of joint owners;

(d) the name and complete address of any conditional sales vendor, and also the name and address of any other lienor as shown by said application;

(e) a description of the registered vehicle including the year built and serial number, if any;

(f) any lien against such motor vehicle and the amount due at the date of registration; and

(g) such other statement of facts as may be determined by the division.

(3) Every owner, upon receiving a registration receipt

shall write his signature thereon with pen and ink in the space provided. Every such registration receipt or a notarized photostatic copy thereof or a duplicate thereof furnished by the division shall at all times be carried in the vehicle to which it refers or shall be carried by the person driving or in control of such vehicle, who shall display the same upon demand of a police officer or any officer or employee of the division or the highway department.

~~(4) Upon receipt of application for registration in quintuplet, and payment of license fees and taxes as herein provided, the county treasurer shall:~~

~~(a) file one copy of said application in his office;~~

~~(b) issue to the applicant two copies of the application entitled "Owner's Certificate of Registration and Tax Receipt" one of which shall be marked "file copy";~~
and

~~(c) forward one copy to the county clerk and recorder;~~

~~(5) (4) The county treasurer shall daily forward to the division one copy of the application all applications for registration received that day.~~

~~(6) (5) It shall not be necessary for the county treasurer, in said receipt, to segregate the amount of said taxes for state, county, school district, and municipal purposes."~~

1 Section 10. Section 61-3-441, MCA, is amended to read:

2 "61-3-441. ~~Tax-paid~~ Fee-paid decal required on camper
3 -- application for decal -- application fee -- issuance. (1)
4 No camper, subject to taxation in Montana, ~~shall~~ may be
5 operated by any person ~~in the state of Montana~~ on the public
6 highways or streets in this state unless there is displayed
7 in a conspicuous place thereon a decal as visual proof that
8 ~~Montana persons' property taxes have the fee in lieu of tax~~
9 has been paid thereon for the current year.

10 (2) Application for the issuance of ~~such tax-paid~~ the
11 decal shall be made to the department of revenue or the
12 county treasurer upon forms to be furnished for this
13 purpose, which may be obtained from the department or at the
14 county ~~assessor's~~ treasurer's office in the county wherein
15 the owner resides, and is to provide for substantially the
16 following information:

- 17 (a) name of owner;
18 (b) address;
19 (c) name of manufacturer;
20 (d) model number;
21 (e) make;
22 (f) year of manufacture;
23 (g) statement evidencing ~~assessment and payment of the~~
24 fee in lieu of property tax; and
25 (h) such other information as the department may

1 require.

2 (3) ~~Said~~ The application ~~shall~~ must be signed by the
3 county treasurer and transmitted by him to the department
4 accompanied by ~~a~~ an application fee of \$1. Upon receipt of
5 the application in approved form the department or county
6 treasurer shall issue to the applicant a decal in the style
7 and design prescribed by the department and of a different
8 color than the preceding year, numbered numerically."

9 Section 11. Section 61-3-442, MCA, is amended to read:

10 "61-3-442. Annual application for decals. Application
11 may be made to the department of revenue or county treasurer
12 for the issuance of ~~tax-paid camper~~ decals annually when the
13 motor vehicle to which the camper is customarily attached is
14 registered."

15 Section 12. Section 61-3-501, MCA, is amended to read:

16 "61-3-501. When vehicle property tax is due. (1)
17 Property taxes ~~and~~ new car taxes, and fees in lieu of tax
18 on a motor home or travel trailer shall must be paid on the
19 date of registration or reregistration of the vehicle.

20 (2) If the anniversary date for reregistration of a
21 vehicle ~~shall--pass~~ passes while the vehicle is owned and
22 held for sale by a licensed new or used car dealer, property
23 taxes ~~shall~~ or the fee in lieu of property taxes abate on
24 such vehicle properly reported with the department of
25 revenue until the vehicle is sold and thereafter the

1 purchaser shall pay the pro rata balance of the taxes or the
2 fee in lieu of tax due and owing on the vehicle.

3 (3) In the event a vehicle's registration period is
4 changed under 61-3-315, all taxes and other fees due thereon
5 shall be prorated and paid from the last day of the old
6 period until the first day of the new period in which the
7 vehicle shall be registered. Thereafter taxes and other fees
8 must be paid from the first day of the new period for a
9 minimum period of 1 year. When the change is to a later
10 registration period, taxes and fees shall be prorated and
11 paid based on the same tax year as the original registration
12 period. Thereafter, during the appropriate anniversary
13 registration period, each vehicle shall again register or
14 reregister and shall pay all taxes and fees due thereon for
15 a 12-month period.*

16 Section 13. Section 61-3-502, MCA, is amended to read:

17 *61-3-502. Sales tax on new motor vehicles --
18 exemptions. (1) In consideration of the right to use the
19 highways of the state, there shall be imposed a tax upon all
20 sales of new motor vehicles for which a license is sought
21 and an original application for title is made. The tax
22 shall be paid by the purchaser when he applies for his
23 original Montana license through the county treasurer.

24 (2) The sales tax shall be:

25 (a) 1 1/2% of the F.O.B. factory list price or F.O.B.

1 port of entry list price, during the first quarter of the
2 year or prorated one-twelfth for each month or part of month
3 for a registration period other than a calendar year or
4 calendar quarter;

5 (b) 1 1/8% of the list price during the second quarter
6 of the year;

7 (c) 3/4 of 1% during the third quarter of the year;

8 (d) 3/8 of 1% during the fourth quarter of the year.

9 (3) If the manufacturer or importer fails to furnish
10 the F.O.B. factory list price or F.O.B. port of entry list
11 price, the department may use published price lists.

12 (4) The proceeds from this tax shall be remitted to
13 the state treasurer every 30 days for credit to the state
14 highway account of the earmarked revenue fund.

15 (5) The new vehicle is not subject to any other
16 assessment or, taxation, or fee in lieu of tax during the
17 calendar year in which the original application for title is
18 made.

19 (6) (a) The applicant for original registration of any
20 wholly new and unused motor vehicle or new motor vehicle
21 furnished without charge by the dealer to the school
22 district for use as a traffic education motor vehicle by a
23 school district operating a state-approved traffic education
24 program within the state, whether or not previously licensed
25 or titled to the school district, except a mobile home as

1 defined in 15-1-101(1), acquired by original contract after
 2 January 1 of any year shall be required, whenever such
 3 vehicle has not been otherwise assessed, to pay the motor
 4 vehicle sales tax provided by this section irrespective of
 5 whether the vehicle was in the state of Montana on January 1
 6 of the year.

7 (b) No such motor vehicle may be registered or
 8 licensed under the provisions of this subsection unless the
 9 application for registration is accompanied by a statement
 10 of origin to be furnished by the dealer selling the vehicle,
 11 showing that the vehicle has not previously been registered
 12 or owned, except as otherwise provided herein, by any
 13 person, firm, corporation, or association that is not a new
 14 motor vehicle dealer holding a franchise or distribution
 15 agreement from a new car manufacturer, distributor, or
 16 importer.

17 (7) Motor vehicles operating exclusively for
 18 transportation of persons for hire within the limits of
 19 incorporated cities or towns and within 15 miles from such
 20 limits are exempt from subsection (1). Motor vehicles
 21 brought or driven into Montana by a nonresident migratory
 22 bona fide agricultural worker temporarily employed in
 23 agricultural work in this state where those motor vehicles
 24 are used exclusively for transportation of agricultural
 25 workers are also exempt from subsection (1). Vehicles

1 lawfully displaying a licensed dealer's plate as provided in
 2 61-4-102 are exempt from subsection (1) when moving to or
 3 from a dealer's place of business when unladen or laden with
 4 dealer's property only, and in the case of vehicles having a
 5 gross laden weight of less than 24,000 pounds, while in the
 6 process of demonstration in the course of the dealer's
 7 business."

8 Section 14. Section 61-3-503, MCA, is amended to read:
 9 "61-3-503. Assessment. (1) A person who files an
 10 application for registration or reregistration of a motor
 11 vehicle, ~~except of other than a motor home, travel trailers,~~
 12 ~~or a mobile home as defined in 15-1-101(1),~~ shall before
 13 filing such application with the county treasurer submit the
 14 same to the county assessor of the county. The county
 15 assessor shall enter on the application in a space to be
 16 provided for that purpose the market value and taxable value
 17 of the vehicle for the year for which the application for
 18 registration is made.

19 (2) Except as provided in subsection (3) motor
 20 vehicles, ~~except other than motor homes, travel trailers, or~~
 21 ~~mobile homes as defined in 15-1-101(1),~~ are assessed for
 22 taxes on January 1 in each year irrespective of the time
 23 fixed by law for the assessment of other classes of personal
 24 property and irrespective of whether the levy and tax may be
 25 a lien upon real property within the state. In no event may

1 any motor vehicle be subject to assessment, levy, and
2 taxation more than once in each year.

3 (3) Vehicles, subject to the provisions of 61-3-313
4 through 61-3-316 shall be assessed as of the first day of
5 the year in which the registration period occurs and a lien
6 for taxes and fees due thereon shall occur on the
7 anniversary date of the registration and shall continue
8 thereafter until such fees and taxes shall have been paid."

9 Section 15. Section 61-3-504, MCA, is amended to read:

10 "61-3-504. Computation of tax. The amount of taxes on
11 ~~the a motor vehicle, except other than a motor home, travel~~
12 ~~trailer, or~~ a mobile home as defined in 15-1-101(1), is
13 computed and determined by the county treasurer on the basis
14 of the levy of the year preceding the current year of
15 application for registration or reregistration. The
16 determination is entered on the application form in a space
17 provided therefor."

18 Section 16. Section 61-3-509, MCA, is amended to read:

19 "61-3-509. Disposition of taxes ~~and fees in lieu of~~
20 ~~tax.~~ The county treasurer shall credit all taxes on motor
21 vehicles ~~so and fees in lieu of tax on motor homes and~~
22 ~~travel trailers~~ collected to a motor vehicle suspense fund,
23 and at some time between March 1 and March 10 of each year
24 and every 60 days thereafter, the county treasurer shall
25 distribute the ~~same money in the motor vehicle suspense fund~~

1 in ~~the~~ relative proportions required by the levies for
2 state, county, school district, and municipal purposes in
3 the same manner as other personal property taxes are
4 distributed."

5 ~~NEW SECTION.~~ Section 17. Disposition of fees in lieu
6 of tax on snowmobiles. The county treasurer shall credit all
7 fees in lieu of tax collected on snowmobiles to the county
8 motor vehicle suspense fund provided for in 61-3-509.

9 Section 18. Section 15-6-101, MCA, is amended to read:

10 "15-6-101. Property subject to taxation --
11 classification. (1) All property in this state is subject to
12 taxation, except as provided otherwise.

13 (2) For the purpose of taxation, the taxable property
14 in the state shall be classified in accordance with 15-6-102
15 through ~~15-6-121~~ 15-6-120."

16 Section 19. Section 15-6-110, MCA, is amended to read:

17 "15-6-110. Class nine property -- description --
18 taxable percentage. (1) Class nine property includes:

19 (a) automobiles, motor trucks, and other power-driven
20 cars and vehicles of all kinds except ~~motor homes,~~ mobile
21 homes, motorcycles, aircraft, camper trailers, and truck
22 campers; and

23 (b) furniture and fixtures used in commercial, offices,
24 and hotel activities, except improvements included in class
25 thirteen.

1 (2) Class nine property is taxed at 13.3% of its
2 market value."

3 Section 20. Section 15-6-111, MCA, is amended to read:

4 "15-6-111. Class ten property -- description --
5 taxable percentage. (1) Class ten property includes:

6 (a) aerial, surface, and portable ski lifts and ski
7 tows, including the towers, cables, ropes, sheave
8 assemblies, conveying devices, power units, and all
9 accessories; and

10 (b) manufacturing and mining machinery, fixtures, and
11 supplies, except those included in class eighteenth, and

12 ~~(c) camper--trailers--and--truck-campers--valued--in--the~~
13 ~~"N.A.B.A.--Recreational-Vehicle-Appraisal-Guide"~~

14 (2) Class ten property is taxed at 12% of market
15 value."

16 Section 21. Section 15-6-201, MCA, is amended to read:

17 "15-6-201. Exempt categories. (1) (a) The property of
18 the United States, the state, counties, cities, towns,
19 school districts, irrigation districts organized under the
20 laws of Montana and not operating for profit, municipal
21 corporations, public libraries; buildings, with land they
22 occupy and furnishings therein, owned by a church and used
23 for actual religious worship and for residences of the
24 clergy, together with adjacent land reasonably necessary for
25 convenient use of such buildings owned by a church; such

1 other property as is used exclusively for agricultural and
2 horticultural societies, for educational purposes,
3 hospitals, and all property, both real and personal, without
4 limitation as to amount except that real property owned
5 shall not exceed 640 acres, owned and held by any
6 association or corporation organized under Title 35, chapter
7 20 or 21, Cemeteries, provided such cemeteries and any land
8 claimed to be exempt are not maintained and operated for
9 private or corporate profit; institutions of purely public
10 charity; evidence of debt secured by mortgages of record
11 upon real or personal property in the state of Montana; and
12 public art galleries and public observatories not used or
13 held for private or corporate profit are exempt from
14 taxation, but no more land than is necessary for such
15 purpose is exempt.

16 (b) As used in this subsection, the term "institutions
17 of purely public charity" includes organizations owning and
18 operating facilities for the care of the retired or aged or
19 chronically ill, which are not operated for gain or profit,
20 and the terms "public art galleries" and "public
21 observatories" mean only such art galleries and
22 observatories, whether of public or private ownership, as
23 are open to the public without charge or fee at all
24 reasonable hours and are used for the purpose of education
25 only.

1 (2) All household goods and furniture, including
2 clocks, musical instruments, sewing machines, and wearing
3 apparel of members of the family, used by the owner for
4 personal and domestic purposes or for furnishing or
5 equipping the family residence are exempt from taxation.

6 (3) A truck canopy cover or topper weighing less than
7 300 pounds and having no accommodations attached is exempt
8 from taxation and the fee in lieu of tax."

9 Section 22. Section 15-8-201, MCA, is amended to read:

10 "15-8-201. General assessment day. (1) The department
11 of revenue or its agent must, between January 1 and the
12 second Monday of July in each year, ascertain the names of
13 all taxable inhabitants and assess all property subject to
14 taxation in each county. The department or its agent must
15 assess property to the person by whom it was owned or
16 claimed or in whose possession or control it was at midnight
17 of January 1 next preceding. It must also ascertain and
18 assess all mobile homes arriving in the county after
19 midnight of January 1 next preceding. No mistake in the name
20 of the owner or supposed owner of real property, however,
21 renders the assessment invalid.

22 (2) The procedure provided by this section may not
23 apply to:

24 (a) motor vehicles that are required by 15-8-202 to be
25 assessed on January 1 or upon their anniversary registration

1 date;

2 (b) motor homes and travel trailers subject to a fee
3 in lieu of property tax;

4 ~~(b)(c)~~ livestock which are required by 15-24-908 to be
5 assessed on an average inventory basis in each county;

6 ~~(c)(d)~~ property defined in 61-1-104(2) as "special
7 mobile equipment" that is subject to assessment for personal
8 property taxes on the date that application is made for a
9 special mobile equipment plate; and

10 ~~(d)(e)~~ mobile homes held by a distributor or dealer of
11 mobile homes as a part of his stock-in-trade; and

12 ~~(e)--snowmobiles that are required by--15-8-203--to--be~~
13 ~~assessed as of July 1~~

14 (3) Credits must be assessed as provided in
15 15-1-101(1)(b)."

16 Section 23. Section 15-8-202, MCA, is amended to read:

17 "15-8-202. Motor vehicle assessment. (1) (a) The
18 department or its agent must, in each year, ascertain and
19 assess all motor vehicles except other than motor homes,
20 travel trailers, or mobile homes in each county subject to
21 taxation as of January 1 or as of the anniversary
22 registration date of those vehicles subject to 61-3-313
23 through 61-3-316 and 61-3-501. The motor vehicles shall be
24 assessed in each year to the persons by whom owned or
25 claimed or in whose possession or control they were at

1 midnight of January 1 or the anniversary registration date
2 thereof, whichever is applicable.

3 ~~(b) A camper which is customarily attached to a motor~~
4 ~~vehicle shall be assessed at the time the vehicle is~~
5 ~~assessed.~~

6 (c)(b) No tax may be assessed against motor vehicles
7 that constitute inventory of motor vehicle dealers as of
8 January 1. These vehicles and all other motor vehicles
9 brought into the state subsequent to January 1 as motor
10 vehicle dealers' inventories shall be assessed to their
11 respective purchasers as of the dates the vehicles are
12 registered by the purchasers.

13 (d)(c) "Purchasers" includes dealers who apply for
14 registration or reregistration of motor vehicles, except as
15 otherwise provided by 61-3-502.

16 (e)(d) Goods, wares, and merchandise of motor vehicle
17 dealers, other than new motor vehicles and new mobile homes,
18 shall be assessed at market value as of January 1.

19 (2) In all cases where taxes or a fee in lieu of tax
20 were required to be paid, the applicant for registration or
21 reregistration of a motor vehicle, other than a mobile home,
22 is not relieved of the duty of paying taxes or the fee in
23 lieu of tax if the taxes or fees have not been paid by a
24 prior applicant or owner."

25 Section 24. Section 23-2-611, MCA, is amended to read:

1 "23-2-611. Certificate of ownership. (1) No snowmobile
2 may be operated upon any public lands, trails, easements,
3 lakes, rivers, streams, roadways or shoulders of roadways,
4 streets, or highways, unless a certificate of ownership has
5 first been obtained from the division of motor vehicles in
6 accordance with the laws of this state.

7 (2) ~~Before such certificate may be obtained, the~~ the
8 owner of a snowmobile shall ~~make application~~ apply for a
9 certificate of ownership with the county treasurer of the
10 county in which the owner resides, upon forms to be
11 furnished for this purpose ~~which shall~~ that must require the
12 following information:

- 13 (a) name of owner;
14 (b) residence by town and county;
15 (c) business or home mail address;
16 (d) name and address of lien holder;
17 (e) amount due under contract or lien;
18 (f) name and address of manufacturer;
19 (g) model number or name;
20 (h) serial number; and
21 (i) name and address of dealer or other person from
22 whom acquired.

23 (3) The application shall ~~must~~ be signed by at least
24 one owner or by a properly authorized officer or
25 representative of the owner.

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1 (4) If a certificate of ownership for a snowmobile has
 2 previously been issued under the provisions of this part,
 3 the application for a new certificate must be accompanied by
 4 the immediately previous certificate or by an affidavit upon
 5 a prescribed form stating under oath that the vehicle had
 6 not been operated during the immediately previous year. This
 7 subsection does not apply to snowmobiles that are purchased
 8 as new and unused machines or that were operated when the
 9 provisions of this part were not in force and effect.

10 (5) Upon completion of the application in
 11 quintuplicate on forms furnished by the division of motor
 12 vehicles, the county treasurer shall issue to the applicant
 13 two copies of the application, one of which shall be marked
 14 "file copy", and forward one copy and the original
 15 application to the division, which shall cause to be entered
 16 the information contained in the application upon the
 17 corresponding records of its office, and shall furnish the
 18 applicant a certificate of ownership which shall contain the
 19 information found on the application and a permanent
 20 ownership number. The certificate of ownership is not
 21 required to be renewed annually and is valid as long as the
 22 person holding it owns the snowmobile.

23 (6) The owner shall at all times retain possession of
 24 the certificate of ownership, except when the same is being
 25 transmitted to and from the division for endorsement or

1 cancellation. The owner of a snowmobile shall display his
 2 certificate of ownership number on both sides of the cowling
 3 of the snowmobile and shall maintain the number in legible
 4 condition at all times. The number shall read from left to
 5 right and be marked in Arabic numerals, in block characters
 6 of good proportion, and shall be a minimum of 3 inches in
 7 height, excluding border or trim, and of a color that
 8 contrasts with the color of the background.

9 (7) Upon application for a certificate of ownership, a
 10 fee of \$3 shall be paid to the county treasurer, one-half of
 11 which fee shall be forwarded by the county treasurer to the
 12 division of motor vehicles.

13 (8) Before a ~~tax-paid~~ decal indicating that the fee in
 14 lieu of property tax has been paid on the snowmobile for the
 15 current year may be applied for pursuant to the laws of this
 16 state, the owner must present the certificate of ownership
 17 or copy of completed application therefor as a prerequisite
 18 to completing the application for the ~~tax-paid~~ decal."

19 Section 25. Section 23-2-612, MCA, is amended to read:

20 "23-2-612. Transfer of interest. (1) Except as
 21 provided in subsection (3), upon a transfer of any
 22 certificate of ownership to a snowmobile registered as
 23 required under the provisions of this part, the person whose
 24 title or interest is to be transferred shall write his
 25 signature with pen and ink upon the certificate of ownership

1 issued for the snowmobile in the appropriate space provided
2 upon the reverse side of the certificate, and such signature
3 shall be acknowledged before a notary public.

4 (2) Within 20 calendar days thereafter, the transferee
5 shall forward the certificate of ownership so endorsed,
6 together with the information required under this part, to
7 the division of motor vehicles, which shall file the same
8 upon receipt thereof. No certificate of ownership may be
9 issued by the division until the outstanding certificates
10 are surrendered to that office or their loss established to
11 its reasonable satisfaction. The division shall collect a
12 fee of \$3 for each application for transfer of ownership.

13 (3) A purchaser of a new or used snowmobile from a
14 licensed snowmobile dealer has a grace period of 20 calendar
15 days from the date of purchase to make application for a
16 certificate of ownership and to obtain a tax-paid decal
17 indicating that the fee in lieu of property tax has been
18 paid on the snowmobile for the current year. It is not a
19 violation of this part or any other law for the purchaser to
20 operate such a snowmobile without a certificate of ownership
21 and a tax-paid decal during the 20-day period. During this
22 period the sticker, provided for in subsection (4), shall
23 remain affixed to the snowmobile.

24 (4) Prior to the delivery of the snowmobile to the
25 purchaser, the dealer shall issue and affix to the

1 snowmobile a sticker (in a form to be prescribed by the
2 division of motor vehicles). The sticker shall contain the
3 name and address of the purchaser, the date of sale, the
4 name and address of the dealer, and a description of the
5 snowmobile, including its serial number. The dealer shall
6 keep a copy of the sticker for his records and shall send a
7 copy of the sticker to the division.

8 (5) The provisions of subsection (2) of this section,
9 requiring a transferee to forward the certificate of
10 ownership after endorsement to the division, do not apply in
11 the event of the transfer of a snowmobile to a duly licensed
12 snowmobile dealer intending to resell the snowmobile and who
13 operates it only for demonstration purposes, but every such
14 dealer, upon transferring such interest, shall deliver the
15 certificate of ownership with an application for a new
16 certificate executed by the new owner in accordance with the
17 provisions of this part. The division, upon receipt of the
18 certificate of ownership and application for a new
19 certificate, together with the conditional sales contract or
20 other lien, if any, shall issue a new certificate of
21 ownership together with a statement of any conditional sales
22 contract, mortgage, or other lien."

23 Section 26. Section 23-2-616, MCA, is amended to read:
24 "23-2-616. Display of tax-paid decals -- application
25 and issuance -- use of fees. (1) No snowmobile may be

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1 operated by any person in ~~the state of~~ Montana unless there
 2 is displayed in a conspicuous place on it a decal as visual
 3 proof that ~~Montana personal property taxes have the fee in~~
 4 lieu of property tax has been paid on it for the current
 5 year.

6 (2) Application for the ~~tax-paid~~ decal shall be made
 7 to the county treasurer upon forms to be furnished for this
 8 purpose, which may be obtained from the division of motor
 9 vehicles or at the county assessor's ~~treasurer's~~ office in
 10 the county where the owner resides. The application shall
 11 contain the following information:

- 12 (a) name of owner;
- 13 (b) address;
- 14 (c) certificate of ownership number;
- 15 (d) name of manufacturer;
- 16 (e) model number;
- 17 (f) make;
- 18 (g) horsepower;
- 19 (h) year of manufacture;
- 20 (i) statement evidencing assessment ~~and~~ payment of the
 21 fee in lieu of property tax; and
- 22 (j) such other information as the division of motor
 23 vehicles may require.

24 (3) The application shall be signed by the county
 25 treasurer and transmitted by him to the division of motor

1 vehicles accompanied by a fee of \$2. Upon receipt of the
 2 application in approved form, the division of motor vehicles
 3 or county treasurer shall issue to the applicant a decal in
 4 the style and design prescribed by the division and of a
 5 different color than the preceding year, numbered in
 6 sequence.

7 ~~{4} Before filing the application with the county~~
 8 ~~treasurer, the applicant shall submit it to the county~~
 9 ~~assessor of the county and the county assessor shall enter~~
 10 ~~on the application in a place provided for that purpose the~~
 11 ~~market value and taxable value of the snowmobile for the~~
 12 ~~year for which the application is made.~~

13 ~~{5}{4}~~ The applicant shall pay the county treasurer
 14 the application fee and the ~~personal property taxes assessed~~
 15 ~~against~~ fee in lieu of property tax on the snowmobile for
 16 the current year before the application may be accepted by
 17 the county treasurer.

18 ~~{6}{5}~~ All ~~moneys~~ ~~money~~ collected from payment of the
 19 application fees and all interest accruing from use of these
 20 moneys shall be turned over to the state treasurer and
 21 placed in the earmarked revenue fund to the credit of the
 22 department, with \$1 designated for use in enforcing the
 23 purposes of this part and \$1 designated for use in the
 24 development, maintenance, and operation of snowmobile
 25 facilities."

1 Section 27. Section 23-2-617, MCA, is amended to read:
 2 "23-2-617. Duplicate decal. In the event any tax-paid
 3 decal indicating that the fee in lieu of property tax has
 4 been paid on a snowmobile for the current year is lost,
 5 mutilated, or becomes illegible, the person to whom the same
 6 was issued shall immediately make application for and may
 7 obtain a duplicate thereof, upon payment of a fee of \$1 to
 8 the county treasurer."

9 Section 28. Section 23-2-618, MCA, is amended to read:
 10 "23-2-618. Application to be made annually -- grace
 11 period -- proof of purchase. (1) Application must be made
 12 annually to the county treasurer for the issuance of
 13 tax-paid-decals-annually a decal indicating that the fee in
 14 lieu of property tax has been paid for the current year. All
 15 tax-paid decals expire on June 30 of each year.

16 (2) An owner of a newly purchased snowmobile shall
 17 have a grace period of 20 calendar days from the date of
 18 purchase to make application for a current tax-paid decal,
 19 provided that at all times during that period a bill of sale
 20 or other proof of purchase reciting the date of purchase
 21 shall be carried by the operator or with the snowmobile. An
 22 owner or operator of such a snowmobile being operated after
 23 the 20-day grace period without a current tax-paid decal
 24 displayed on the snowmobile shall be subject to the
 25 penalties of 23-2-642(1), as amended."

1 Section 29. Section 23-2-642, MCA, is amended to read:
 2 "23-2-642. Penalties. (1) The failure to display a
 3 current tax-paid decal indicating that the fee in lieu of
 4 property tax has been paid on the snowmobile for the current
 5 year during the time provided in this part is a misdemeanor,
 6 punishable by a fine of not less than \$10 or more than \$50.
 7 (2) A person who violates any other provision of this
 8 part or a rule adopted pursuant thereto shall pay a civil
 9 penalty of not less than \$15 or more than \$500 for each
 10 separate violation.

11 (3) A person who willfully violates any other
 12 provision of this part or a rule adopted pursuant thereto
 13 shall pay a civil penalty of not less than \$50 or more than
 14 \$1,000 for each separate violation.

15 (4) A manufacturer who certifies that a new snowmobile
 16 can meet the sound-level limitations imposed by this part
 17 shall be subject to the penalty provisions of subsections
 18 (2) and (3) if any machine so certified does not meet the
 19 appropriate sound level limitation. For the purposes of this
 20 section, every sale of a new snowmobile that does not meet
 21 the sound-level limitations imposed by this part constitutes
 22 a separate violation."

23 Section 30. Repealer. Sections 15-6-121 and 15-8-203,
 24 MCA, are repealed.

25 Section 31. Applicability. This act applies to motor

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LC 0135/01

- 1 homes, travel trailers, campers, and snowmobiles registered
- 2 during and after 1980.

-End-

House BILL NO. 848
Gilbert Monahan Daily
Harington Ellen Cabot Sewell

Huachuca

1
2 INTRODUCED BY
3
4 A BILL FOR AN ACT ENTITLED: "AN ACT TO PROVIDE A FEE IN
5 LIEU OF PROPERTY TAX FOR MOTOR HOMES, TRAVEL TRAILERS,
6 SNOWMOBILES, AND CAMPERS; AMENDING SECTIONS 15-6-101,
7 15-6-110, 15-6-111, 15-6-201, 15-8-201, 15-8-202, 23-2-611,
8 23-2-612, 23-2-616 THROUGH 23-2-618, 23-2-642, 61-3-303,
9 61-3-317, 61-3-322, 61-3-441, 61-3-442, 61-3-501 THROUGH
10 61-3-504, AND 61-3-509, MCA; REPEALING SECTIONS 15-6-121 AND
11 15-8-203, MCA."
12

13 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

14 NEW SECTION. Section 1. Fee in lieu of tax for
15 certain vehicles. (1) There is a fee in lieu of property tax
16 imposed on motor homes, travel trailers, and campers. The
17 fee is in addition to annual registration fees.

18 (2) The fee imposed by subsection (1) need not be paid
19 by a dealer for vehicles that constitute inventory of the
20 dealership.

21 NEW SECTION. Section 2. Schedule of fees for motor
22 homes. (1) The owner of a motor home shall pay a fee based
23 on the age of the motor home according to the following
24 schedule:

25 less than 2 years old \$200

1 2 years old and less than 3 years old 180
2 3 years old and less than 4 years old 145
3 4 years old and less than 5 years old 100
4 5 years old and less than 6 years old 75
5 6 years old and less than 7 years old 50
6 7 years old and less than 8 years old 25
7 8 years old and older 15

8 (2) The age of a motor home is determined by
9 subtracting the manufacturer's designated model year from
10 the current calendar year.

11 NEW SECTION. Section 3. Schedule of fees for travel
12 trailers and campers. (1) The fee imposed by [section 1] on
13 a travel trailer less than 3 years old is \$40. In all other
14 cases the fee is \$15.

15 (2) The fee imposed by [section 1] on a camper less
16 than 3 years old is \$35. In all other cases the fee is \$15.

17 (3) The age of a travel trailer or camper is
18 determined by subtracting the manufacturer's designated
19 model year from the current calendar year.

20 NEW SECTION. Section 4. Fee in lieu of tax on
21 snowmobiles. (1) There is a fee in lieu of tax on
22 snowmobiles.

23 (2) The fee for a snowmobile less than 4 years old is
24 \$22. In all other cases the fee is \$15.

25 (3) The age of a snowmobile is determined by

1 subtracting the manufacturer's designated model year from
2 the current calendar year.

3 (4) The fee need not be paid by a dealer for
4 snowmobiles that constitute inventory of the dealership.

5 NEW SECTION. Section 5. Motor home. "Motor home"
6 means a self-propelled motor vehicle originally designed or
7 permanently altered to provide temporary facilities for
8 recreational, travel, or camping use.

9 NEW SECTION. Section 6. Travel trailer. "Travel
10 trailer" means a trailer 32 feet or less in length and 8
11 feet or less in width originally designed or permanently
12 altered to provide temporary facilities for recreational,
13 travel, or camping use.

14 Section 7. Section 61-3-303, MCA, is amended to read:

15 "61-3-303. Application for registration. (1) Every
16 owner of a motor vehicle operated or driven upon the public
17 highways of this state shall for each motor vehicle owned,
18 except as herein otherwise expressly provided, file or cause
19 to be filed in the office of the county treasurer where the
20 motor vehicle is owned or taxable an application for
21 registration or reregistration upon a blank form to be
22 prepared and furnished by the division. The application
23 shall contain:

24 (a) name and address of owner, giving county, school
25 district, and town or city within whose corporate limits the

1 motor vehicle is taxable;

2 (b) name and address of conditional sales vendor,
3 mortgagee, or holder of other lien against the motor
4 vehicle, with statement of amount owing under such contract
5 or lien;

6 (c) description of motor vehicle, including make, year
7 model, engine or serial number, manufacturer's model or
8 letter, gross weight, type of body, and if truck, the rated
9 capacity;

10 (d) in case of reregistration, the license number for
11 the preceding year; and

12 (e) such other information as the division may
13 require.

14 (2) A person who files an application for registration
15 or reregistration of a motor vehicle, except of a mobile
16 home as defined in 15-1-101(1), shall upon the filing of the
17 application pay to the county treasurer:

18 (a) ~~pay to the county treasurer~~ the registration fee,
19 as provided in 61-3-311 and 61-3-321; and

20 (b) ~~pay~~ the personal property taxes assessed ~~on~~ the
21 new motor vehicle sales tax against the vehicle for the
22 current year of registration, or in the case of a motor
23 home, travel trailer, or camper, the fee in lieu of property
24 tax for the current year of registration, unless the same
25 shall have been theretofore paid for the year, before the

1 application for registration or reregistration may be
2 accepted by the county treasurer.

3 (3) The county treasurer may make full and complete
4 investigation of the tax status of the vehicle. Any
5 applicant for registration or reregistration must submit
6 proof from the tax records of the proper county at the
7 request of the county treasurer."

8 Section 8. Section 61-3-317, MCA, is amended to read:

9 "61-3-317. New registration required for transferred
10 vehicle -- grace period -- penalty -- display of proof of
11 purchase. (1) Except as otherwise provided herein, the new
12 owner of the transferred motor vehicle shall have the grace
13 period of 20 calendar days from the date of purchase to make
14 application and pay the taxes as provided by part 5 of this
15 chapter or the fee in lieu of tax as provided by [section 1]
16 unless the tax or fee has been paid for the year, as if the
17 same was being registered for the first time in that
18 registration year. If the motor vehicle was not purchased
19 from a duly licensed motor vehicle dealer as provided in
20 this chapter, it shall not be a violation of this chapter or
21 any other law for the purchaser to operate the vehicle upon
22 the streets and highways of this state without a certificate
23 of registration during the 20-day period; provided, that at
24 all times during that period a bill of sale or other proof
25 of purchase reciting the date of purchase shall be clearly

1 displayed in the rear window of the motor vehicle.
2 Registration and license fees collected under 61-3-321 are
3 not required to be paid when a license plate is transferred
4 under this section and 61-3-335. Failure to make
5 application within the time provided herein shall subject
6 the purchaser to a penalty of \$10. The penalty shall be
7 collected by the county treasurer at the time of
8 registration, and shall be in addition to the fees otherwise
9 provided by law.

10 (2) Any purchaser of a new or used motor vehicle from
11 a duly licensed motor vehicle dealer shall have the grace
12 period of 20 calendar days from the date of purchase to make
13 application for registration and to obtain registration
14 plates, and it shall not be a violation of this chapter or
15 any other law for such purchaser to operate such vehicle
16 upon the streets and highways of this state without a
17 certificate of registration and registration plates during
18 the 20-day period; provided that at all times during said
19 period the sticker issued by the dealer at the time of
20 purchase shall remain affixed to said vehicle as provided in
21 61-4-111. Failure to make such application within the time
22 provided herein subjects the purchaser to a penalty of \$10.
23 The penalty is to be collected by the county treasurer at
24 the time of registration and is in addition to the fees
25 otherwise provided by law."

1 Section 9. Section 61-3-322, MCA, is amended to read:
 2 "61-3-322. Certificates of registration -- issuance.
 3 (1) Upon completion of the application for registration, on
 4 forms furnished by the division, the county treasurer shall
 5 ~~file one copy in his office and~~ issue to the applicant two
 6 copies of the application marked "Owner's Certificate of
 7 Registration and Tax Receipt", one of which shall be marked
 8 "file copy".
 9 (2) The certificate of registration shall contain upon
 10 the face thereof:
 11 (a) the date issued;
 12 (b) the registration number assigned to the owner and
 13 the vehicle;
 14 (c) the name and complete address of the owner, or the
 15 names and addresses of joint owners;
 16 (d) the name and complete address of any conditional
 17 sales vendor, and also the name and address of any other
 18 lienor as shown by said application;
 19 (e) a description of the registered vehicle including
 20 the year built and serial number, if any;
 21 (f) any lien against such motor vehicle and the amount
 22 due at the date of registration; and
 23 (g) such other statement of facts as may be determined
 24 by the division.
 25 (3) Every owner, upon receiving a registration receipt

1 shall write his signature thereon with pen and ink in the
 2 space provided. Every such registration receipt or a
 3 notarized photostatic copy thereof or a duplicate thereof
 4 furnished by the division shall at all times be carried in
 5 the vehicle to which it refers or shall be carried by the
 6 person driving or in control of such vehicle, who shall
 7 display the same upon demand of a police officer or any
 8 officer or employee of the division or the highway
 9 department.
 10 ~~{4}--Upon--receipt--of--application--for--registration--in--~~
 11 ~~quintuplet--and--payment--of--license--fees--and--taxes--as--herein~~
 12 ~~provided--the--county--treasurer--shall--~~
 13 ~~{a}--file--one--copy--of--said--application--in--his--office--~~
 14 ~~{b}--issue--to--the--applicant--two--copies--of--the~~
 15 ~~application--entitled--"Owner's--Certificate--of--Registration~~
 16 ~~and--Tax--Receipt"--one--of--which--shall--be--marked--"file--copy"--~~
 17 ~~and~~
 18 ~~{c}--forward--one--copy--to--the--county--clerk--and--recorder--~~
 19 ~~{5}{4} The county treasurer shall daily forward to the~~
 20 ~~division one copy of the application all applications for~~
 21 ~~registration received that day.~~
 22 ~~{6}{5} It shall not be necessary for the county~~
 23 ~~treasurer, in said receipt, to segregate the amount of said~~
 24 ~~taxes for state, county, school district, and municipal~~
 25 ~~purposes."~~

1 Section 10. Section 61-3-441, MCA, is amended to read:

2 "61-3-441. ~~Tax-paid~~ Fee-paid decal required on camper
3 -- application for decal -- application fee -- issuance. (1)
4 No camper, subject to taxation in Montana, ~~shall~~ may be
5 operated by any person ~~in the state of Montana~~ on the public
6 highways or streets in this state unless there is displayed
7 in a conspicuous place thereon a decal as visual proof that
8 ~~Montana--personal--property--taxes--have~~ the fee in lieu of tax
9 has been paid thereon for the current year.

10 (2) Application for the issuance of ~~such tax-paid~~ the
11 decal shall be made to the department of revenue or the
12 county treasurer upon forms to be furnished for this
13 purpose, which may be obtained from the department or at the
14 county ~~assessor's~~ treasurer's office in the county wherein
15 the owner resides, and is to provide for substantially the
16 following information:

17 (a) name of owner;

18 (b) address;

19 (c) name of manufacturer;

20 (d) model number;

21 (e) make;

22 (f) year of manufacture;

23 (g) statement evidencing ~~assessment and~~ payment of the
24 fee in lieu of property tax; and

25 (h) such other information as the department may

1 require.

2 (3) ~~Said~~ The application ~~shall~~ must be signed by the
3 county treasurer and transmitted by him to the department
4 accompanied by ~~a~~ an application fee of \$1. Upon receipt of
5 the application in approved form the department or county
6 treasurer shall issue to the applicant a decal in the style
7 and design prescribed by the department and of a different
8 color than the preceding year, numbered numerically."

9 Section 11. Section 61-3-442, MCA, is amended to read:

10 "61-3-442. Annual application for decals. Application
11 may be made to the department of revenue or county treasurer
12 for the issuance of ~~tax-paid camper~~ decals annually when the
13 motor vehicle to which the camper is customarily attached is
14 registered."

15 Section 12. Section 61-3-501, MCA, is amended to read:

16 "61-3-501. When vehicle property tax is due. (1)
17 Property taxes ~~and~~ new car taxes, and fees in lieu of tax
18 on a motor home or travel trailer ~~shall~~ must be paid on the
19 date of registration or reregistration of the vehicle.

20 (2) If the anniversary date for reregistration of a
21 vehicle ~~shall--pass~~ passes while the vehicle is owned and
22 held for sale by a licensed new or used car dealer, property
23 taxes ~~shall~~ or the fee in lieu of property taxes abate on
24 such vehicle properly reported with the department of
25 revenue until the vehicle is sold and thereafter the

1 purchaser shall pay the pro rata balance of the taxes or the
2 fee in lieu of tax due and owing on the vehicle.

3 (3) In the event a vehicle's registration period is
4 changed under 61-3-315, all taxes and other fees due thereon
5 shall be prorated and paid from the last day of the old
6 period until the first day of the new period in which the
7 vehicle shall be registered. Thereafter taxes and other fees
8 must be paid from the first day of the new period for a
9 minimum period of 1 year. When the change is to a later
10 registration period, taxes and fees shall be prorated and
11 paid based on the same tax year as the original registration
12 period. Thereafter, during the appropriate anniversary
13 registration period, each vehicle shall again register or
14 reregister and shall pay all taxes and fees due thereon for
15 a 12-month period."

16 Section 13. Section 61-3-502, MCA, is amended to read:

17 "61-3-502. Sales tax on new motor vehicles --
18 exemptions. (1) In consideration of the right to use the
19 highways of the state, there shall be imposed a tax upon all
20 sales of new motor vehicles for which a license is sought
21 and an original application for title is made. The tax
22 shall be paid by the purchaser when he applies for his
23 original Montana license through the county treasurer.

24 (2) The sales tax shall be:

25 (a) 1 1/2% of the F.O.B. factory list price or F.O.B.

1 port of entry list price, during the first quarter of the
2 year or prorated one-twelfth for each month or part of month
3 for a registration period other than a calendar year or
4 calendar quarter;

5 (b) 1 1/8% of the list price during the second quarter
6 of the year;

7 (c) 3/4 of 1% during the third quarter of the year;

8 (d) 3/8 of 1% during the fourth quarter of the year.

9 (3) If the manufacturer or importer fails to furnish
10 the F.O.B. factory list price or F.O.B. port of entry list
11 price, the department may use published price lists.

12 (4) The proceeds from this tax shall be remitted to
13 the state treasurer every 30 days for credit to the state
14 highway account of the earmarked revenue fund.

15 (5) The new vehicle is not subject to any other
16 assessment or, taxation, or fee in lieu of tax during the
17 calendar year in which the original application for title is
18 made.

19 (6) (a) The applicant for original registration of any
20 wholly new and unused motor vehicle or new motor vehicle
21 furnished without charge by the dealer to the school
22 district for use as a traffic education motor vehicle by a
23 school district operating a state-approved traffic education
24 program within the state, whether or not previously licensed
25 or titled to the school district, except a mobile home as

1 defined in 15-1-101(1), acquired by original contract after
 2 January 1 of any year shall be required, whenever such
 3 vehicle has not been otherwise assessed, to pay the motor
 4 vehicle sales tax provided by this section irrespective of
 5 whether the vehicle was in the state of Montana on January 1
 6 of the year.

7 (b) No such motor vehicle may be registered or
 8 licensed under the provisions of this subsection unless the
 9 application for registration is accompanied by a statement
 10 of origin to be furnished by the dealer selling the vehicle,
 11 showing that the vehicle has not previously been registered
 12 or owned, except as otherwise provided herein, by any
 13 person, firm, corporation, or association that is not a new
 14 motor vehicle dealer holding a franchise or distribution
 15 agreement from a new car manufacturer, distributor, or
 16 importer.

17 (7) Motor vehicles operating exclusively for
 18 transportation of persons for hire within the limits of
 19 incorporated cities or towns and within 15 miles from such
 20 limits are exempt from subsection (1). Motor vehicles
 21 brought or driven into Montana by a nonresident migratory
 22 bona fide agricultural worker temporarily employed in
 23 agricultural work in this state where those motor vehicles
 24 are used exclusively for transportation of agricultural
 25 workers are also exempt from subsection (1). Vehicles

1 lawfully displaying a licensed dealer's plate as provided in
 2 61-4-102 are exempt from subsection (1) when moving to or
 3 from a dealer's place of business when unladen or laden with
 4 dealer's property only, and in the case of vehicles having a
 5 gross laden weight of less than 24,000 pounds, while in the
 6 process of demonstration in the course of the dealer's
 7 business."

8 Section 14. Section 61-3-503, MCA, is amended to read:
 9 "61-3-503. Assessment. (1) A person who files an
 10 application for registration or reregistration of a motor
 11 vehicle, ~~except of other than a motor home, travel trailer,~~
 12 ~~or~~ a mobile home as defined in 15-1-101(1), shall before
 13 filing such application with the county treasurer submit the
 14 same to the county assessor of the county. The county
 15 assessor shall enter on the application in a space to be
 16 provided for that purpose the market value and taxable value
 17 of the vehicle for the year for which the application for
 18 registration is made.

19 (2) Except as provided in subsection (3) motor
 20 vehicles, ~~except other than motor homes, travel trailers, or~~
 21 ~~mobile homes~~ as defined in 15-1-101(1), are assessed for
 22 taxes on January 1 in each year irrespective of the time
 23 fixed by law for the assessment of other classes of personal
 24 property and irrespective of whether the levy and tax may be
 25 a lien upon real property within the state. In no event may

1 any motor vehicle be subject to assessment, levy, and
2 taxation more than once in each year.

3 (3) Vehicles subject to the provisions of 61-3-313
4 through 61-3-316 shall be assessed as of the first day of
5 the year in which the registration period occurs and a lien
6 for taxes and fees due thereon shall occur on the
7 anniversary date of the registration and shall continue
8 thereafter until such fees and taxes shall have been paid."

9 Section 15. Section 61-3-504, MCA, is amended to read:

10 "61-3-504. Computation of tax. The amount of taxes on
11 ~~the a motor vehicle, except other than a motor home, travel~~
12 ~~trailers, or~~ a mobile home as defined in 15-1-101(1), is
13 computed and determined by the county treasurer on the basis
14 of the levy of the year preceding the current year of
15 application for registration or reregistration. The
16 determination is entered on the application form in a space
17 provided therefor."

18 Section 16. Section 61-3-509, MCA, is amended to read:

19 "61-3-509. Disposition of taxes ~~and fees in lieu of~~
20 ~~tax.~~ The county treasurer shall credit all taxes on motor
21 vehicles ~~so and fees in lieu of tax on motor homes and~~
22 ~~travel trailers~~ collected to a motor vehicle suspense fund,
23 and at some time between March 1 and March 10 of each year
24 and every 60 days thereafter, the county treasurer shall
25 distribute the ~~same money in the motor vehicle suspense fund~~

1 in ~~the~~ relative proportions required by the levies for
2 state, county, school district, and municipal purposes in
3 the same manner as other personal property taxes are
4 distributed."

5 ~~NEW SECTION.~~ Section 17. Disposition of fees in lieu
6 of tax on snowmobiles. The county treasurer shall credit all
7 fees in lieu of tax collected on snowmobiles to the county
8 motor vehicle suspense fund provided for in 61-3-509.

9 Section 18. Section 15-6-101, MCA, is amended to read:

10 "15-6-101. Property subject to taxation --
11 classification. (1) All property in this state is subject to
12 taxation, except as provided otherwise.

13 (2) For the purpose of taxation, the taxable property
14 in the state shall be classified in accordance with 15-6-102
15 through ~~15-6-121~~ 15-6-120."

16 Section 19. Section 15-6-110, MCA, is amended to read:

17 "15-6-110. Class nine property -- description --
18 taxable percentage. (1) Class nine property includes:

19 (a) automobiles, motor trucks, and other power-driven
20 cars and vehicles of all kinds except ~~motor homes,~~ mobile
21 homes, motorcycles, aircraft, camper trailers, and truck
22 campers; and

23 (b) furniture and fixtures used in commercial, office,
24 and hotel activities, except improvements included in class
25 thirteen.

1 (2) Class nine property is taxed at 13.3% of its
2 market value."

3 Section 20. Section 15-6-111, MCA, is amended to read:

4 "15-6-111. Class ten property -- description --
5 taxable percentage. (1) Class ten property includes:

6 (a) aerial, surface, and portable ski lifts and ski
7 tows, including the towers, cables, ropes, sheave
8 assemblies, conveying devices, power units, and all
9 accessories; and

10 (b) manufacturing and mining machinery, fixtures, and
11 supplies, except those included in class eighteenth, and

12 ~~fe--camper--trailers--and--truck--campers--valued--in--the~~
13 ~~"N.A.S.A.--Recreational-Vehicle-Appraisal-Guide".~~

14 (2) Class ten property is taxed at 12% of market
15 value."

16 Section 21. Section 15-6-201, MCA, is amended to read:

17 "15-6-201. Exempt categories. (1) (a) The property of
18 the United States, the state, counties, cities, towns,
19 school districts, irrigation districts organized under the
20 laws of Montana and not operating for profit, municipal
21 corporations, public libraries; buildings, with land they
22 occupy and furnishings therein, owned by a church and used
23 for actual religious worship and for residences of the
24 clergy, together with adjacent land reasonably necessary for
25 convenient use of such buildings owned by a church; such

1 other property as is used exclusively for agricultural and
2 horticultural societies, for educational purposes,
3 hospitals, and all property, both real and personal, without
4 limitation as to amount except that real property owned
5 shall not exceed 640 acres, owned and held by any
6 association or corporation organized under Title 35, chapter
7 20 or 21, Cemeteries, provided such cemeteries and any land
8 claimed to be exempt are not maintained and operated for
9 private or corporate profit; institutions of purely public
10 charity; evidence of debt secured by mortgages of record
11 upon real or personal property in the state of Montana; and
12 public art galleries and public observatories not used or
13 held for private or corporate profit are exempt from
14 taxation, but no more land than is necessary for such
15 purpose is exempt.

16 (b) As used in this subsection, the term "institutions
17 of purely public charity" includes organizations owning and
18 operating facilities for the care of the retired or aged or
19 chronically ill, which are not operated for gain or profit,
20 and the terms "public art galleries" and "public
21 observatories" mean only such art galleries and
22 observatories, whether of public or private ownership, as
23 are open to the public without charge or fee at all
24 reasonable hours and are used for the purpose of education
25 only.

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1 (2) All household goods and furniture, including
2 clocks, musical instruments, sewing machines, and wearing
3 apparel of members of the family, used by the owner for
4 personal and domestic purposes or for furnishing or
5 equipping the family residence are exempt from taxation.

6 (3) A truck canopy cover or topper weighing less than
7 300 pounds and having no accommodations attached is exempt
8 from taxation and the fee in lieu of tax."

9 Section 22. Section 15-8-201, MCA, is amended to read:

10 "15-8-201. General assessment day. (1) The department
11 of revenue or its agent must, between January 1 and the
12 second Monday of July in each year, ascertain the names of
13 all taxable inhabitants and assess all property subject to
14 taxation in each county. The department or its agent must
15 assess property to the person by whom it was owned or
16 claimed or in whose possession or control it was at midnight
17 of January 1 next preceding. It must also ascertain and
18 assess all mobile homes arriving in the county after
19 midnight of January 1 next preceding. No mistake in the name
20 of the owner or supposed owner of real property, however,
21 renders the assessment invalid.

22 (2) The procedure provided by this section may not
23 apply to:

24 (a) motor vehicles that are required by 15-8-202 to be
25 assessed on January 1 or upon their anniversary registration

1 date;

2 (b) motor homes and travel trailers subject to a fee
3 in lieu of property tax;

4 ~~(b)(c)~~ livestock which are required by 15-24-908 to be
5 assessed on an average inventory basis in each county;

6 ~~(c)(d)~~ property defined in 61-1-104(2) as "special
7 mobile equipment" that is subject to assessment for personal
8 property taxes on the date that application is made for a
9 special mobile equipment plate; and

10 ~~(d)(e)~~ mobile homes held by a distributor or dealer of
11 mobile homes as a part of his stock-in-trade, and

12 ~~(e)--snowmobiles that are required by--15-8-203--to--be~~
13 ~~assessed-as-of-duty--is~~

14 (3) Credits must be assessed as provided in
15 15-1-101(1)(b)."

16 Section 23. Section 15-8-202, MCA, is amended to read:

17 "15-8-202. Motor vehicle assessment. (1) (a) The
18 department or its agent must, in each year, ascertain and
19 assess all motor vehicles except other than motor homes,
20 travel trailers, or mobile homes in each county subject to
21 taxation as of January 1 or as of the anniversary
22 registration date of those vehicles subject to 61-3-313
23 through 61-3-316 and 61-3-501. The motor vehicles shall be
24 assessed in each year to the persons by whom owned or
25 claimed or in whose possession or control they were at

1 midnight of January 1 or the anniversary registration date
2 thereof, whichever is applicable.

3 ~~(b)--A camper which is customarily attached to a motor
4 vehicle--shall--be--assessed--at--the--time--the--vehicle--is
5 assessed.~~

6 ~~(c)(b)~~ No tax may be assessed against motor vehicles
7 that constitute inventory of motor vehicle dealers as of
8 January 1. These vehicles and all other motor vehicles
9 brought into the state subsequent to January 1 as motor
10 vehicle dealers' inventories shall be assessed to their
11 respective purchasers as of the dates the vehicles are
12 registered by the purchasers.

13 ~~(c)(c)~~ "Purchasers" includes dealers who apply for
14 registration or reregistration of motor vehicles, except as
15 otherwise provided by 61-3-502.

16 ~~(c)(d)~~ Goods, wares, and merchandise of motor vehicle
17 dealers, other than new motor vehicles and new mobile homes,
18 shall be assessed at market value as of January 1.

19 (2) In all cases where taxes or a fee in lieu of tax
20 were required to be paid, the applicant for registration or
21 reregistration of a motor vehicle, other than a mobile home,
22 is not relieved of the duty of paying taxes or the fee in
23 lieu of tax if the taxes or fees have not been paid by a
24 prior applicant or owner."

25 Section 24. Section 23-2-611, MCA, is amended to read:

1 "23-2-611. Certificate of ownership. (1) No snowmobile
2 may be operated upon any public lands, trails, easements,
3 lakes, rivers, streams, roadways or shoulders of roadways,
4 streets, or highways, unless a certificate of ownership has
5 first been obtained from the division of motor vehicles in
6 accordance with the laws of this state.

7 (2) ~~Before--such--certificate--may--be--obtained, the~~ the
8 owner of a snowmobile shall ~~make--application~~ apply for a
9 certificate of ownership with the county treasurer of the
10 county in which the owner resides, upon forms to be
11 furnished for this purpose ~~which--shall~~ that must require the
12 following information:

- 13 (a) name of owner;
- 14 (b) residence by town and county;
- 15 (c) business or home mail address;
- 16 (d) name and address of lien holder;
- 17 (e) amount due under contract or lien;
- 18 (f) name and address of manufacturer;
- 19 (g) model number or name;
- 20 (h) serial number; and
- 21 (i) name and address of dealer or other person from
22 whom acquired.

23 (3) The application ~~shall~~ must be signed by at least
24 one owner or by a properly authorized officer or
25 representative of the owner.

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1 (4) If a certificate of ownership for a snowmobile has
 2 previously been issued under the provisions of this part,
 3 the application for a new certificate must be accompanied by
 4 the immediately previous certificate or by an affidavit upon
 5 a prescribed form stating under oath that the vehicle had
 6 not been operated during the immediately previous year. This
 7 subsection does not apply to snowmobiles that are purchased
 8 as new and unused machines or that were operated when the
 9 provisions of this part were not in force and effect.

10 (5) Upon completion of the application in
 11 quintuplicate on forms furnished by the division of motor
 12 vehicles, the county treasurer shall issue to the applicant
 13 two copies of the application, one of which shall be marked
 14 "file copy", and forward one copy and the original
 15 application to the division, which shall cause to be entered
 16 the information contained in the application upon the
 17 corresponding records of its office, and shall furnish the
 18 applicant a certificate of ownership which shall contain the
 19 information found on the application and a permanent
 20 ownership number. The certificate of ownership is not
 21 required to be renewed annually and is valid as long as the
 22 person holding it owns the snowmobile.

23 (6) The owner shall at all times retain possession of
 24 the certificate of ownership, except when the same is being
 25 transmitted to and from the division for endorsement or

1 cancellation. The owner of a snowmobile shall display his
 2 certificate of ownership number on both sides of the cowling
 3 of the snowmobile and shall maintain the number in legible
 4 condition at all times. The number shall read from left to
 5 right and be marked in Arabic numerals, in block characters
 6 of good proportion, and shall be a minimum of 3 inches in
 7 height, excluding border or trim, and of a color that
 8 contrasts with the color of the background.

9 (7) Upon application for a certificate of ownership, a
 10 fee of \$3 shall be paid to the county treasurer, one-half of
 11 which fee shall be forwarded by the county treasurer to the
 12 division of motor vehicles.

13 (8) Before a ~~tax-paid decal indicating that the fee in~~
 14 ~~lieu of property tax has been paid on the snowmobile for the~~
 15 ~~current year~~ may be applied for pursuant to the laws of this
 16 state, the owner must present the certificate of ownership
 17 or copy of completed application therefor as a prerequisite
 18 to completing the application for the tax-paid decal."

19 Section 25. Section 23-2-612, MCA, is amended to read:

20 "23-2-612. Transfer of interest. (1) Except as
 21 provided in subsection (3), upon a transfer of any
 22 certificate of ownership to a snowmobile registered as
 23 required under the provisions of this part, the person whose
 24 title or interest is to be transferred shall write his
 25 signature with pen and ink upon the certificate of ownership

1 issued for the snowmobile in the appropriate space provided
2 upon the reverse side of the certificate, and such signature
3 shall be acknowledged before a notary public.

4 (2) Within 20 calendar days thereafter, the transferee
5 shall forward the certificate of ownership so endorsed,
6 together with the information required under this part, to
7 the division of motor vehicles, which shall file the same
8 upon receipt thereof. No certificate of ownership may be
9 issued by the division until the outstanding certificates
10 are surrendered to that office or their loss established to
11 its reasonable satisfaction. The division shall collect a
12 fee of \$3 for each application for transfer of ownership.

13 (3) A purchaser of a new or used snowmobile from a
14 licensed snowmobile dealer has a grace period of 20 calendar
15 days from the date of purchase to make application for a
16 certificate of ownership and to obtain a tax-paid decal
17 indicating that the fee in lieu of property tax has been
18 paid on the snowmobile for the current year. It is not a
19 violation of this part or any other law for the purchaser to
20 operate such a snowmobile without a certificate of ownership
21 and a tax-paid decal during the 20-day period. During this
22 period the sticker, provided for in subsection (4), shall
23 remain affixed to the snowmobile.

24 (4) Prior to the delivery of the snowmobile to the
25 purchaser, the dealer shall issue and affix to the

1 snowmobile a sticker (in a form to be prescribed by the
2 division of motor vehicles). The sticker shall contain the
3 name and address of the purchaser, the date of sale, the
4 name and address of the dealer, and a description of the
5 snowmobile, including its serial number. The dealer shall
6 keep a copy of the sticker for his records and shall send a
7 copy of the sticker to the division.

8 (5) The provisions of subsection (2) of this section,
9 requiring a transferee to forward the certificate of
10 ownership after endorsement to the division, do not apply in
11 the event of the transfer of a snowmobile to a duly licensed
12 snowmobile dealer intending to resell the snowmobile and who
13 operates it only for demonstration purposes, but every such
14 dealer, upon transferring such interest, shall deliver the
15 certificate of ownership with an application for a new
16 certificate executed by the new owner in accordance with the
17 provisions of this part. The division, upon receipt of the
18 certificate of ownership and application for a new
19 certificate, together with the conditional sales contract or
20 other lien, if any, shall issue a new certificate of
21 ownership together with a statement of any conditional sales
22 contract, mortgage, or other lien."

23 Section 26. Section 23-2-616, MCA, is amended to read:
24 "23-2-616. Display of tax-paid decals -- application
25 and issuance -- use of fees. (1) No snowmobile may be

1 operated by any person in ~~the state of~~ Montana unless there
 2 is displayed in a conspicuous place on it a decal as visual
 3 proof that ~~Montana person's property taxes have~~ the fee in
 4 lieu of property tax has been paid on it for the current
 5 year.

6 (2) Application for the ~~tax-paid~~ decal shall be made
 7 to the county treasurer upon forms to be furnished for this
 8 purpose, which may be obtained from the division of motor
 9 vehicles or at the county ~~assessor's~~ treasurer's office in
 10 the county where the owner resides. The application shall
 11 contain the following information:

- 12 (a) name of owner;
- 13 (b) address;
- 14 (c) certificate of ownership number;
- 15 (d) name of manufacturer;
- 16 (e) model number;
- 17 (f) make;
- 18 (g) horsepower;
- 19 (h) year of manufacture;
- 20 (i) statement evidencing ~~assessment and~~ payment of the
 21 fee in lieu of property tax; and
- 22 (j) such other information as the division of motor
 23 vehicles may require.

24 (3) The application shall be signed by the county
 25 treasurer and transmitted by him to the division of motor

1 vehicles accompanied by a fee of \$2. Upon receipt of the
 2 application in approved form, the division of motor vehicles
 3 or county treasurer shall issue to the applicant a decal in
 4 the style and design prescribed by the division and of a
 5 different color than the preceding year, numbered in
 6 sequence.

7 ~~{4}--before filing the application with the county~~
 8 ~~treasurer the applicant shall submit it to the county~~
 9 ~~assessor of the county and the county assessor shall enter~~
 10 ~~on the application in a place provided for that purpose the~~
 11 ~~market value and taxable value of the snowmobile for the~~
 12 ~~year for which the application is made~~

13 ~~{5}{4}~~ The applicant shall pay the county treasurer
 14 the application fee and the ~~person's property taxes assessed~~
 15 ~~against~~ fee in lieu of property tax on the snowmobile for
 16 the current year before the application may be accepted by
 17 the county treasurer.

18 ~~{6}{5}~~ All moneys money collected from payment of the
 19 application fees and all interest accruing from use of these
 20 moneys shall be turned over to the state treasurer and
 21 placed in the earmarked revenue fund to the credit of the
 22 department, with \$1 designated for use in enforcing the
 23 purposes of this part and \$1 designated for use in the
 24 development, maintenance, and operation of snowmobile
 25 facilities.*

1 Section 27. Section 23-2-617, MCA, is amended to read:
 2 "23-2-617. Duplicate decal. In the event any tax-paid
 3 decal indicating that the fee in lieu of property tax has
 4 been paid on a snowmobile for the current year is lost,
 5 mutilated, or becomes illegible, the person to whom the same
 6 was issued shall immediately make application for and may
 7 obtain a duplicate thereof, upon payment of a fee of \$1 to
 8 the county treasurer."

9 Section 28. Section 23-2-618, MCA, is amended to read:
 10 "23-2-618. Application to be made annually -- grace
 11 period -- proof of purchase. (1) Application must be made
 12 annually to the county treasurer for the issuance of
 13 tax-paid decals annually a decal indicating that the fee in
 14 lieu of property tax has been paid for the current year. All
 15 tax-paid decals expire on June 30 of each year.

16 (2) An owner of a newly purchased snowmobile shall
 17 have a grace period of 20 calendar days from the date of
 18 purchase to make application for a current tax-paid decal,
 19 provided that at all times during that period a bill of sale
 20 or other proof of purchase reciting the date of purchase
 21 shall be carried by the operator or with the snowmobile. An
 22 owner or operator of such a snowmobile being operated after
 23 the 20-day grace period without a current tax-paid decal
 24 displayed on the snowmobile shall be subject to the
 25 penalties of 23-2-642(1), as amended."

1 Section 29. Section 23-2-642, MCA, is amended to read:
 2 "23-2-642. Penalties. (1) The failure to display a
 3 current tax-paid decal indicating that the fee in lieu of
 4 property tax has been paid on the snowmobile for the current
 5 year during the time provided in this part is a misdemeanor,
 6 punishable by a fine of not less than \$10 or more than \$50.

7 (2) A person who violates any other provision of this
 8 part or a rule adopted pursuant thereto shall pay a civil
 9 penalty of not less than \$15 or more than \$500 for each
 10 separate violation.

11 (3) A person who willfully violates any other
 12 provision of this part or a rule adopted pursuant thereto
 13 shall pay a civil penalty of not less than \$50 or more than
 14 \$1,000 for each separate violation.

15 (4) A manufacturer who certifies that a new snowmobile
 16 can meet the sound-level limitations imposed by this part
 17 shall be subject to the penalty provisions of subsections
 18 (2) and (3) if any machine so certified does not meet the
 19 appropriate sound level limitation. For the purposes of this
 20 section, every sale of a new snowmobile that does not meet
 21 the sound-level limitations imposed by this part constitutes
 22 a separate violation."

23 Section 30. Repealer. Sections 15-6-121 and 15-8-203,
 24 MCA, are repealed.

25 Section 31. Applicability. This act applies to motor

LC 0135/01

- 1 homes, travel trailers, campers, and snowmobiles registered
- 2 during and after 1980.

-End-

HOUSE BILL NO. 848

INTRODUCED BY QUILICI, MENAHAN, DAILY, HARRINGTON,
ELLERD, PAVLOVICH, SCULLY, HUENNEKENS

A BILL FOR AN ACT ENTITLED: "AN ACT TO PROVIDE A FEE--IN
~~THE~~ OF PROPERTY TAX FOR AUTOMOBILES, LIGHT TRUCKS,
MOTORCYCLES, MOTOR HOMES, TRAVEL TRAILERS, SNOWMOBILES, AND
CAMPERS; AMENDING SECTIONS ~~10-2-301, 15-6-101, 15-6-110,~~
~~15-6-111, 15-6-113, 15-6-201, 15-8-201, 15-8-202, 23-2-611,~~
~~23-2-612, 23-2-616 THROUGH 23-2-618, 23-2-642, 61-3-303,~~
~~61-3-317, 61-3-322, 61-3-441, 61-3-442, 61-3-501 THROUGH~~
~~61-3-502, 61-3-503, AND 61-3-504, AND 61-3-509, MCA;~~
REPEALING SECTIONS SECTION 15-6-121 AND 15-8-203, MCA; AND
PROVIDING FOR COORDINATION WITH HOUSE BILL 213."

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

~~NEW SECTION: Section is fee in lieu of tax for
certain vehicles. (1) There is a fee in lieu of property
tax imposed on motor homes, travel trailers, and campers.
The fee is in addition to annual registration fees.~~

~~(2) The fee imposed by subsection (1) need not be paid
by a dealer for vehicles that constitute inventory of the
dealerships.~~

SECTION 1. THERE IS A NEW MCA SECTION THAT READS:

Legislative finding. It is the determination of the

legislature that the existing method of property taxation
for motor vehicles is difficult to administer and
inefficient. Therefore the legislature hereby provides a
new method for determination of property tax, which is more
equitable and easier to administer.

SECTION 2. THERE IS A NEW MCA SECTION THAT READS:

Class [eleven] property -- description. (1) Class
[eleven] property includes:

- (a) automobiles;
- (b) light trucks;
- (c) motor homes;
- (d) travel trailers;
- (e) snowmobiles;
- (f) motorcycles; and
- (g) campers.

(2) (a) "Light truck" means a truck with a
manufacturer's rated capacity of three-quarters of a ton or
less.

(b) "Motor home" means a self-propelled motor vehicle
originally designed or permanently altered to provide
temporary facilities for recreational, travel, or camping
use.

(c) "Travel trailer" means a trailer 32 feet or less
in length and 8 feet or less in width originally designed or
permanently altered to provide temporary facilities for

1 recreational, travel, or camping use.

2 (3) There is a property tax imposed on class [eleven]
 3 property in accordance with the schedules provided in
 4 [sections 3 through 7], and collected under the procedure
 5 established in Title 15, chapter 16. The tax imposed in
 6 [sections 3 through 7] need not be paid by a dealer for
 7 vehicles that constitute inventory of the dealership.

8 (4) Local and state mill levies may not be applied
 9 against the value of property in this class. However, that
 10 portion of a county's taxable value represented by the
 11 taxable value of automobiles, light trucks, mobile homes,
 12 travel trailers, campers, motorcycles, and snowmobiles
 13 registered in the county during calendar year 1979 shall
 14 remain in the county's taxable value for all purposes except
 15 mill levy calculations.

16 SECTION 3. THERE IS A NEW MCA SECTION THAT READS:

17 Schedules of property taxes for automobiles and light
 18 trucks. (1) The owner of an automobile or a light truck
 19 weighing more than 3,000 pounds, manufacturer's shipping
 20 weight, shall pay a property tax based on the age of the
 21 vehicle according to the following schedule:

22 less than 2 years old	\$125
23 2 years old and less than 3 years old	110
24 3 years old and less than 4 years old	95
25 4 years old and less than 5 years old	80

1 5 years old and less than 6 years old	65
2 6 years old and less than 7 years old	50
3 7 years old and less than 8 years old	35
4 8 years old and less than 9 years old	20
5 9 years old and older	15

6 (2) The owner of an automobile or light truck weighing
 7 3,000 pounds or less, manufacturer's shipping weight, shall
 8 pay a property tax based on the age of the vehicle according
 9 to the following schedule:

10 less than 2 years old	\$115
11 2 years old and less than 3 years old	100
12 3 years old and less than 4 years old	85
13 4 years old and less than 5 years old	70
14 5 years old and less than 6 years old	55
15 6 years old and less than 7 years old	40
16 7 years old and less than 8 years old	25
17 8 years old and older	15

18 (3) The age of an automobile or light truck is
 19 determined by subtracting the manufacturer's designated
 20 model year from the current calendar year.

21 SECTION 4. THERE IS A NEW MCA SECTION THAT READS:

22 Schedule of property taxes for motorcycles. (1) Except
 23 as provided in 15-6-201, the owner of a motorcycle with a
 24 piston displacement of more than 100 cubic centimeters shall
 25 pay a property tax based on the age of the motorcycle

1 according to the following schedule:

2	less than 3 years old	\$ 25
3	3 years old and less than 4 years old	20
4	4 years old and less than 6 years old	10
5	6 years old and older	5

6 (2) Except as provided in 15-6-201, the owner of a
7 motorcycle with a piston displacement of 100 cubic
8 centimeters or less shall pay a property tax of one-half of
9 the amount required for the age of the motorcycle under the
10 schedule in subsection (1) except that the minimum property
11 tax for a motorcycle under this subsection is \$5.

12 NEW SECTION. Section 5. Schedule of fees PROPERTY
13 TAXES for motor homes. (1) The owner of a motor home shall
14 pay a fee IAX based on the age of the motor home according
15 to the following schedule:

16	less than 2 years old	\$200
17	2 years old and less than 3 years old	180
18	3 years old and less than 4 years old	145
19	4 years old and less than 5 years old	100
20	5 years old and less than 6 years old	75
21	6 years old and less than 7 years old	50
22	7 years old and less than 8 years old	25
23	8 years old and older	15

24 (2) The age of a motor home is determined by
25 subtracting the manufacturer's designated model year from

1 the current calendar year.

2 NEW SECTION. Section 6. Schedule of fees PROPERTY
3 TAXES for travel trailers and campers. (1) The fee--imposed
4 by--~~section 1~~ PROPERTY TAX on a travel trailer less than 3
5 years old is \$40. In all other cases the fee PROPERTY TAX is
6 \$15.

7 (2) The fee-imposed-by-~~section 1~~ PROPERTY TAX on a
8 camper less than 3 years old is \$35. In all other cases the
9 fee PROPERTY TAX is \$15.

10 (3) The age of a travel trailer or camper is
11 determined by subtracting the manufacturer's designated
12 model year from the current calendar year.

13 NEW SECTION. Section 7. Fee-in-tieu-of--tax SCHEDULE
14 OF PROPERTY TAX on snowmobiles. (1) ~~There is a fee-in-tieu~~
15 ~~of tax on snowmobiles~~

16 ~~{2}--The fee~~ THE PROPERTY TAX for a snowmobile less
17 than 4 years old is \$22. In all other cases the fee PROPERTY
18 TAX is \$15.

19 ~~{3}{2}~~ The age of a snowmobile is determined by
20 subtracting the manufacturer's designated model year from
21 the current calendar year.

22 ~~{4}--The fee need not be paid by a dealer for~~
23 ~~snowmobiles that constitute inventory of the dealership~~

24' NEW SECTION. Section 5. Motor homes. "Motor home"
25 means a self-propelled motor vehicle originally designed or

1 permanently altered to provide temporary facilities for
 2 recreational travel or camping use

3 ~~NEW SECTION. Section 6. Travel trailer. "Travel~~
 4 ~~trailer" means a trailer 32 feet or less in length and 8~~
 5 ~~feet or less in width originally designed or permanently~~
 6 ~~altered to provide temporary facilities for recreational~~
 7 ~~travel or camping use~~

8 Section 7. Section 61-3-303, MCA, is amended to read:

9 "61-3-303. Application for registration. (1) Every
 10 owner of a motor vehicle operated or driven upon the public
 11 highways of this state shall for each motor vehicle owned
 12 except as herein otherwise expressly provided, file or cause
 13 to be filed in the office of the county treasurer where the
 14 motor vehicle is owned or taxable an application for
 15 registration or reregistration upon a blank form to be
 16 prepared and furnished by the division. The application
 17 shall contain:

18 (a) name and address of owner, giving county, school
 19 district, and town or city within whose corporate limits the
 20 motor vehicle is taxable;

21 (b) name and address of conditional sales vendor,
 22 mortgagee, or holder of other lien against the motor
 23 vehicle, with statement of amount owing under such contract
 24 or lien;

25 (c) description of motor vehicle, including make, year

1 make, engine or serial number, manufacturer's model or
 2 letter, gross weight, type of body, and if truck, the rated
 3 capacity

4 (d) in case of reregistration, the license number for
 5 the preceding year and

6 (e) such other information as the division may
 7 require

8 (2) A person who files an application for registration
 9 or reregistration of a motor vehicle, except of a mobile
 10 home as defined in 15-1-101(1), shall upon the filing of the
 11 application ~~pay to the county treasurer~~

12 (a) pay to the county treasurer the registration fee
 13 as provided in 61-3-311 and 61-3-321; and

14 (b) pay the personal property taxes assessed on the
 15 new motor vehicle sales tax against the vehicle for the
 16 current year of registration ~~or in the case of a motor~~
 17 ~~home, travel trailer, or camper, the fee in lieu of property~~
 18 ~~tax for the current year of registration, unless the same~~
 19 ~~shall have been theretofore paid for the year before the~~
 20 ~~application for registration or reregistration may be~~
 21 ~~accepted by the county treasurer;~~

22 (3) The county treasurer may make full and complete
 23 investigation of the tax status of the vehicles. Any
 24 applicant for registration or reregistration must submit
 25 proof from the tax records of the proper county at the

request-of-the-county-treasurer." 1
 Section 8, Section 61-3-317, MCA, is amended to read 2
 "61-3-317. New registration required for transferred 3
 vehicle. --- grace period --- penalty --- display of proof of 4
 purchase. (1) Except as otherwise provided herein, the new 5
 owner of the transferred motor vehicle shall have the grace 6
 period of 28 calendar days from the date of purchase to make 7
 application and pay the taxes as provided by part 5 of this 8
 chapter ~~or the fee in lieu of tax as provided by [section 1]~~ 9
~~unless the tax or fee has been paid for the year as if the~~ 10
~~same was being registered for the first time in that~~ 11
~~registration year. If the motor vehicle was not purchased~~ 12
~~from a duty-taxed motor vehicle dealer as provided in~~ 13
~~this chapter, it shall not be a violation of this chapter or~~ 14
~~any other law for the purchaser to operate the vehicle upon~~ 15
~~the streets and highways of this state without a certificate~~ 16
~~of registration during the 28-day period; provided, that at~~ 17
~~all times during that period a bill of sale or other proof~~ 18
~~of purchase reciting the date of purchase shall be clearly~~ 19
~~displayed in the rear window of the motor vehicles~~ 20
 Registration and license fees collected under 61-3-321 are 21
 not required to be paid when a license plate is transferred 22
 under this section and 61-3-335. Failure to make 23
 application within the time provided herein shall subject 24
 the purchaser to a penalty of \$18. The penalty shall be 25

collected by the county treasurer at the time of 1
 registration and shall be in addition to the fees otherwise 2
 provided by law. 3
 (2) Any purchaser of a new or used motor vehicle from 4
 a duty-taxed motor vehicle dealer shall have the grace 5
 period of 28 calendar days from the date of purchase to make 6
 application for registration and to obtain registration 7
 plates, and it shall not be a violation of this chapter or 8
 any other law for such purchaser to operate such vehicle 9
 upon the streets and highways of this state without a 10
 certificate of registration and registration plates during 11
 the 28-day period; provided that at all times during said 12
 period the sticker issued by the dealer at the time of 13
 purchase shall remain affixed to said vehicle as provided in 14
 61-4-11. Failure to make such application within the time 15
 provided herein subjects the purchaser to a penalty of \$10. 16
 The penalty is to be collected by the county treasurer at 17
 the time of registration and is in addition to the fees 18
 otherwise provided by law." 19
 Section 9, Section 61-3-322, MCA, is amended to read 20
 "61-3-322. Certificates of registration. --- issuances 21
 (1) Upon completion of the application for registration on 22
 forms furnished by the division, the county treasurer shall 23
~~file one copy in his office and~~ issue to the applicant two 24
 copies of the application marked "Owner's Certificate of 25

1 Registration--and-Tax-Receipt"v-one-of-which-shall-be-marked
 2 "file-copy"
 3 {2}--The-certificate-of-registration-shall-contain-upon
 4 the-face-thereof:
 5 {a)--the-date-issued;
 6 {b)--the-registration-number-assigned-to-the-owner--and
 7 the-vehicle;
 8 {c)--the-name-and-complete-address-of-the-owner--or--the
 9 names-and-addresses-of-joint-owners;
 10 {d)--the--name--and--complete--address--of--any--conditional
 11 sales-vendor--and--also--the--name--and--address--of--any--other
 12 lienor--as--shown--by--said--application;
 13 {e)--a--description--of--the--registered--vehicle--including
 14 the-year-built-and-serial-number--if--any;
 15 {f)--any-lien-against-such-motor-vehicle-and-the-amount
 16 due-at-the-date-of-registration; and
 17 {g)--such-other-statement-of-facts-as-may-be-determined
 18 by-the-division;
 19 {3}--Every-owner-upon-receiving-a-registration-receipt
 20 shall-write-his-signature-thereon-with-pen-and--ink--in--the
 21 space---provided---Every---such---registration---receipt---or---a
 22 notarized-photostatic-copy-thereof-or-a--duplicate--thereof
 23 furnished-by--the-division-shall-at-all-times-be-carried-in
 24 the-vehicle-to-which-it-refers-or-shall-be--carried--by--the
 25 person--driving--or--in--control--of--such-vehicle--who-shall

1 display-the-same-upon-demand-of-a-police-officer--or--any
 2 officer---or---employee--of--the--division--or--the--highway
 3 department;
 4 {4}--Upon-receipt-of-application-for--registration--in
 5 quintuplet--and-payment-of-license-fees-and-taxes-as-herein
 6 provided--the-county-treasurer-shall:
 7 {a)--file-one-copy-of-said-application-in-his-office;
 8 {b)--issue---to---the---applicant---two---copies---of---the
 9 application-entitled-"Owner's--Certificate--of--Registration
 10 and--Tax--Receipt"--one-of-which-shall-be-marked-"file-copy"
 11 and
 12 {c)--forward-one-copy-to-the-county-clerk-and-recorder;
 13 {5}{4}--The-county-treasurer-shall-daily-forward-to-the
 14 division-one-copy-of-the-application ~~all~~ applications for
 15 registration ~~received-that-day~~
 16 {6}{5}--it--shall--not--be--necessary--for--the--county
 17 treasurer--in-said-receipt--to-segregate-the-amount-of-said
 18 taxes--for--state--county--school--district--and-municipal
 19 purposes;
 20 Section-18--Section-61-3-441-MCA--is-amended-to-read:
 21 "61-3-441--Tax-paid ~~fee-paid~~ decal-required-on--camper
 22 ---application--for--decal--- application fee---issuance;
 23 {1}--No-camper-subject-to-taxation-in-Montana--shall ~~may~~ be
 24 operated-by-any-person-in-the-state-of-Montana-on-the-public
 25 highways--or--streets ~~in-this-state~~ unless-there-is-displayed

1 in a conspicuous place thereon as decal as visual proof that
2 Montana personal property taxes have ~~the fee in lieu of tax~~
3 ~~has~~ been paid thereon for the current year.

4 {2}--Application for the issuance of such tax paid ~~the~~
5 decal shall be made to the department of revenue or the
6 county treasurer upon forms to be furnished for this
7 purpose which may be obtained from the department or at the
8 county assessor's ~~treasurer's~~ office in the county wherein
9 the owner resides and is to provide for substantially the
10 following information:

- 11 {a}--name of owner;
- 12 {b}--address;
- 13 {c}--name of manufacturer;
- 14 {d}--model number;
- 15 {e}--make;
- 16 {f}--year of manufacture;

17 {g}--statement evidencing assessment and payment of ~~the~~
18 ~~fee in lieu of~~ property tax; and

19 {h}--such other information as the department may
20 require.

21 {3}--Said ~~the~~ application shall ~~must~~ be signed by the
22 county treasurer and transmitted by him to the department
23 accompanied by a ~~an~~ application fee of \$15. Upon receipt of
24 the application in approved form the department or county
25 treasurer shall issue to the applicant a decal in the style

1 and design prescribed by the department and of a different
2 color than the preceding year, numbered numerically.

3 Section 11v--Section 61-3-442v MCA is amended to read:
4 "61-3-442v--Annual application for decal. Application
5 may be made to the department of revenue or county treasurer
6 for the issuance of tax paid ~~campar~~ decal annually when the
7 motor vehicle to which the camper is customarily attached is
8 registered."

9 Section 12v--Section 61-3-501v MCA is amended to read:
10 "61-3-501v--When vehicle property tax is due. {1}
11 Property taxes and new car taxes and fees in lieu of tax
12 on a motor home or travel trailer shall ~~must~~ be paid on the
13 date of registration or reregistration of the vehicle.

14 {2}--If the anniversary date for reregistration of a
15 vehicle shall pass ~~passa~~ while the vehicle is owned and
16 held for sale by a licensed new or used car dealer, property
17 taxes shall ~~or the fee in lieu of property taxes~~ abate on
18 such vehicle property reported with the department of
19 revenue until the vehicle is sold and thereafter the
20 purchaser shall pay the pro-rata balance of the taxes ~~or the~~
21 ~~fee in lieu of tax~~ due and owing on the vehicle.

22 {3}--In the event a vehicle's registration period is
23 changed under 61-3-315v, all taxes and other fees due thereon
24 shall be prorated and paid from the last day of the old
25 period until the first day of the new period in which the

1 ~~vehicle shall be registered. Thereafter taxes and other fees~~
 2 ~~must be paid from the first day of the new period for a~~
 3 ~~minimum period of 1 year. When the change is to a later~~
 4 ~~registration period, taxes and fees shall be prorated and~~
 5 ~~paid based on the same tax year as the original registration~~
 6 ~~period. Thereafter, during the appropriate anniversary~~
 7 ~~registration period, each vehicle shall again register or~~
 8 ~~reregister and shall pay all taxes and fees due thereon for~~
 9 ~~a 12-month period.~~

10 Section 8. Section 61-3-502, MCA, is amended to read:

11 "61-3-502. Sales tax on new motor vehicles --
 12 exemptions. (1) In consideration of the right to use the
 13 highways of the state, there shall be imposed a tax upon all
 14 sales of new motor vehicles for which a license is sought
 15 and an original application for title is made. The tax
 16 shall be paid by the purchaser when he applies for his
 17 original Montana license through the county treasurer.

18 (2) The sales tax shall be:

19 (a) 1 1/2% of the F.O.B. factory list price or F.O.B.
 20 port of entry list price, during the first quarter of the
 21 year or prorated one-twelfth for each month or part of month
 22 for a registration period other than a calendar year or
 23 calendar quarter;

24 (b) 1 1/8% of the list price during the second quarter
 25 of the year;

1 (c) 3/4 of 1% during the third quarter of the year;

2 (d) 3/8 of 1% during the fourth quarter of the year.

3 (3) If the manufacturer or importer fails to furnish
 4 the F.O.B. factory list price or F.O.B. port of entry list
 5 price, the department may use published price lists.

6 (4) The proceeds from this tax shall be remitted to
 7 the state treasurer every 30 days for credit to the state
 8 highway account of the earmarked revenue fund.

9 (5) The new vehicle is not subject to any other
 10 ~~assessment or taxation or fee in lieu of tax~~ PROPERTY
 11 TAXATION AS WELL AS THE SALES TAX IMPOSED IN THIS SECTION
 12 during the calendar year in which the original application
 13 for title is made.

14 (6) (a) The applicant for original registration of any
 15 wholly new and unused motor vehicle or new motor vehicle
 16 furnished without charge by the dealer to the school
 17 district for use as a traffic education motor vehicle by a
 18 school district operating a state-approved traffic education
 19 program within the state, whether or not previously licensed
 20 or titled to the school district, except a mobile home as
 21 defined in 15-1-101(1), acquired by original contract after
 22 January 1 of any year shall be required, whenever such
 23 vehicle has not been otherwise assessed, to pay the motor
 24 vehicle sales tax provided by this section irrespective of
 25 whether the vehicle was in the state of Montana on January 1

1 of the year.

2 (b) No such motor vehicle may be registered or
3 licensed under the provisions of this subsection unless the
4 application for registration is accompanied by a statement
5 of origin to be furnished by the dealer selling the vehicle,
6 showing that the vehicle has not previously been registered
7 or owned, except as otherwise provided herein, by any
8 person, firm, corporation, or association that is not a new
9 motor vehicle dealer holding a franchise or distribution
10 agreement from a new car manufacturer, distributor, or
11 importer.

12 (7) Motor vehicles operating exclusively for
13 transportation of persons for hire within the limits of
14 incorporated cities or towns and within 15 miles from such
15 limits are exempt from subsection (1). Motor vehicles
16 brought or driven into Montana by a nonresident migratory
17 bona fide agricultural worker temporarily employed in
18 agricultural work in this state where those motor vehicles
19 are used exclusively for transportation of agricultural
20 workers are also exempt from subsection (1). Vehicles
21 lawfully displaying a licensed dealer's plate as provided in
22 61-4-102 are exempt from subsection (1) when moving to or
23 from a dealer's place of business when unladen or laden with
24 dealer's property only, and in the case of vehicles having a
25 gross laden weight of less than 24,000 pounds, while in the

1 process of demonstration in the course of the dealer's
2 business."

3 Section 9. Section 61-3-503, MCA, is amended to read:

4 "61-3-503. Assessment. (1) A person who files an
5 application for registration or reregistration of a motor
6 vehicle, ~~except of other than a motor home, travel trailer,~~
7 ~~or EXCEPT OF~~ a mobile home as defined in 15-1-101(1), shall
8 before filing such application with the county treasurer
9 submit the same to the county assessor of the county. The
10 county assessor shall enter on the application in a space to
11 be provided for that purpose the ~~market value and taxable~~
12 ~~value of~~ PROPERTY TAX DUE ON the vehicle for the year for
13 which the application for registration is made.

14 (2) Except as provided in subsection (3) motor
15 vehicles, ~~except other than motor homes, travel trailers, or~~
16 ~~EXCEPT~~ mobile homes as defined in 15-1-101(1), are assessed
17 for taxes on January 1 in each year irrespective of the time
18 fixed by law for the assessment of other classes of personal
19 property and irrespective of whether the levy and tax may be
20 a lien upon real property within the state. In no event may
21 any motor vehicle be subject to assessment, levy, and
22 taxation more than once in each year.

23 (3) Vehicles subject to the provisions of 61-3-313
24 through 61-3-316 shall be assessed as of the first day of
25 the year in which the registration period occurs and a lien

1 for taxes and fees due thereon shall occur on the
2 anniversary date of the registration and shall continue
3 thereafter until such fees and taxes shall have been paid."

4 Section 10. Section 61-3-504, MCA, is amended to read:
5 "61-3-504. Computation of tax. The amount of taxes on
6 the a motor vehicle, except ~~other than a motor home, travel~~
7 ~~trailer~~ PROPERTY LISTED IN (SECTION 2) or a mobile home as
8 defined in 15-1-101(1), is computed and determined by the
9 county treasurer on the basis of the levy of the year
10 preceding the current year of application for registration
11 or reregistration. The determination is entered on the
12 application form in a space provided therefor."

13 ~~Section 16. Section 61-3-509, MCA, is amended to read:~~
14 ~~"61-3-509. Disposition of taxes and fees in lieu of~~
15 ~~taxes. The county treasurer shall credit all taxes on motor~~
16 ~~vehicles so and fees in lieu of tax on motor homes and~~
17 ~~travel trailers collected to a motor vehicle suspense fund,~~
18 ~~and at some time between March 1 and March 10 of each year~~
19 ~~and every 60 days thereafter, the county treasurer shall~~
20 ~~distribute the same money in the motor vehicle suspense fund~~
21 ~~in the relative proportions required by the levies for~~
22 ~~state, county, school districts, and municipal purposes in~~
23 ~~the same manner as other personal property taxes are~~
24 ~~distributed."~~

25 ~~NEW SECTION. Section 12. Disposition of fees in lieu~~

1 ~~of tax on snowmobiles. The county treasurer shall credit~~
2 ~~all fees in lieu of tax collected on snowmobiles to the~~
3 ~~county motor vehicle suspense fund provided for in 61-3-509.~~

4 Section 11. Section 15-6-101, MCA, is amended to read:
5 "15-6-101. Property subject to taxation --
6 classification. (1) All property in this state is subject to
7 taxation, except as provided otherwise.

8 (2) For the purpose of taxation, the taxable property
9 in the state shall be classified in accordance with 15-6-102
10 through ~~15-6-121~~ 15-6-120."

11 Section 12. Section 15-6-110, MCA, is amended to read:
12 "15-6-110. Class nine property -- description --
13 taxable percentage. (1) Class nine property includes:

14 (a) ~~automobiles, motor trucks, and other~~ power-driven
15 cars and vehicles of all kinds except ~~motor homes,~~ mobile
16 homes, motorcycles, aircraft, camper trailers, AUTOMOBILES,
17 MOTORCYCLES, LIGHT TRUCKS, and truck campers; and

18 (b) furniture and fixtures used in commercial, office,
19 and hotel activities, except improvements included in class
20 thirteen.

21 (2) Class nine property is taxed at 13.3% of its
22 market value."

23 Section 13. Section 15-6-111, MCA, is amended to read:
24 "15-6-111. Class ten property -- description --
25 taxable percentage. (1) Class ten property includes:

1 (a) aerial, surface, and portable ski lifts and ski
2 tows, including the towers, cables, ropes, sheave
3 assemblies, conveying devices, power units, and all
4 accessories; and

5 (b) manufacturing and mining machinery, fixtures, and
6 supplies, except those included in class eighteenth, and

7 ~~(c) camper trailers and truck campers valued in the~~
8 ~~"N.A.B.A. Recreational Vehicle Appraisal Guide".~~

9 (2) Class ten property is taxed at 12% of market
10 value."

11 Section 14. Section 15-6-201, MCA, is amended to read:

12 "15-6-201. Exempt categories. (1) (a) The property of
13 the United States, the state, counties, cities, towns,
14 school districts, irrigation districts organized under the
15 laws of Montana and not operating for profit, municipal
16 corporations, public libraries, buildings, with land they
17 occupy and furnishings therein, owned by a church and used
18 for actual religious worship and for residences of the
19 clergy, together with adjacent land reasonably necessary for
20 convenient use of such buildings owned by a church; such
21 other property as is used exclusively for agricultural and
22 horticultural societies, for educational purposes,
23 hospitals, and all property, both real and personal, without
24 limitation as to amount except that real property owned
25 shall not exceed 640 acres, owned and held by any

1 association or corporation organized under Title 35, chapter
2 20 or 21, Cemeteries, provided such cemeteries and any land
3 claimed to be exempt are not maintained and operated for
4 private or corporate profit; institutions of purely public
5 charity; evidence of debt secured by mortgages of record
6 upon real or personal property in the state of Montana; and
7 public art galleries and public observatories not used or
8 held for private or corporate profit are exempt from
9 taxation, but no more land than is necessary for such
10 purpose is exempt.

11 (b) As used in this subsection, the term "institutions
12 of purely public charity" includes organizations owning and
13 operating facilities for the care of the retired or aged or
14 chronically ill, which are not operated for gain or profit,
15 and the terms "public art galleries" and "public
16 observatories" mean only such art galleries and
17 observatories, whether of public or private ownership, as
18 are open to the public without charge or fee at all
19 reasonable hours and are used for the purpose of education
20 only.

21 (2) All household goods and furniture, including
22 clocks, musical instruments, sewing machines, and wearing
23 apparel of members of the family, used by the owner for
24 personal and domestic purposes or for furnishing or
25 equipping the family residence are exempt from taxation.

1 (3) A truck canopy cover or topper weighing less than
 2 300 pounds and having no accommodations attached is exempt
 3 from taxation ~~and the fee in lieu of tax.~~

4 (4) A MOTORCYCLE RATED AT 2 HORSEPOWER OR LESS IS
 5 EXEMPT FROM TAXATION."

6 Section 22v--Section 15-8-201v MCAv is amended to read:
 7 "15-8-201v--General assessment days--(1) The department
 8 of revenue or its agent must between January 1 and the
 9 second Monday of July in each year ascertain the names of
 10 all taxable inhabitants and assess all property subject to
 11 taxation in each county. The department or its agent must
 12 assess property to the person by whom it was owned or
 13 claimed or in whose possession or control it was at midnight
 14 of January 1 next preceding. It must also ascertain and
 15 assess all mobile homes arriving in the county after
 16 midnight of January 1 next preceding. No mistake in the name
 17 of the owner or supposed owner of real property, however,
 18 renders the assessment invalid.

19 (2) The procedure provided by this section may not
 20 apply to:

21 (a) motor vehicles that are required by 15-8-202 to be
 22 assessed on January 1 or upon their anniversary registration
 23 dates;

24 (b) ~~motor homes and travel trailers subject to a fee~~
 25 ~~in lieu of property tax~~

1 (b) ~~(a) livestock which are required by 15-24-900 to be~~
 2 ~~assessed on an average inventory basis in each county;~~

3 (c) ~~(d) property defined in 61-1-104(2) as "special~~
 4 ~~mobile equipment" that is subject to assessment for personal~~
 5 ~~property taxes on the date that application is made for a~~
 6 ~~special mobile equipment plate; and~~

7 (d) ~~(a) mobile homes held by a distributor or dealer of~~
 8 ~~mobile homes as a part of his stock in trade; and~~

9 (e) ~~snowmobiles that are required by 15-8-203 to be~~
 10 ~~assessed as of July 1;~~

11 (3) ~~Credits must be assessed as provided in~~
 12 ~~15-1-101(2)(b)."~~

13 Section 23v--Section 15-8-202v MCAv is amended to read:
 14 "15-8-202v--Motor vehicle assessments--(1) (a) The
 15 department or its agent must in each year ascertain and
 16 assess all motor vehicles except ~~other than motor homes~~
 17 ~~travel trailers or~~ mobile homes in each county subject to
 18 taxation as of January 1 or as of the anniversary
 19 registration date of those vehicles subject to 61-3-313
 20 through 61-3-316 and 61-3-501. The motor vehicles shall be
 21 assessed in each year to the persons by whom owned or
 22 claimed or in whose possession or control they were at
 23 midnight of January 1 or the anniversary registration date
 24 thereof whichever is applicable;

25 (b) A camper which is customarily attached to a motor

1 vehicle shall be assessed at the time the vehicle is
2 assessed.

3 ~~(c)(b)~~ No tax may be assessed against motor vehicles
4 that constitute inventory of motor vehicle dealers as of
5 January 1. These vehicles and all other motor vehicles
6 brought into the state subsequent to January 1 as motor
7 vehicle dealers' inventories shall be assessed to their
8 respective purchasers as of the dates the vehicles are
9 registered by the purchasers.

10 ~~(d)(1)~~ "Purchasers" includes dealers who apply for
11 registration or reregistration of motor vehicles, except as
12 otherwise provided by 61-3-502.

13 ~~(e)(d)~~ Goods, wares, and merchandise of motor vehicle
14 dealers other than new motor vehicles and new mobile homes
15 shall be assessed at market value as of January 1.

16 ~~(2)~~ In all cases where taxes or a fee in lieu of tax
17 were required to be paid, the applicant for registration or
18 reregistration of a motor vehicle other than a mobile home
19 is not relieved of the duty of paying taxes or the fee in
20 lieu of tax if the taxes or fees have not been paid by a
21 prior applicant or owner.

22 Section 24, Section 23-2-611, MCA, is amended to read:

23 "23-2-611. Certificate of ownership. (1) No
24 snowmobile may be operated upon any public lands, trails,
25 easements, lakes, rivers, streams, roadways or shoulders of

1 roadways, streets, or highways unless a certificate of
2 ownership has first been obtained from the division of motor
3 vehicles in accordance with the laws of this state.

4 (2) Before such certificate may be obtained, the
5 owner of a snowmobile shall make application apply for a
6 certificate of ownership with the county treasurer of the
7 county in which the owner resides upon forms to be
8 furnished for this purpose which shall ~~that must~~ require the
9 following information:

10 (a) name of owner;

11 (b) residence by town and county;

12 (c) business or home mail address;

13 (d) name and address of lien holder;

14 (e) amount due under contract or lien;

15 (f) name and address of manufacturer;

16 (g) model number or name;

17 (h) serial number and

18 (i) name and address of dealer or other person from
19 whom acquired.

20 (3) The application shall ~~must~~ be signed by at least
21 one owner or by a property authorized officer or
22 representative of the owner.

23 (4) If a certificate of ownership for a snowmobile has
24 previously been issued under the provisions of this part,
25 the application for a new certificate must be accompanied by

1 the immediately previous certificate or by an affidavit upon
 2 a prescribed form stating under oath that the vehicle had
 3 not been operated during the immediately previous years. This
 4 subsection does not apply to snowmobiles that are purchased
 5 as new and unused machines or that were operated when the
 6 provisions of this part were not in force and effect.

7 (5) Upon completion of the application in
 8 quintuplicate on forms furnished by the division of motor
 9 vehicles, the county treasurer shall issue to the applicant
 10 two copies of the application, one of which shall be marked
 11 "file copy" and forward one copy and the original
 12 application to the division, which shall cause to be entered
 13 the information contained in the application upon the
 14 corresponding records of its office and shall furnish the
 15 applicant a certificate of ownership which shall contain the
 16 information found on the application and a permanent
 17 ownership number. The certificate of ownership is not
 18 required to be renewed annually and is valid as long as the
 19 person holding it owns the snowmobile.

20 (6) The owner shall at all times retain possession of
 21 the certificate of ownership, except when the same is being
 22 transmitted to and from the division for endorsement or
 23 cancellations. The owner of a snowmobile shall display his
 24 certificate of ownership number on both sides of the cowling
 25 of the snowmobile and shall maintain the number in legible

1 condition at all times. The number shall read from left to
 2 right and be marked in Arabic numerals, in block characters
 3 of good proportion and shall be a minimum of 3 inches in
 4 height, excluding border or trim, and of a color that
 5 contrasts with the color of the background.

6 (7) Upon application for a certificate of ownership a
 7 fee of \$3 shall be paid to the county treasury, one half of
 8 which fee shall be forwarded by the county treasurer to the
 9 division of motor vehicles.

10 (8) Before a tax paid decal indicating that the fee in
 11 lieu of property tax has been paid on the snowmobile for the
 12 current year may be applied for pursuant to the laws of this
 13 state, the owner must present the certificate of ownership
 14 or copy of completed application therefor as a prerequisite
 15 to completing the application for the tax paid decal.

16 Section 25, Section 23-2-612, MCA, is amended to read:
 17 "23-2-612. Transfer of interest. (1) Except as
 18 provided in subsection (3), upon a transfer of any
 19 certificate of ownership to a snowmobile registered as
 20 required under the provisions of this part, the person whose
 21 title or interest is to be transferred shall write his
 22 signature with pen and ink upon the certificate of ownership
 23 issued for the snowmobile in the appropriate space provided
 24 upon the reverse side of the certificate, and such signature
 25 shall be acknowledged before a notary public.

1 ~~{2}--Within-20-calendar-days-thereafter, the transferee~~
 2 ~~shall forward the certificate of ownership so endorsed~~
 3 ~~together with the information required under this part to~~
 4 ~~the division of motor vehicles, which shall file the same~~
 5 ~~upon receipt thereof. No certificate of ownership may be~~
 6 ~~issued by the division until the outstanding certificates~~
 7 ~~are surrendered to that office or their loss established to~~
 8 ~~its reasonable satisfaction. The division shall collect a~~
 9 ~~fee of \$3 for each application for transfer of ownership.~~

10 ~~{3}--A purchaser of a new or used snowmobile from a~~
 11 ~~licensed snowmobile dealer has a grace period of 20 calendar~~
 12 ~~days from the date of purchase to make application for a~~
 13 ~~certificate of ownership and to obtain a tax-paid decal~~
 14 ~~indicating that the fee in lieu of property tax has been~~
 15 ~~paid on the snowmobile for the current year. It is not a~~
 16 ~~violation of this part or any other law for the purchaser to~~
 17 ~~operate such a snowmobile without a certificate of ownership~~
 18 ~~and a tax-paid decal during the 20-day period. During this~~
 19 ~~period the stickers provided for in subsection {4} shall~~
 20 ~~remain affixed to the snowmobile.~~

21 ~~{4}--Prior to the delivery of the snowmobile to the~~
 22 ~~purchaser, the dealer shall issue and affix to the~~
 23 ~~snowmobile a sticker (in a form to be prescribed by the~~
 24 ~~division of motor vehicles). The sticker shall contain the~~
 25 ~~name and address of the purchaser, the date of sale, the~~

1 ~~name and address of the dealer, and a description of the~~
 2 ~~snowmobile, including its serial number. The dealer shall~~
 3 ~~keep a copy of the sticker for his records and shall send a~~
 4 ~~copy of the sticker to the division.~~

5 ~~{5}--The provisions of subsection {2} of this section~~
 6 ~~requiring a transferee to forward the certificate of~~
 7 ~~ownership after endorsement to the division, do not apply in~~
 8 ~~the event of the transfer of a snowmobile to a duly licensed~~
 9 ~~snowmobile dealer intending to reset the snowmobile and who~~
 10 ~~operates it only for demonstration purposes, but every such~~
 11 ~~dealer, upon transferring such interests, shall deliver the~~
 12 ~~certificate of ownership with an application for a new~~
 13 ~~certificate executed by the new owner in accordance with the~~
 14 ~~provisions of this part. The division, upon receipt of the~~
 15 ~~certificate of ownership and application for a new~~
 16 ~~certificate, together with the conditional sales contract or~~
 17 ~~other lien, if any, shall issue a new certificate of~~
 18 ~~ownership together with a statement of any conditional sales~~
 19 ~~contract, mortgage or other lien."~~

20 ~~Section 26w--Section 23-2-616, MCA, is amended to read:~~
 21 ~~"23-2-616--Display of tax-paid decals-----application~~
 22 ~~and issuance-----use of fees--(1) No snowmobile may be~~
 23 ~~operated by any person in the state of Montana unless there~~
 24 ~~is displayed in a conspicuous place on it a decal as visual~~
 25 ~~proof that Montana personal property taxes have the fee in~~

1 ~~lien of property tax has~~ been paid on it for the current
2 years

3 (2) Application for the tax paid decal shall be made
4 to the county treasurer upon forms to be furnished for this
5 purpose, which may be obtained from the division of motor
6 vehicles or at the county assessor's ~~treasurer's~~ office in
7 the county where the owner resides. The application shall
8 contain the following information:

- 9 (a) name of owner;
- 10 (b) address;
- 11 (c) certificate of ownership number;
- 12 (d) name of manufacturer;
- 13 (e) model number;
- 14 (f) make;
- 15 (g) horsepower;
- 16 (h) year of manufacture;
- 17 (i) statement evidencing assessment and payment of ~~the~~
18 ~~fee in lieu of~~ property tax; and

19 (j) such other information as the division of motor
20 vehicles may require.

21 (3) The application shall be signed by the county
22 treasurer and transmitted by him to the division of motor
23 vehicles accompanied by a fee of \$2. Upon receipt of the
24 application in approved form, the division of motor vehicles
25 or county treasurer shall issue to the applicant a decal in

1 the style and design prescribed by the division and of a
2 different color than the preceding year, numbered in
3 sequence.

4 (4) Before filing the application with the county
5 treasury, the applicant shall submit it to the county
6 assessor of the county and the county assessor shall enter
7 on the application in a place provided for that purpose the
8 market value and taxable value of the snowmobile for the
9 year for which the application is made.

10 (5) ~~(4)~~ The applicant shall pay the county treasurer
11 the application fee and the personal property taxes assessed
12 against ~~fee in lieu of property tax on~~ the snowmobile for
13 the current year before the application may be accepted by
14 the county treasurer.

15 (6) ~~(5)~~ All moneys ~~money~~ collected from payment of the
16 application fees and all interest accruing from use of these
17 moneys shall be turned over to the state treasurer and
18 placed in the earmarked revenue fund to the credit of the
19 department, with \$1 designated for use in enforcing the
20 purposes of this part and \$1 designated for use in the
21 development, maintenance and operation of snowmobile
22 facilities.

23 Section 27, Section 23-2-617, MCA, is amended to read:
24 "23-2-617. Duplicate decal. In the event any tax paid
25 decal ~~indicating that the fee in lieu of property tax has~~

1 ~~been paid on a snowmobile for the current year is lost~~
 2 ~~or becomes illegible the person to whom the same~~
 3 ~~was issued shall immediately make application for and may~~
 4 ~~obtain a duplicate thereof upon payment of a fee of \$1 to~~
 5 ~~the county treasurer."~~

6 Section 23-2-618 MCA is amended to read:
 7 "23-2-618. Application to be made annually grace
 8 period proof of purchase (1) Application must be made
 9 annually to the county treasurer for the issuance of
 10 tax paid decals annually ~~a decal indicating that the fee in~~
 11 ~~lieu of property tax has been paid for the current year. All~~
 12 ~~tax paid decals expire on June 30 of each year.~~

13 (2) An owner of a newly purchased snowmobile shall
 14 have a grace period of 20 calendar days from the date of
 15 purchase to make application for a current tax paid decal
 16 provided that at all times during that period a bill of sale
 17 or other proof of purchase reciting the date of purchase
 18 shall be carried by the operator or with the snowmobile. An
 19 owner or operator of such a snowmobile being operated after
 20 the 20-day grace period without a current tax paid decal
 21 displayed on the snowmobile shall be subject to the
 22 penalties of 23-2-642(1) as amended."

23 Section 23-2-642 MCA is amended to read:
 24 "23-2-642. Penalties (1) The failure to display a
 25 current tax paid decal ~~indicating that the fee in lieu of~~

1 ~~property tax has been paid on the snowmobile for the current~~
 2 ~~year during the time provided in this part is a misdemeanor~~
 3 ~~punishable by a fine of not less than \$10 or more than \$50~~

4 (2) A person who violates any other provision of this
 5 part or a rule adopted pursuant thereto shall pay a civil
 6 penalty of not less than \$15 or more than \$500 for each
 7 separate violation.

8 (3) A person who willfully violates any other
 9 provision of this part or a rule adopted pursuant thereto
 10 shall pay a civil penalty of not less than \$50 or more than
 11 \$1000 for each separate violation.

12 (4) A manufacturer who certifies that a new snowmobile
 13 can meet the sound level limitations imposed by this part
 14 shall be subject to the penalty provisions of subsections
 15 (2) and (3) if any machine so certified does not meet the
 16 appropriate sound level limitations. For the purposes of this
 17 section every sale of a new snowmobile that does not meet
 18 the sound level limitations imposed by this part constitutes
 19 a separate violation."

20 SECTION 15, SECTION 15-6-113, MCA, IS AMENDED TO READ:

21 "15-6-113. Class twelve property -- description --
 22 taxable percentage. (1) Class twelve property includes:

- 23 (a) boats and all watercraft;
- 24 (b) aircraft; and
- 25 (c) motorcycles and

1 ~~(d)(c)~~ large farm machinery valued in the official
2 guide tractors and farm implements and department valuation
3 schedules.

4 (2) Class twelve property is taxed at 11% of its
5 market value."

6 SECTION 16. SECTION 10-2-301, MCA, IS AMENDED TO READ:

7 "10-2-301. Free license plates to disabled veterans.
8 Any person who is a veteran of the armed service of the
9 United States and 100% disabled because of an injury which
10 that has been determined by the veterans administration to
11 be service connected and who is a citizen and resident of
12 the state of Montana and who is the owner of a passenger
13 automobile or of a truck up to and including three-quarter
14 ton GVW-rated capacity shall be provided with is entitled to
15 receive free license plates upon payment of personal
16 property tax equal to 1% of the taxable value for such
17 automobile or truck and upon proof of 100% service-connected
18 disability."

19 SECTION 17. COORDINATION WITH HOUSE BILL 213. IF
20 HOUSE BILL 213, INTRODUCED IN THE 46TH LEGISLATURE, IS
21 PASSED AND SIGNED BY THE GOVERNOR:

22 (1) PROPERTY IN THE FOLLOWING SUBSECTIONS OF HOUSE
23 BILL 213 ARE CLASSIFIED IN SECTION 2 OF HOUSE BILL 848:

24 (A) SUBSECTIONS (1)(B) AND (1)(D) OF SECTION 9;
25 (B) AUTOMOBILES AND LIGHT TRUCKS IN SUBSECTION (1)(A)

1 OF SECTION 9; AND

2 (C) SUBSECTIONS (1)(B) THROUGH (1)(D) OF SECTION 9;
3 AND

4 (2) SECTION 5 OF HOUSE BILL 213 IS AMENDED TO READ AS
5 FOLLOWS:

6 NEW SECTION. Section 5. Class five property --
7 description -- taxable percentage. (1) Class five property
8 includes:

9 (a) all property used and owned by cooperative rural
10 electrical and cooperative rural telephone associations
11 organized under the laws of Montana, except property owned
12 by cooperative organizations described in subsection (1)(c)
13 of [section 7];

14 (b) air and water pollution control equipment as
15 defined in this section; and

16 ~~(c) trucks, campers, motor homes, and camping and~~
17 ~~travel trailers, including fifth wheel trailers, owned by~~
18 ~~and actually used primarily by a person 66 years of age or~~
19 ~~older who~~

20 ~~is retired from full employment, and~~
21 ~~whose total income from all sources is not more~~
22 ~~than \$7,000 for a single person or \$8,000 for a married~~
23 ~~couple;~~

24 ~~(d) new industrial property as defined in this~~
25 ~~section.~~

1 (2) "Air and water pollution equipment" means
 2 facilities, machinery, or equipment used to reduce or
 3 control water or atmospheric pollution or contamination by
 4 removing, reducing, altering, disposing, or storing
 5 pollutants, contaminants, wastes, or heat. The department of
 6 health and environmental sciences shall determine if such
 7 utilization is being made.

8 (3) "New industrial property" means any new industrial
 9 plant, including land, buildings, machinery, and fixtures,
 10 used by new industries during the first 3 years of their
 11 operation. The property may not have been assessed within
 12 the state of Montana prior to July 1, 1961.

13 (4) (a) "New industry" means any person, corporation,
 14 firm, partnership, association, or other group that
 15 establishes a new plant in Montana for the operation of a
 16 new industrial endeavor, as distinguished from a mere
 17 expansion, reorganization, or merger of an existing
 18 industry.

19 (b) New industry includes only those industries that:

20 (i) manufacture, mill, mine, produce, process, or
 21 fabricate materials;

22 (ii) do similar work, employing capital and labor, in
 23 which materials unserviceable in their natural state are
 24 extracted, processed, or made fit for use or are
 25 substantially altered or treated so as to create commercial

1 products or materials; or

2 (iii) engage in the mechanical or chemical
 3 transformation of materials or substances into new products
 4 in the manner defined as manufacturing in the 1972 Standard
 5 Industrial Classification Manual prepared by the United
 6 States office of management and budget.

7 (5) New industrial property does not include:

8 (a) property used by retail or wholesale merchants,
 9 commercial services of any type, agriculture, trades, or
 10 professions;

11 (b) a plant that will create adverse impact on
 12 existing state, county, or municipal services; or

13 (c) property used or employed in any industrial plant
 14 that has been in operation in this state for 3 years or
 15 longer.

16 (6) Class five property is taxed at 3% of its market
 17 value.

18 Section 18. Repealer. Sections SECTION 15-6-121 and
 19 15-8-203, MCA, are, MCA, IS repealed.

20 Section 19. Applicability. This act applies to motor
 21 homes, travel trailers, campers, AUTOMOBILES, LIGHT TRUCKS,
 22 MOTORCYCLES, and snowmobiles registered during and after
 23 1980.

-End-

HOUSE BILL NO. 848

INTRODUCED BY QUILICI, MENAHAN, DAILY, HARRINGTON,
ELLERD, PAVLOVICH, SCULLY, HUENNEKENS

A BILL FOR AN ACT ENTITLED: "AN ACT TO PROVIDE A FEE IN
LIEU OF FEE IN LIEU OF PROPERTY TAX FOR ~~AUTOMOBILES, LIGHT
TRUCKS, MOTORCYCLES,~~ MOTOR HOMES, TRAVEL TRAILERS,
SNOWMOBILES, AND CAMPERS; AMENDING SECTIONS ~~19-2-302,
15-6-101, 15-6-110, 15-6-111, 15-6-113, 15-6-201, 15-8-201,
15-9-202, 23-2-611, 23-2-612, 23-2-616~~ THROUGH ~~23-2-618,
23-2-642, 61-3-303, 61-3-317, 61-3-322, 61-3-441, 61-3-442,
61-3-501~~ THROUGH ~~15-8-201, 15-8-202, 23-2-611, 23-2-612,
23-2-616~~ THROUGH ~~23-2-618, 23-2-642, 61-3-317, 61-3-322,
61-3-441, 61-3-442, 61-3-501~~ THROUGH ~~61-3-502, 61-3-503~~ AND
61-3-504, AND ~~61-3-509, 61-3-509,~~ MCA; REPEALING SECTIONS
SECTION SECTIONS 15-6-121 AND 15-9-203 AND 15-8-203, MCA;
AND PROVIDING FOR COORDINATION WITH HOUSE BILL 213."

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

~~NEW SECTION: Section is fee in lieu of tax for
certain vehicles. (1) There is a fee in lieu of property
tax imposed on motor homes, travel trailers, and campers.
The fee is in addition to annual registration fees.~~

~~(2) The fee imposed by subsection (1) need not be paid
by a dealer for vehicles that constitute inventory of the~~

dealership

~~SECTION 1. THERE IS A NEW MCA SECTION THAT READS:~~

~~legislative findings. It is the determination of the
legislature that the existing method of property taxation
for motor vehicles is difficult to administer and
inefficient. Therefore the legislature hereby provides a
new method for determination of property tax which is more
equitable and easier to administer.~~

~~SECTION 2. THERE IS A NEW MCA SECTION THAT READS:~~

~~Class [eleven] property description. (1) Class
[eleven] property includes:~~

~~(a) automobiles;~~

~~(b) light trucks;~~

~~(c) motor homes;~~

~~(d) travel trailers;~~

~~(e) snowmobiles;~~

~~(f) motorcycles; and~~

~~(g) campers.~~

~~(2) (a) "light truck" means a truck with a
manufacturer's rated capacity of three-quarters of a ton or
less.~~

~~(b) "motor home" means a self-propelled motor vehicle
originally designed or permanently altered to provide
temporary facilities for recreational travel or camping
uses.~~

1 (c) ~~"Travel trailer" means a trailer 32 feet or less~~
2 ~~in length and 8 feet or less in width originally designed or~~
3 ~~permanently altered to provide temporary facilities for~~
4 ~~recreational travel or camping use.~~

5 (3) ~~There is a property tax imposed on class [eleven]~~
6 ~~property in accordance with the schedules provided in~~
7 ~~[sections 3 through 7] and collected under the procedure~~
8 ~~established in Title 15, Chapter 16. The tax imposed in~~
9 ~~[sections 3 through 7] need not be paid by a dealer for~~
10 ~~vehicles that constitute inventory of the dealership.~~

11 (4) ~~Local and state mill levies may not be applied~~
12 ~~against the value of property in this class. However, that~~
13 ~~portion of a county's taxable value represented by the~~
14 ~~taxable value of automobiles, light trucks, mobile homes,~~
15 ~~travel trailers, campers, motorcycles, and snowmobiles~~
16 ~~registered in the county during calendar year 1979 shall~~
17 ~~remain in the county's taxable value for all purposes except~~
18 ~~mill levy calculations.~~

19 ~~SECTION 3. THERE IS A NEW MGA SECTION THAT READS:~~

20 Schedules of property taxes for automobiles and light
21 trucks-- (1) The owner of an automobile or a light truck
22 weighing more than 3,000 pounds, manufacturer's shipping
23 weight, shall pay a property tax based on the age of the
24 vehicle according to the following schedule:
25 less than 2 years old-----\$125

1	2 years old and less than 3 years old-----	110
2	3 years old and less than 4 years old-----	95
3	4 years old and less than 5 years old-----	80
4	5 years old and less than 6 years old-----	65
5	6 years old and less than 7 years old-----	50
6	7 years old and less than 8 years old-----	35
7	8 years old and less than 9 years old-----	20
8	9 years old and older-----	15
9	(2) The owner of an automobile or light truck weighing	
10	3,000 pounds or less, manufacturer's shipping weight, shall	
11	pay a property tax based on the age of the vehicle according	
12	to the following schedule:	
13	less than 2 years old-----	\$115
14	2 years old and less than 3 years old-----	100
15	3 years old and less than 4 years old-----	85
16	4 years old and less than 5 years old-----	70
17	5 years old and less than 6 years old-----	55
18	6 years old and less than 7 years old-----	40
19	7 years old and less than 8 years old-----	25
20	8 years old and older-----	15

21 (3) The age of an automobile or light truck is
22 determined by subtracting the manufacturer's designated
23 model year from the current calendar year.

24 ~~SECTION 4. THERE IS A NEW MGA SECTION THAT READS:~~

25 Schedule of property taxes for motorcycles-- (1) Except

1 as provided in 15-6-201, the owner of a motorcycle with a
 2 piston displacement of more than 100 cubic centimeters shall
 3 pay a property tax based on the age of the motorcycle
 4 according to the following schedule:
 5 less than 3 years old ----- \$ 25
 6 3 years old and less than 4 years old ----- 20
 7 4 years old and less than 6 years old ----- 10
 8 6 years old and older ----- 5

9 (2) Except as provided in 15-6-201, the owner of a
 10 motorcycle with a piston displacement of 100 cubic
 11 centimeters or less shall pay a property tax of one-half of
 12 the amount required for the age of the motorcycle under the
 13 schedule in subsection (1) except that the minimum property
 14 tax for a motorcycle under this subsection is \$5.

15 SECTION 1. THERE IS A NEW MCA SECTION THAT READS:

16 Fee in lieu of tax for certain vehicles. (1) There is a
 17 fee in lieu of property tax imposed on motor homes, travel
 18 trailers, and campers. The fee is in addition to annual
 19 registration fees.

20 (2) The fee imposed by subsection (1) need not be paid
 21 by a dealer for vehicles that constitute inventory of the
 22 dealership.

23 NEW SECTION. Section 2. Schedule of fees PROPERTY
 24 TAXES FEES for motor homes. (1) The owner of a motor home
 25 shall pay a fee TAX FEE based on the age of the motor home

1 according to the following schedule:

2 less than 2 years old	\$200
3 2 years old and less than 3 years old	180
4 3 years old and less than 4 years old	145
5 4 years old and less than 5 years old	100
6 5 years old and less than 6 years old	75
7 6 years old and less than 7 years old	50
8 7 years old and less than 8 years old	25
9 8 years old and older	15

10 (2) The age of a motor home is determined by
 11 subtracting the manufacturer's designated model year from
 12 the current calendar year.

13 NEW SECTION. Section 3. Schedule of fees PROPERTY
 14 TAXES FEES for travel trailers and campers. (1) The fee
 15 imposed by ~~subsection (1)~~ PROPERTY-TAX FEE IMPOSED BY [SECTION
 16 1] on a travel trailer less than 3 years old is \$40. In all
 17 other cases the fee PROPERTY-TAX FEE is \$15.

18 (2) The fee ~~imposed by subsection (1)~~ PROPERTY-TAX FEE
 19 IMPOSED BY [SECTION 1] on a camper less than 3 years old is
 20 \$35. In all other cases the fee PROPERTY-TAX FEE is \$15.

21 (3) The age of a travel trailer or camper is
 22 determined by subtracting the manufacturer's designated
 23 model year from the current calendar year.

24 NEW SECTION. Section 4. Fee ~~in lieu of tax~~ SEVERE
 25 BE-PROPERTY-TAX FEE IN LIEU OF TAX on snowmobiles. (1) There

1 is a fee in lieu of tax on snowmobiles
 2 ~~(2)~~ The fee ~~THE PROPERTY TAX~~ THERE IS A FEE IN LIEU OF
 3 ~~TAX ON SNOWMOBILES.~~
 4 (2) THE FEE for a snowmobile less than 4 years old is
 5 \$22. In all other cases the fee ~~PROPERTY TAX FEE~~ is \$15.
 6 ~~(3)~~ (3) The age of a snowmobile is determined by
 7 subtracting the manufacturer's designated model year from
 8 the current calendar year.
 9 ~~(4)~~ The fee need not be paid by a dealer for
 10 snowmobiles that constitute inventory of the dealership.
 11 ~~NEW SECTION~~ Section 5v Motor home "Motor home"
 12 means a self-propelled motor vehicle originally designed or
 13 permanently altered to provide temporary facilities for
 14 recreational travel or camping use.
 15 ~~NEW SECTION~~ Section 6v Travel trailer "Travel
 16 trailer" means a trailer 32 feet or less in length and 8
 17 feet or less in width originally designed or permanently
 18 altered to provide temporary facilities for recreational
 19 travel or camping use.
 20 Section 7v Section 61-3-303v MEA is amended to read:
 21 "61-3-303v Application for registration: (1) Every
 22 owner of a motor vehicle operated or driven upon the public
 23 highways of this state shall for each motor vehicle owned
 24 except as herein otherwise expressly provided file or cause
 25 to be filed in the office of the county treasurer where the

1 motor vehicle is owned or taxable an application for
 2 registration or reregistration upon a blank form to be
 3 prepared and furnished by the division. The application
 4 shall contain:
 5 (a) name and address of owner giving county, school
 6 district and town or city within whose corporate limits the
 7 motor vehicle is taxable;
 8 (b) name and address of conditional sales vendor,
 9 mortgagee or holder of other lien against the motor
 10 vehicle with statement of amount owing under such contract
 11 or lien;
 12 (c) description of motor vehicle including make, year,
 13 model, engine or serial number, manufacturer's model or
 14 letter, gross weight, type of body and if truck, the rated
 15 capacity;
 16 (d) in case of reregistration, the license number for
 17 the preceding year; and
 18 (e) such other information as the division may
 19 require.
 20 (2) A person who files an application for registration
 21 or reregistration of a motor vehicle except of a mobile
 22 home as defined in 15-1-101 shall upon the filing of the
 23 application pay to the county treasurer
 24 (a) pay to the county treasurer the registration fee
 25 as provided in 61-3-311 and 61-3-321; and

1 **~~(b) pay the personal property taxes assessed on the~~**
 2 **~~new motor vehicle sales tax against the vehicle for the~~**
 3 **~~current year of registration or in the case of a motor~~**
 4 **~~home, travel trailer, or camper, the fee in lieu of property~~**
 5 **~~tax for the current year of registration, unless the same~~**
 6 **~~shall have been theretofore paid for the year before the~~**
 7 **~~application for registration or reregistration may be~~**
 8 **~~accepted by the county treasurer.~~**

9 **~~(3) The county treasurer may make full and complete~~**
 10 **~~investigation of the tax status of the vehicles. Any~~**
 11 **~~applicant for registration or reregistration must submit~~**
 12 **~~proof from the tax records of the proper county at the~~**
 13 **~~request of the county treasurer.~~**

14 **~~Section 8 of Section 61-3-317, NEA, is amended to read:~~**
 15 **~~"61-3-317. New registration required for transferred~~**
 16 **~~vehicle. --- grace period --- penalty --- display of proof of~~**
 17 **~~purchase. (1) Except as otherwise provided herein, the new~~**
 18 **~~owner of the transferred motor vehicle shall have the grace~~**
 19 **~~period of 20 calendar days from the date of purchase to make~~**
 20 **~~application and pay the taxes as provided by part 5 of this~~**
 21 **~~chapter or the fee in lieu of tax as provided by [section 2]~~**
 22 **~~unless the tax or fee has been paid for the year as if the~~**
 23 **~~same was being registered for the first time in that~~**
 24 **~~registration year. If the motor vehicle was not purchased~~**
 25 **~~from a duty-taxed motor vehicle dealer as provided in~~**

1 **~~this chapter, it shall not be a violation of this chapter or~~**
 2 **~~any other law for the purchaser to operate the vehicle upon~~**
 3 **~~the streets and highways of this state without a certificate~~**
 4 **~~of registration during the 20-day period; provided, that at~~**
 5 **~~all times during that period a bill of sale or other proof~~**
 6 **~~of purchase reciting the date of purchase shall be clearly~~**
 7 **~~displayed in the rear window of the motor vehicle.~~**
 8 **~~Registration and license fees collected under 61-3-321 are~~**
 9 **~~not required to be paid when a license plate is transferred~~**
 10 **~~under this section and 61-3-335. Failure to make~~**
 11 **~~application within the time provided herein shall subject~~**
 12 **~~the purchaser to a penalty of \$10. The penalty shall be~~**
 13 **~~collected by the county treasurer at the time of~~**
 14 **~~registration and shall be in addition to the fees otherwise~~**
 15 **~~provided by law.~~**

16 **~~(2) Any purchaser of a new or used motor vehicle from~~**
 17 **~~a duty-taxed motor vehicle dealer shall have the grace~~**
 18 **~~period of 20 calendar days from the date of purchase to make~~**
 19 **~~application for registration and to obtain registration~~**
 20 **~~plates, and it shall not be a violation of this chapter or~~**
 21 **~~any other law for such purchaser to operate such vehicle~~**
 22 **~~upon the streets and highways of this state without a~~**
 23 **~~certificate of registration and registration plates during~~**
 24 **~~the 20-day period; provided that at all times during said~~**
 25 **~~period the sticker issued by the dealer at the time of~~**

1 purchase shall remain affixed to said vehicle as provided in
 2 61-3-322. Failure to make such application within the time
 3 provided herein subjects the purchaser to a penalty of \$100.
 4 The penalty is to be collected by the county treasurer at
 5 the time of registration and is in addition to the fees
 6 otherwise provided by law.

7 Section 9. Section 61-3-322, MCA, is amended to read:
 8 "61-3-322. Certificates of registration-----issuance
 9 (1) Upon completion of the application for registration on
 10 forms furnished by the division, the county treasurer shall
 11 file one copy in his office and issue to the applicant two
 12 copies of the application marked "Owner's Certificate of
 13 Registration and Tax Receipt", one of which shall be marked
 14 "file copy".

15 (2) The certificate of registration shall contain upon
 16 the face thereof:

- 17 (a) the date issued;
- 18 (b) the registration number assigned to the owner and
 19 the vehicle;
- 20 (c) the name and complete address of the owner or the
 21 names and addresses of joint owners;
- 22 (d) the name and complete address of any conditional
 23 sales vendor and also the name and address of any other
 24 lienor as shown by said application;
- 25 (e) a description of the registered vehicle including

1 the year built and serial numbers, if any;
 2 (f) any lien against such motor vehicle and the amount
 3 due at the date of registration; and

4 (g) such other statement of facts as may be determined
 5 by the division.

6 (3) Every owner upon receiving a registration receipt
 7 shall write his signature thereon with pen and ink in the
 8 space provided. Every such registration receipt or a
 9 notarized photostatic copy thereof or a duplicate thereof
 10 furnished by the division shall at all times be carried in
 11 the vehicle to which it refers or shall be carried by the
 12 person driving or in control of such vehicle who shall
 13 display the same upon demand of a police officer or any
 14 officer or employee of the division or the highway
 15 department.

16 (4) Upon receipt of application for registration in
 17 quintuplet and payment of license fees and taxes as herein
 18 provided, the county treasurer shall:

- 19 (a) file one copy of said application in his office;
- 20 (b) issue to the applicant two copies of the
 21 application entitled "Owner's Certificate of Registration
 22 and Tax Receipt" one of which shall be marked "file copy";
 23 and
- 24 (c) forward one copy to the county clerk and recorder;
- 25 (5) (i) The county treasurer shall daily forward to the

1 division one copy of the application ~~all applications~~ for
2 registration ~~received that day~~

3 (6)(5) It shall not be necessary for the county
4 treasury in said receipts to segregate the amount of said
5 taxes for state, county, school district and municipal
6 purposes."

7 Section 10, Section 61-3-441, MCA, is amended to read:

8 "61-3-441. Tax-paid ~~tax~~ decal required on camper
9 application for decal. ~~Application~~ application fee issuance.

10 (1) No camper subject to taxation in Montana shall ~~may~~ be
11 operated by any person in the state of Montana on the public
12 highways or streets ~~in this state~~ unless there is displayed
13 in a conspicuous place thereon a decal as visual proof that
14 Montana personal property taxes have ~~the fee in lieu of tax~~
15 ~~has~~ been paid thereon for the current year.

16 (2) Application for the issuance of such tax-paid ~~the~~
17 decal shall be made to the department of revenue or the
18 county treasurer upon forms to be furnished for this
19 purpose which may be obtained from the department or at the
20 county assessor's ~~treasurer's~~ office in the county wherein
21 the owner resides and is to provide for substantially the
22 following information:

23 (a) name of owner;

24 (b) address;

25 (c) name of manufacturer;

1 (d) model number;

2 (e) make;

3 (f) year of manufacture;

4 (g) statement evidencing assessment and payment of ~~the~~
5 ~~fee in lieu of~~ property tax and

6 (h) such other information as the department may
7 require.

8 (3) Said ~~the~~ application shall ~~must~~ be signed by the
9 county treasurer and transmitted by him to the department
10 accompanied by a ~~an~~ application fee of \$10. Upon receipt of
11 the application in approved form the department or county
12 treasurer shall issue to the applicant a decal in the style
13 and design prescribed by the department and of a different
14 color than the preceding year, numbered numerically."

15 Section 11, Section 61-3-442, MCA, is amended to read:

16 "61-3-442. Annual application for decal. Application
17 may be made to the department of revenue or county treasurer
18 for the issuance of tax-paid ~~campers~~ decal annually when the
19 motor vehicle to which the camper is customarily attached is
20 registered."

21 Section 12, Section 61-3-501, MCA, is amended to read:

22 "61-3-501. When vehicle property tax is due. (1)
23 Property taxes and ~~new car taxes and fees in lieu of tax~~
24 ~~on a motor home or travel trailer~~ shall ~~must~~ be paid on the
25 date of registration or reregistration of the vehicle.

~~(2) If the anniversary date for reregistration of a vehicle shall pass ~~passed~~ while the vehicle is owned and held for sale by a licensed new or used car dealer, property taxes shall ~~on the fee in lieu of property taxes~~ abate on such vehicle property reported with the department of revenue until the vehicle is sold and thereafter the purchaser shall pay the pro-rata balance of the taxes ~~on the fee in lieu of tax~~ due and owing on the vehicle.~~

~~(3) In the event a vehicle's registration period is changed under 61-3-315, all taxes and other fees due thereon shall be prorated and paid from the last day of the old period until the first day of the new period in which the vehicle shall be registered. Thereafter taxes and other fees must be paid from the first day of the new period for a minimum period of 1 year. When the change is to a later registration period, taxes and fees shall be prorated and paid based on the same tax year as the original registration period. Thereafter, during the appropriate anniversary registration period, each vehicle shall again register or reregister and shall pay all taxes and fees due thereon for a 12-month period.~~

~~(4) THE FEE NEED NOT BE PAID BY A DEALER FOR SNOWMOBILES THAT CONSTITUTE INVENTORY OF THE DEALERSHIP.~~

SECTION 5. THERE IS A NEW MCA SECTION THAT READS:

Motor home. "Motor home" means a self-propelled motor

vehicle originally designed or permanently altered to provide temporary facilities for recreational, travel, or camping use.

SECTION 6. THERE IS A NEW MCA SECTION THAT READS:

Travel trailer. "Travel trailer" means a trailer 32 feet or less in length and 8 feet or less in width originally designed or permanently altered to provide temporary facilities for recreational, travel, or camping use.

SECTION 7. SECTION 61-3-303, MCA, IS AMENDED TO READ:

"61-3-303. Application for registration. (1) Every owner of a motor vehicle operated or driven upon the public highways of this state shall for each motor vehicle owned, except as herein otherwise expressly provided, file or cause to be filed in the office of the county treasurer where the motor vehicle is owned or taxable an application for registration of reregistration upon a blank form to be prepared and furnished by the division. The application shall contain:

(a) name and address of owner, giving county, school district, and town or city within whose corporate limits the motor vehicle is taxable;

(b) name and address of conditional sales vendor, mortgagee, or holder of other lien against the motor vehicle, with statement of amount owing under such contract

1 or lien;

2 (c) description of motor vehicle, including make, year
3 model, engine or serial number, manufacturer's model or
4 letter, gross weight, type of body, and if truck, the rated
5 capacity;

6 (d) in case of reregistration, the license number for
7 the preceeding year; and

8 (e) such other information as the division may
9 require.

10 (2) A person who files an application for registration
11 or reregistration of a motor vehicle, except of a mobile
12 home as defined in 15-1-101(1), shall upon the filing of the
13 application pay to the county treasurer:

14 (a) ~~pay to the county treasurer~~ the registration fee,
15 as provided in 61-3-311 and 61-3-321; and

16 (b) ~~pay~~ the personal property taxes assessed ~~on~~ the
17 new motor vehicle sales tax against the vehicle for the
18 current year of registration, or in the case of a motor
19 home, travel trailer, or camper, the fee in lieu of property
20 tax for the current year of registration, unless the same
21 shall have been theretofore paid for the year, before the
22 application for registration or reregistration may be
23 accepted by the county treasurer.

24 (3) The county treasurer may make full and complete
25 investigation of the tax status of the vehicle. Any

1 applicant for registration or reregistration must submit
2 proof from the tax records of the proper county at the
3 request of the county treasurer."

4 SECTION 8. SECTION 61-3-317, MCA, IS AMENDED TO READ:

5 "61-3-317. New registration required for transferred
6 vehicle -- grace period -- penalty -- display of proof of
7 purchase. (1) Except as otherwise provided herein, the new
8 owner of the transferred motor vehicle shall have the grace
9 period of 20 calendar days from the date of purchase to make
10 application and pay the taxes as provided by part 5 of this
11 chapter or the fee in lieu of tax as provided by [section 1]
12 unless the tax or fee has been paid for the year, as if the
13 same was being registered for the first time in that
14 registration year. If the motor vehicle was not purchased
15 from a duly licensed motor vehicle dealer as provided in
16 this chapter, it shall not be a violation of this chapter or
17 any other law for the purchaser to operate the vehicle upon
18 the streets and highways of this state without a certificate
19 of registration during the 20-day period; provided, that at
20 all times during that period a bill of sale or other proof
21 of purchase reciting the date of purchase shall be clearly
22 displayed in the rear window of the motor vehicle.
23 Registration and license fees collected under 61-3-321 are
24 not required to be paid when a license plate is transferred
25 under this section and 61-3-335. Failure to make

1 application within the time provided herein shall subject
 2 the purchaser to a penalty of \$10. The penalty shall be
 3 collected by the county treasurer at the time of
 4 registration, and shall be in addition to the fees otherwise
 5 provided by law.

6 (2) Any purchaser of a new or used motor vehicle from
 7 a duly licensed motor vehicle dealer shall have the grace
 8 period of 20 calendar days from the date of purchase to make
 9 application for registration and to obtain registration
 10 plates, and it shall not be a violation of this chapter or
 11 any other law for such purchaser to operate such vehicle
 12 upon the streets and highways of this state without a
 13 certificate of registration and registration plates during
 14 the 20-day period; provided that at all times during said
 15 period the sticker issued by the dealer at the time of
 16 purchase shall remain affixed to said vehicle as provided in
 17 61-4-111. Failure to make such application within the time
 18 provided herein subjects the purchaser to a penalty of \$10.
 19 The penalty is to be collected by the county treasurer at
 20 the time of registration and is in addition to the fees
 21 otherwise provided by law."

22 SECTION 9. SECTION 61-3-322, MCA, IS AMENDED TO READ:

23 "61-3-322. Certificates of registration -- issuance.
 24 (1) Upon completion of the application for registration, on
 25 forms furnished by the division, the county treasurer shall

1 ~~file one copy in his office and~~ issue to the applicant two
 2 copies of the application marked "Owner's Certificate of
 3 Registration and Tax Receipt", one of which shall be marked
 4 "file copy".

5 (2) The certificate of registration shall contain upon
 6 the face thereof:

- 7 (a) the date issued;
- 8 (b) the registration number assigned to the owner and
- 9 the vehicle;

10 (c) the name and complete address of the owner, or the
 11 names and addresses of joint owners;

12 (d) the name and complete address of any conditional
 13 sales vendor, and also the name and address of any other
 14 lienor as shown by said application;

15 (e) a description of the registered vehicle including
 16 the year built and serial number, if any;

17 (f) any lien against such motor vehicle and the amount
 18 due at the date of registration; and

19 (g) such other statement of facts as may be determined
 20 by the division.

21 (3) Every owner, upon receiving a registration receipt
 22 shall write his signature thereon with pen and ink in the
 23 space provided. Every such registration receipt or a
 24 notarized photostatic copy thereof or a duplicate thereof
 25 furnished by the division shall at all times be carried in

1 the vehicle to which it refers or shall be carried by the
2 person driving or in control of such vehicle, who shall
3 display the same upon demand of a police officer or any
4 officer or employee of the division or the highway
5 department.

6 ~~{4}--Upon receipt of application for registration in
7 quintuplet and payment of license fees and taxes as herein
8 provided, the county treasurer shall:~~

9 ~~{a}--file one copy of said application in his office;~~

10 ~~{b}--issue to the applicant two copies of the
11 application entitled "Owner's Certificate of Registration
12 and Tax Receipt" one of which shall be marked "file copy";
13 and~~

14 ~~{c}--forward one copy to the county clerk and recorder.~~

15 {5}{4} The county treasurer shall daily forward to the
16 division one copy of the application all applications for
17 registration received that day.

18 {6}{5} It shall not be necessary for the county
19 treasurer, in said receipt, to segregate the amount of said
20 taxes for state, county, school district, and municipal
21 purposes."

22 SECTION 10. SECTION 61-3-441, MCA, IS AMENDED TO READ:

23 "61-3-441. Tax-paid Fee-paid decal required on camper
24 -- application for decal -- application fee -- issuance. (1)
25 No camper, subject to taxation in Montana, shall may be

1 operated by any person ~~in the state of Montana~~ on the public
2 highways or streets in this state unless there is displayed
3 in a conspicuous place thereon a decal as visual proof that
4 ~~Montana personal property taxes have the fee in lieu of tax~~
5 has been paid thereon for the current year.

6 (2) Application for the issuance of such ~~tax-paid~~ the
7 decal shall be made to the department of revenue or the
8 county treasurer upon forms to be furnished for this
9 purpose, which may be obtained from the department or at the
10 county assessor's treasurer's office in the county wherein
11 the owner resides, and is to provide for substantially the
12 following information:

13 (a) name of owner;

14 (b) address;

15 (c) name of manufacturer;

16 (d) model number;

17 (e) make;

18 (f) year of manufacture;

19 (g) statement evidencing ~~assessment and~~ payment of the
20 fee in lieu of property tax; and

21 (h) such other information as the department may
22 require.

23 (3) ~~Said~~ The application shall must be signed by the
24 county treasurer and transmitted by him to the department
25 accompanied by a an application fee of \$1. Upon receipt of

1 the application in approved form the department or county
2 treasurer shall issue to the applicant a decal in the style
3 and design prescribed by the department and of a different
4 color than the preceding year, numbered numerically."

5 SECTION 11. SECTION 61-3-442, MCA, IS AMENDED TO READ:

6 "61-3-442. Annual application for decals. Application
7 may be made to the department of revenue or county treasurer
8 for the issuance of ~~tax-paid camper~~ decals annually when the
9 motor vehicle to which the camper is customarily attached is
10 registered."

11 SECTION 12. SECTION 61-3-501, MCA, IS AMENDED TO READ:

12 "61-3-501. When vehicle property tax is due. (1)
13 Property taxes ~~and~~ new car taxes, and fees in lieu of tax
14 on a motor home or travel trailer shall ~~must~~ be paid on the
15 date of registration or reregistration of the vehicle.

16 (2) If the anniversary date for reregistration of a
17 vehicle ~~shall pass~~ passes while the vehicle is owned and
18 held for sale by a licensed new or used car dealer, property
19 taxes ~~shall~~ or the fee in lieu of property taxes abate on
20 such vehicle properly reported with the department of
21 revenue until the vehicle is sold and thereafter the
22 purchaser shall pay the pro rata balance of the taxes or the
23 fee in lieu of tax due and owing on the vehicle.

24 (3) In the event a vehicle's registration period is
25 changed under 61-3-315, all taxes and other fees due thereon

1 shall be prorated and paid from the last day of the old
2 period until the first day of the new period in which the
3 vehicle shall be registered. Thereafter taxes and other fees
4 must be paid from the first day of the new period for a
5 minimum period of 1 year. When the change is to a later
6 registration period, taxes and fees shall be prorated and
7 paid based on the same tax year as the original registration
8 period. Thereafter, during the appropriate anniversary
9 registration period, each vehicle shall again register or
10 reregister and shall pay all taxes and fees due thereon for
11 a 12-month period."

12 Section 13. Section 61-3-502, MCA, is amended to read:

13 "61-3-502. Sales tax on new motor vehicles --
14 exemptions. (1) In consideration of the right to use the
15 highways of the state, there shall be imposed a tax upon all
16 sales of new motor vehicles for which a license is sought
17 and an original application for title is made. The tax
18 shall be paid by the purchaser when he applies for his
19 original Montana license through the county treasurer.

20 (2) The sales tax shall be:

21 (a) 1 1/2% of the F.O.B. factory list price or F.O.B.
22 port of entry list price, during the first quarter of the
23 year or prorated one-twelfth for each month or part of month
24 for a registration period other than a calendar year or
25 calendar quarter;

1 (b) 1 1/8% of the list price during the second quarter
2 of the year;

3 (c) 3/4 of 1% during the third quarter of the year;

4 (d) 3/8 of 1% during the fourth quarter of the year.

5 (3) If the manufacturer or importer fails to furnish
6 the F.O.B. factory list price or F.O.B. port of entry list
7 price, the department may use published price lists.

8 (4) The proceeds from this tax shall be remitted to
9 the state treasurer every 30 days for credit to the state
10 highway account of the earmarked revenue fund.

11 (5) The new vehicle is not subject to ~~any other~~
12 ~~assessment--or--taxation--or--fee--in--lieu--of--tax~~ **PROPERTY**
13 ~~TAXATION--AS--WELL--AS--THE--SALES--TAX--IMPOSED--IN--THIS--SECTION~~
14 ~~ANY OTHER ASSESSMENT, TAXATION, OR FEE IN LIEU OF TAX~~ during
15 the calendar year in which the original application for
16 title is made.

17 (6) (a) The applicant for original registration of any
18 wholly new and unused motor vehicle or new motor vehicle
19 furnished without charge by the dealer to the school
20 district for use as a traffic education motor vehicle by a
21 school district operating a state-approved traffic education
22 program within the state, whether or not previously licensed
23 or titled to the school district, except a mobile home as
24 defined in 15-1-101(1), acquired by original contract after
25 January 1 of any year shall be required, whenever such

1 vehicle has not been otherwise assessed, to pay the motor
2 vehicle sales tax provided by this section irrespective of
3 whether the vehicle was in the state of Montana on January 1
4 of the year.

5 (b) No such motor vehicle may be registered or
6 licensed under the provisions of this subsection unless the
7 application for registration is accompanied by a statement
8 of origin to be furnished by the dealer selling the vehicle,
9 showing that the vehicle has not previously been registered
10 or owned, except as otherwise provided herein, by any
11 person, firm, corporation, or association that is not a new
12 motor vehicle dealer holding a franchise or distribution
13 agreement from a new car manufacturer, distributor, or
14 importer.

15 (7) Motor vehicles operating exclusively for
16 transportation of persons for hire within the limits of
17 incorporated cities or towns and within 15 miles from such
18 limits are exempt from subsection (1). Motor vehicles
19 brought or driven into Montana by a nonresident migratory
20 bona fide agricultural worker temporarily employed in
21 agricultural work in this state where those motor vehicles
22 are used exclusively for transportation of agricultural
23 workers are also exempt from subsection (1). Vehicles
24 lawfully displaying a licensed dealer's plate as provided in
25 61-4-102 are exempt from subsection (1) when moving to or

1 from a dealer's place of business when unladen or laden with
2 dealer's property only, and in the case of vehicles having a
3 gross laden weight of less than 24,000 pounds, while in the
4 process of demonstration in the course of the dealer's
5 business."

6 Section 14. Section 61-3-503, MCA, is amended to read:

7 "61-3-503. Assessment. (1) A person who files an
8 application for registration or reregistration of a motor
9 vehicle, ~~except of other than a motor home, travel trailer,~~
10 ~~or EXCEPT OF OTHER THAN A MOTOR HOME, TRAVEL TRAILER, OR~~ a
11 mobile home as defined in 15-1-101(1), shall before filing
12 such application with the county treasurer submit the same
13 to the county assessor of the county. The county assessor
14 shall enter on the application in a space to be provided for
15 that purpose the ~~market value and taxable value of PROPERTY~~
16 ~~TAX-BASE ON MARKET VALUE AND TAXABLE VALUE OF~~ the vehicle for
17 the year for which the application for registration is made.

18 (2) Except as provided in subsection (3) motor
19 vehicles, ~~except other than motor homes, travel trailers, or~~
20 ~~EXCEPT OTHER THAN MOTOR HOMES, TRAVEL TRAILERS, OR~~ mobile
21 homes as defined in 15-1-101(1), are assessed for taxes on
22 January 1 in each year irrespective of the time fixed by law
23 for the assessment of other classes of personal property and
24 irrespective of whether the levy and tax may be a lien upon
25 real property within the state. In no event may any motor

1 vehicle be subject to assessment, levy, and taxation more
2 than once in each year.

3 (3) Vehicles subject to the provisions of 61-3-313
4 through 61-3-316 shall be assessed as of the first day of
5 the year in which the registration period occurs and a lien
6 for taxes and fees due thereon shall occur on the
7 anniversary date of the registration and shall continue
8 thereafter until such fees and taxes shall have been paid."

9 Section 15. Section 61-3-504, MCA, is amended to read:

10 "61-3-504. Computation of tax. The amount of taxes on
11 the a motor vehicle, ~~except other than a motor home, travel~~
12 ~~trailer, PROPERTY LISTED IN (SECTION 2) A MOTOR HOME, TRAVEL~~
13 ~~TRAILER, OR~~ a mobile home as defined in 15-1-101(1), is
14 computed and determined by the county treasurer on the basis
15 of the levy of the year preceding the current year of
16 application for registration or reregistration. The
17 determination is entered on the application form in a space
18 provided therefor."

19 ~~Section 16. Section 61-3-509, MCA, is amended to read:~~

20 "61-3-509. ~~Disposition of taxes and fees in lieu of~~
21 ~~tax. The county treasurer shall credit all taxes on motor~~
22 ~~vehicles so and fees in lieu of tax on motor homes and~~
23 ~~travel trailers collected to a motor vehicle suspense fund~~
24 ~~and at some time between March 1 and March 10 of each year~~
25 ~~and every 60 days thereafter the county treasurer shall~~

1 ~~distribute the same money in the motor vehicle suspense fund~~
 2 ~~in the relative proportions required by the levies for~~
 3 ~~state, county, school district, and municipal purposes in~~
 4 ~~the same manner as other personal property taxes are~~
 5 ~~distributed."~~

6 ~~NEW SECTION. Section 12. Disposition of fees in lieu~~
 7 ~~of tax on snowmobiles. The county treasurer shall credit~~
 8 ~~all fees in lieu of tax collected on snowmobiles to the~~
 9 ~~county motor vehicle suspense fund provided for in 61-3-509.~~

10 SECTION 16. SECTION 61-3-509, MCA, IS AMENDED TO READ:

11 "61-3-509. Disposition of taxes and fees in lieu of
 12 tax. The county treasurer shall credit all taxes on motor
 13 vehicles ~~so~~ and fees in lieu of tax on motor homes and
 14 travel trailers collected to a motor vehicle suspense fund,
 15 and at some time between March 1 and March 10 of each year
 16 and every 60 days thereafter, the county treasurer shall
 17 distribute the ~~same~~ money in the motor vehicle suspense fund
 18 in the relative proportions required by the levies for
 19 state, county, school district, and municipal purposes in
 20 the same manner as other personal property taxes are
 21 distributed."

22 SECTION 17. THERE IS A NEW MCA SECTION THAT READS:

23 Disposition of fees in lieu of tax on snowmobiles. The
 24 county treasurer shall credit all fees in lieu of tax
 25 collected on snowmobiles to the county motor vehicle

1 suspense fund provided for in 61-3-509.

2 Section 18. Section 15-6-101, MCA, is amended to read:

3 "15-6-101. Property subject to taxation --
 4 classification. (1) All property in this state is subject to
 5 taxation, except as provided otherwise.

6 (2) For the purpose of taxation, the taxable property
 7 in the state shall be classified in accordance with 15-6-102
 8 through ~~15-6-121~~ 15-6-120."

9 Section 19. Section 15-6-110, MCA, is amended to read:

10 "15-6-110. Class nine property -- description --
 11 taxable percentage. (1) Class nine property includes:

12 (a) ~~automobiles, motor trucks, and other~~ AUTOMOBILES,
 13 MOTOR TRUCKS, AND OTHER power-driven cars and vehicles of
 14 all kinds except motor homes, mobile homes, motorcycles,
 15 aircraft, camper trailers, ~~AUTOMOBILES, MOTORCYCLES, LIGHT~~
 16 ~~TRUCKS,~~ and truck campers; and

17 (b) furniture and fixtures used in commercial, office,
 18 and hotel activities, except improvements included in class
 19 thirteen.

20 (2) Class nine property is taxed at 13.3% of its
 21 market value."

22 Section 20. Section 15-6-111, MCA, is amended to read:

23 "15-6-111. Class ten property -- description --
 24 taxable percentage. (1) Class ten property includes:

25 (a) aerial, surface, and portable ski lifts and ski

1 tows, including the towers, cables, ropes, sheave
2 assemblies, conveying devices, power units, and all
3 accessories; and

4 (b) manufacturing and mining machinery, fixtures, and
5 supplies, except those included in class eighteenth, and

6 ~~(c) camper-trailers and truck campers as stated in the~~
7 ~~"Montana--Recreational Vehicle Appraisal Guide";~~

8 (2) Class ten property is taxed at 12% of market
9 value."

10 Section 21. Section 15-6-201, MCA, is amended to read:

11 "15-6-201. Exempt categories. (1) (a) The property of
12 the United States, the state, counties, cities, towns,
13 school districts, irrigation districts organized under the
14 laws of Montana and not operating for profit, municipal
15 corporations, public libraries; buildings, with land they
16 occupy and furnishings therein, owned by a church and used
17 for actual religious worship and for residences of the
18 clergy, together with adjacent land reasonably necessary for
19 convenient use of such buildings owned by a church; such
20 other property as is used exclusively for agricultural and
21 horticultural societies, for educational purposes,
22 hospitals, and all property, both real and personal, without
23 limitation as to amount except that real property owned
24 shall not exceed 640 acres, owned and held by any
25 association or corporation organized under Title 35, chapter

1 20 or 21, Cemeteries, provided such cemeteries and any land
2 claimed to be exempt are not maintained and operated for
3 private or corporate profit; institutions of purely public
4 charity; evidence of debt secured by mortgages of record
5 upon real or personal property in the state of Montana; and
6 public art galleries and public observatories not used or
7 held for private or corporate profit are exempt from
8 taxation, but no more land than is necessary for such
9 purpose is exempt.

10 (b) As used in this subsection, the term "institutions
11 of purely public charity" includes organizations owning and
12 operating facilities for the care of the retired or aged or
13 chronically ill, which are not operated for gain or profit,
14 and the terms "public art galleries" and "public
15 observatories" mean only such art galleries and
16 observatories, whether of public or private ownership, as
17 are open to the public without charge or fee at all
18 reasonable hours and are used for the purpose of education
19 only.

20 (2) All household goods and furniture, including
21 clocks, musical instruments, sewing machines, and wearing
22 apparel of members of the family, used by the owner for
23 personal and domestic purposes or for furnishing or
24 equipping the family residence are exempt from taxation.

25 (3) A truck canopy cover or topper weighing less than

1 300 pounds and having no accommodations attached is exempt
2 from taxation ~~and the fee in lieu of tax~~ AND THE FEE IN LIEU
3 OF TAX.

4 ~~"(4) A MOTORCYCLE RATED AT 2 HORSEPOWER OR LESS IS~~
5 ~~EXEMPT FROM TAXATION"~~

6 Section 22v Section 15-8-201v MCAv is amended to read:

7 "15-8-201v General assessment duty--(1) The department
8 of revenue or its agent must, between January 1 and the
9 second Monday of July in each year, ascertain the names of
10 all taxable inhabitants and assess all property subject to
11 taxation in each county. The department or its agent must
12 assess property to the person by whom it was owned or
13 claimed or in whose possession or control it was at midnight
14 of January 1 next preceding. It must also ascertain and
15 assess all mobile homes arriving in the county after
16 midnight of January 1 next preceding. No mistake in the name
17 of the owner or supposed owner of real property, however,
18 renders the assessment invalid.

19 (2) The procedure provided by this section may not
20 apply to:

21 (a) motor vehicles that are required by 15-8-202 to be
22 assessed on January 1 or upon their anniversary registration
23 date;

24 (b) motor homes and travel trailers subject to a fee
25 in lieu of property tax.

1 (b) ~~livestock which are required by 15-24-908 to be~~
2 ~~assessed on an average inventory basis in each county;~~

3 (c) ~~property defined in 61-1-104(2) as "special~~
4 ~~mobile equipment" that is subject to assessment for personal~~
5 ~~property taxes on the date that application is made for a~~
6 ~~special mobile equipment plate; and~~

7 (d) ~~mobile homes held by a distributor or dealer of~~
8 ~~mobile homes as a part of his stock in trade; and~~

9 (e) snowmobiles that are required by 15-8-203 to be
10 assessed as of duty in

11 (3) Credits must be assessed as provided in
12 15-1-101(1)(b).

13 Section 23v Section 15-8-202v MCAv is amended to read:

14 "15-8-202v Motor vehicle assessments--(1) (a) The
15 department or its agent must, in each year, ascertain and
16 assess all motor vehicles except ~~other than motor homes,~~
17 ~~travel trailers, or~~ mobile homes in each county subject to
18 taxation as of January 1 or as of the anniversary
19 registration date of those vehicles subject to 61-3-313
20 through 61-3-316 and 61-3-501. The motor vehicles shall be
21 assessed in each year to the persons by whom owned or
22 claimed or in whose possession or control they were at
23 midnight of January 1 or the anniversary registration date
24 thereof, whichever is applicable.

25 (b) A camper which is customarily attached to a motor

1 vehicle shall be assessed at the time the vehicle is
2 assessed.

3 (c)(b) No tax may be assessed against motor vehicles
4 that constitute inventory of motor vehicle dealers as of
5 January 1. These vehicles and all other motor vehicles
6 brought into the state subsequent to January 1 as motor
7 vehicle dealers' inventories shall be assessed to their
8 respective purchasers as of the dates the vehicles are
9 registered by the purchasers.

10 (d)(c) "Purchasers" includes dealers who apply for
11 registration or reregistration of motor vehicles, except as
12 otherwise provided by 61-3-502.

13 (e)(d) Goods, wares, and merchandise of motor vehicle
14 dealers other than new motor vehicles and new mobile homes
15 shall be assessed at market value as of January 1.

16 (2) In all cases where taxes or a fee in lieu of tax
17 were required to be paid, the applicant for registration or
18 reregistration of a motor vehicle other than a mobile home
19 is not relieved of the duty of paying taxes or the fee in
20 lieu of tax if the taxes or fees have not been paid by a
21 prior applicant or owner.

22 Section 24, Section 23-2-611, MCA, is amended to read:

23 "23-2-611. Certificate of ownership. (1) No
24 snowmobile may be operated upon any public lands, trails,
25 easements, lakes, rivers, streams, roadways or shoulders of

1 roadways, streets, or highways unless a certificate of
2 ownership has first been obtained from the division of motor
3 vehicles in accordance with the laws of this state.

4 (2) Before such certificate may be obtained, the
5 owner of a snowmobile shall make application apply for a
6 certificate of ownership with the county treasurer of the
7 county in which the owner resides upon forms to be
8 furnished for this purpose which shall that must require the
9 following information:

- 10 (a) name of owner;
- 11 (b) residence by town and county;
- 12 (c) business or home mail address;
- 13 (d) name and address of lien holder;
- 14 (e) amount due under contract or lien;
- 15 (f) name and address of manufacturer;
- 16 (g) model number or name;
- 17 (h) serial number; and
- 18 (i) name and address of dealer or other person from
19 whom acquired.

20 (3) The application shall must be signed by at least
21 one owner or by a properly authorized officer or
22 representative of the owner.

23 (4) If a certificate of ownership for a snowmobile has
24 previously been issued under the provisions of this part,
25 the application for a new certificate must be accompanied by

1 the immediately previous certificate or by an affidavit upon
2 a prescribed form stating under oath that the vehicle had
3 not been operated during the immediately previous years. This
4 subsection does not apply to snowmobiles that are purchased
5 as new and unused machines or that were operated when the
6 provisions of this part were not in force and effect.

7 (5) Upon completion of the application in
8 quintuplicate on forms furnished by the division of motor
9 vehicles, the county treasurer shall issue to the applicant
10 two copies of the application, one of which shall be marked
11 "file copy", and forward one copy and the original
12 application to the division, which shall cause to be entered
13 the information contained in the application upon the
14 corresponding records of its office, and shall furnish the
15 applicant a certificate of ownership which shall contain the
16 information found on the application and a permanent
17 ownership number. The certificate of ownership is not
18 required to be renewed annually and is valid as long as the
19 person holding it owns the snowmobile.

20 (6) The owner shall at all times retain possession of
21 the certificate of ownership, except when the same is being
22 transmitted to and from the division for endorsement or
23 cancellations. The owner of a snowmobile shall display his
24 certificate of ownership number on both sides of the cowling
25 of the snowmobile and shall maintain the number in legible

1 condition at all times. The number shall read from left to
2 right and be marked in Arabic numerals, in block characters
3 of good proportion, and shall be a minimum of 3 inches in
4 height, excluding border or trim, and of a color that
5 contrasts with the color of the background.

6 (7) Upon application for a certificate of ownership, a
7 fee of \$3 shall be paid to the county treasurer, one-half of
8 which fee shall be forwarded by the county treasurer to the
9 division of motor vehicles.

10 (8) Before a tax-paid decal ~~indicating that the fee in~~
11 ~~lieu of property tax has been paid on the snowmobile for the~~
12 ~~current year~~ may be applied for pursuant to the laws of this
13 state, the owner must present the certificate of ownership
14 or copy of completed application therefor as a prerequisite
15 to completing the application for the tax-paid decal.

16 Section 25, Section 23-2-612, MCA, is amended to read:
17 "23-2-612. Transfer of interests. (1) Except as
18 provided in subsection (3), upon a transfer of any
19 certificate of ownership to a snowmobile registered as
20 required under the provisions of this part, the person whose
21 title or interest is to be transferred shall write his
22 signature with pen and ink upon the certificate of ownership
23 issued for the snowmobile in the appropriate space provided
24 upon the reverse side of the certificate, and such signature
25 shall be acknowledged before a notary public.

1 (2)--Within-20-calendar-days-thereafter-the-transferee
 2 shall-forward-the--certificate-of-ownership--so--endorsed
 3 together--with--the-information-required-under-this-part--to
 4 the-division-of-motor-vehicles,which-shall--file--the--same
 5 upon--receipt--thereof--No--certificate-of-ownership-may-be
 6 issued-by-the-division-until--the-outstanding--certificates
 7 are--surrendered-to-that-office-or-their-loss-established-to
 8 its-reasonable-satisfaction-The-division--shall--collect--a
 9 fee-of-\$3-for-each-application-for-transfer-of-ownership

10 (3)--A--purchaser--of--a--new-or-used-snowmobile-from-a
 11 licensed-snowmobile-dealer-has-a-grace-period-of-20-calendar
 12 days-from-the-date-of-purchase-to--make--application--for--a
 13 certificate-of-ownership--and--to--obtain-a-tax-paid-decal
 14 ~~indicating-that-the-fee-in-lieu-of--property--tax--has--been~~
 15 ~~paid-on-the-snowmobile-for-the-current-year-it-is-not-a~~
 16 ~~violation-of-this-part-or-any-other-law-for-the-purchaser-to~~
 17 ~~operate-such-a-snowmobile-without-a-certificate-of-ownership~~
 18 ~~and-a-tax-paid-decal-during-the-20-day-period--During--this~~
 19 ~~period--the--stickers--provided-for-in-subsection-(4)--shall~~
 20 ~~remain-affixed-to-the-snowmobile~~

21 (4)--Prior-to-the-delivery-of--the--snowmobile--to--the
 22 purchaser--the--dealer--shall--issue--and--affix--to--the
 23 snowmobile-a-sticker-(in-a-form-to-be-prescribed-by-the
 24 division-of-motor-vehicles)-The-sticker-shall-contain-the
 25 name-and-address-of-the-purchaser-the--date--of--sale--the

1 name--and--address--of--the-dealer--and--a-description-of-the
 2 snowmobile-including-its-serial-number--The-dealer--shall
 3 keep--a-copy-of-the-sticker-for-his-records-and-shall-send-a
 4 copy-of-the-sticker-to-the-division

5 (5)--The-provisions-of-subsection-(2)-of-this-section
 6 requiring--a--transferee--to--forward--the--certificate--of
 7 ownership-after-endorsement-to-the-division-do-not-apply-in
 8 the-event-of-the-transfer-of-a-snowmobile-to-a-duty-licensed
 9 snowmobile-dealer-intending-to-resell-the-snowmobile-and-who
 10 operates-it-only-for-demonstration-purposes-but-every--such
 11 dealer--upon--transferring-such-interest--shall-deliver-the
 12 certificate-of-ownership-with-an-application--for--a--new
 13 certificate-executed-by-the-new-owner-in-accordance-with-the
 14 provisions--of--this-part-The-division-upon-receipt-of-the
 15 certificate--of--ownership--and--application--for--a--new
 16 certificate-together-with-the-conditional-sales-contract-or
 17 other--liens--if--any--shall--issue--a--new--certificate-of
 18 ownership-together-with-a-statement-of-any-conditional-sales
 19 contract-mortgage-or-other-liens"

20 Section-26--Section-23-2-616-MCA-is-amended-to-read

21 "23-2-616--Display-of-tax-paid-decals----application
 22 and--issuance----use--of--fees--(1)No-snowmobile-may-be
 23 operated-by-any-person-in-the-state-of-Montana-unless--there
 24 is--displayed-in-a-conspicuous-place-on-it-a-decal-as-visual
 25 proof-that-Montana-personal-property-taxes-have ~~the-fee-in~~

1 ~~in lieu of property tax has~~ been paid on it for the current
2 year.

3 (2) Application for the tax paid decal shall be made
4 to the county treasurer upon forms to be furnished for this
5 purpose, which may be obtained from the division of motor
6 vehicles or at the county assessor's ~~treasurer's~~ office in
7 the county where the owner resides. The application shall
8 contain the following information:

9 (a) name of owner;

10 (b) address;

11 (c) certificate of ownership number;

12 (d) name of manufacturer;

13 (e) model number;

14 (f) make;

15 (g) horsepower;

16 (h) year of manufacture;

17 (i) statement evidencing assessment and payment of ~~the~~
18 ~~fee in lieu of~~ property tax; and

19 (j) such other information as the division of motor
20 vehicles may require.

21 (3) The application shall be signed by the county
22 treasurer and transmitted by him to the division of motor
23 vehicles accompanied by a fee of \$2. Upon receipt of the
24 application in approved form, the division of motor vehicles
25 or county treasurer shall issue to the applicant a decal in

1 the style and design prescribed by the division and of a
2 different color than the preceding year, numbered in
3 sequence.

4 (4) Before filing the application with the county
5 treasury, the applicant shall submit it to the county
6 assessor of the county and the county assessor shall enter
7 on the application in a place provided for that purpose the
8 market value and taxable value of the snowmobile for the
9 year for which the application is made.

10 (5) ~~(4)~~ The applicant shall pay the county treasurer
11 the application fee and the personal property taxes assessed
12 against ~~fee in lieu of property tax on~~ the snowmobile for
13 the current year before the application may be accepted by
14 the county treasurer.

15 (6) ~~(5)~~ All moneys ~~money~~ collected from payment of the
16 application fees and all interest accruing from use of these
17 moneys shall be turned over to the state treasurer and
18 placed in the earmarked revenue fund to the credit of the
19 department, with \$1 designated for use in enforcing the
20 purposes of this part and \$1 designated for use in the
21 development, maintenance, and operation of snowmobile
22 facilities.

23 Section 27. Section 23-2-617, MCA, is amended to read:

24 "23-2-617. Duplicate decals in the event any tax paid
25 decal ~~indicating that the fee in lieu of property tax has~~

1 ~~been paid on a snowmobile for the current year is lost,~~
 2 ~~mutated or becomes illegible, the person to whom the same~~
 3 ~~was issued shall immediately make application for and may~~
 4 ~~obtain a duplicate thereof upon payment of a fee of \$1 to~~
 5 ~~the county treasurer.~~"

6 Section 28~~v~~ Section 23-2-618~~v~~ MCA~~v~~ is amended to read:
 7 "23-2-618~~v~~ Application to be made annually ----- grace
 8 period ----- proof of purchase: (1) Application must be made
 9 annually to the county treasurer for the issuance of
 10 tax paid decals annually ~~a decal indicating that the fee in~~
 11 ~~lieu of property tax has been paid for the current year. All~~
 12 ~~tax paid decals expire on June 30 of each year.~~

13 (2) An owner of a newly purchased snowmobile shall
 14 have a grace period of 20 calendar days from the date of
 15 purchase to make application for a current tax paid decal,
 16 provided that at all times during that period a bill of sale
 17 or other proof of purchase reciting the date of purchase
 18 shall be carried by the operator or with the snowmobile. An
 19 owner or operator of such a snowmobile being operated after
 20 the 20-day grace period without a current tax paid decal
 21 displayed on the snowmobile shall be subject to the
 22 penalties of 23-2-642(1)~~v~~ as amended."

23 Section 29~~v~~ Section 23-2-642~~v~~ MCA~~v~~ is amended to read:
 24 "23-2-642~~v~~ Penalties: (1) The failure to display a
 25 current tax paid decal ~~indicating that the fee in lieu of~~

1 ~~property tax has been paid on the snowmobile for the current~~
 2 ~~year during the time provided in this part is a misdemeanor~~
 3 ~~punishable by a fine of not less than \$10 or more than \$50.~~
 4 (2) A person who violates any other provision of this
 5 part or a rule adopted pursuant thereto shall pay a civil
 6 penalty of not less than \$15 or more than \$500 for each
 7 separate violation.

8 (3) A person who willfully violates any other
 9 provision of this part or a rule adopted pursuant thereto
 10 shall pay a civil penalty of not less than \$50 or more than
 11 \$1000 for each separate violation.

12 (4) A manufacturer who certifies that a new snowmobile
 13 can meet the sound level limitations imposed by this part
 14 shall be subject to the penalty provisions of subsections
 15 (2) and (3) if any machine so certified does not meet the
 16 appropriate sound level limitations for the purposes of this
 17 section. Every sale of a new snowmobile that does not meet
 18 the sound level limitations imposed by this part constitutes
 19 a separate violation."

20 SECTION 17~~v~~ SECTION 15-6-113~~v~~ MCA~~v~~ IS AMENDED TO READ:
 21 "15-6-113~~v~~ Class twelve property ----- description -----
 22 taxable percentages: (1) Class twelve property includes:
 23 (a) boats and all watercraft;
 24 (b) aircraft; and
 25 (c) motorcycles and

1 ~~(d)(c)~~ large farm machinery valued in the official
2 guide tractors and farm implements and department valuation
3 schedules.

4 (2) Class twelve property is taxed at 1% of its
5 market value.

6 SECTION 16 -- SECTION 10-2-301 -- MEA -- IS AMENDED TO READ:

7 "10-2-301 -- Free license plates to disabled veterans.
8 Any person who is a veteran of the armed service of the
9 United States and 100% disabled because of an injury which
10 that has been determined by the veterans administration to
11 be service connected and who is a citizen and resident of
12 the state of Montana and who is the owner of a passenger
13 automobile or of a truck up to and including three quarter
14 ton GVW rated capacity shall be provided with is entitled to
15 receive free license plates upon payment of personal
16 property tax equal to 1% of the taxable value for such
17 automobile or truck and upon proof of 100% service connected
18 disability."

19 SECTION 17 -- COORDINATION WITH HOUSE BILL 213 -- IS
20 HOUSE BILL 213 -- INTRODUCED IN THE 46TH LEGISLATURE IS
21 PASSED AND SIGNED BY THE GOVERNOR.

22 (1) PROPERTY IN THE FOLLOWING SUBSECTIONS OF HOUSE
23 BILL 213 ARE CLASSIFIED IN SECTION 2 OF HOUSE BILL 848:

24 (a) SUBSECTIONS (1)(b) AND (1)(c) OF SECTION 9

25 (b) AUTOMOBILES AND LIGHT TRUCKS IN SUBSECTION (1)(a)

1 OF SECTION 9 AND

2 (c) SUBSECTIONS (1)(b) THROUGH (1)(d) OF SECTION 9

3 AND

4 (2) SECTION 5 OF HOUSE BILL 213 IS AMENDED TO READ AS

5 FOLLOWS:

6 NEW SECTION -- Section 5 -- Class five property --
7 description -- taxable percentages -- (1) Class five property
8 includes:

9 (a) all property used and owned by cooperative rural
10 electric and cooperative rural telephone associations
11 organized under the laws of Montana except property owned
12 by cooperative organizations described in subsection (1)(c)
13 of section 7;

14 (b) air and water pollution control equipment as
15 defined in this section; and

16 (c) (i) truck campers, motor homes and camping and
17 travel trailers, including fifth wheel trailers, owned by
18 and actually used primarily by a person 60 years of age or
19 older who:

20 (i) is retired from full employment; and

21 (ii) whose total income from all sources is not more
22 than \$7,000 for a single person or \$8,000 for a married
23 couple;

24 (d) (c) new industrial property as defined in this
25 section.

{2}--"Air---and---water---pollution---equipment"--means facilities, machinery, or equipment used to reduce or control water or atmospheric pollution or contamination by removing, reducing, altering, disposing, or storing pollutants, contaminants, wastes, or heats. The department of health and environmental sciences shall determine if such utilization is being made.

{3}--"New industrial property" means any new industrial plant, including land, buildings, machinery, and fixtures used by new industries during the first 3 years of their operations. The property may not have been assessed within the state of Montana prior to July 1, 1961.

{4}--(a)--"New industry" means any person, corporation, firm, partnership, association, or other group that establishes a new plant in Montana for the operation of a new industrial endeavor, as distinguished from a mere expansion, reorganization, or merger of an existing industry.

{b}--New industry includes only those industries that:
{i}--manufacture, mine, produce, process, or fabricate materials;

{ii}--do similar work employing capital and labor in which materials unserviceable in their natural state are extracted, processed, or made fit for use, or are substantially altered or treated so as to create commercial

products or materials; or

{iii}--engage in the mechanical or chemical transformation of materials or substances into new products in the manner defined as manufacturing in the 1972 Standard Industrial Classification Manual prepared by the United States office of management and budget.

{5}--New industrial property does not include:

{a}--property used by retail or wholesale merchants, commercial services of any type, agriculture, trades, or professions;

{b}--a plant that will create adverse impact on existing state, county, or municipal services; or

{c}--property used or employed in any industrial plant that has been in operation in this state for 3 years or longer.

{6}--Cross-five property is taxed at 3% of its market value.

SECTION 22. SECTION 15-8-201, MCA, IS AMENDED TO READ:

"15-8-201. General assessment day. (1) The department of revenue or its agent must, between January 1 and the second Monday of July in each year, ascertain the names of all taxable inhabitants and assess all property subject to taxation in each county. The department or its agent must assess property to the person by whom it was owned or claimed or in whose possession or control it was at midnight

1 of January 1 next preceding. It must also ascertain and
 2 assess all mobile homes arriving in the county after
 3 midnight of January 1 next preceding. No mistake in the name
 4 of the owner or supposed owner of real property, however,
 5 renders the assessment invalid.

6 (2) The procedure provided by this section may not
 7 apply to:

8 (a) motor vehicles that are required by 15-8-202 to be
 9 assessed on January 1 or upon their anniversary registration
 10 date;

11 ~~(b) motor homes and travel trailers subject to a fee~~
 12 ~~in lieu of property tax;~~

13 ~~(b)(c) livestock which are required by 15-24-908 to be~~
 14 ~~assessed on an average inventory basis in each county;~~

15 ~~(c)(d) property defined in 61-1-104(2) as "special~~
 16 ~~mobile equipment" that is subject to assessment for personal~~
 17 ~~property taxes on the date that application is made for a~~
 18 ~~special mobile equipment plate; and~~

19 ~~(d)(e) mobile homes held by a distributor or dealer of~~
 20 ~~mobile homes as a part of his stock-in-trade; and~~

21 ~~(e) snowmobiles that are required by 15-8-203 to be~~
 22 ~~assessed as of duty is~~

23 (3) Credits must be assessed as provided in
 24 15-1-101(1)(b)."

25 SECTION 23. SECTION 15-8-202, MCA, IS AMENDED TO READ:

1 "15-8-202. Motor vehicle assessment. (1) (a) The
 2 department or its agent must, in each year, ascertain and
 3 assess all motor vehicles except other than motor homes,
 4 travel trailers, or mobile homes in each county subject to
 5 taxation as of January 1 or as of the anniversary
 6 registration date of those vehicles subject to 61-3-313
 7 through 61-3-316 and 61-3-501. The motor vehicles shall be
 8 assessed in each year to the persons by whom owned or
 9 claimed or in whose possession or control they were at
 10 midnight of January 1 or the anniversary registration date
 11 thereof, whichever is applicable.

12 ~~(b) A camper which is customarily attached to a motor~~
 13 ~~vehicle shall be assessed at the time the vehicle is~~
 14 ~~assessed.~~

15 ~~(c) No tax may be assessed against motor vehicles~~
 16 ~~that constitute inventory of motor vehicle dealers as of~~
 17 ~~January 1. These vehicles and all other motor vehicles~~
 18 ~~brought into the state subsequent to January 1 as motor~~
 19 ~~vehicle dealers' inventories shall be assessed to their~~
 20 ~~respective purchasers as of the dates the vehicles are~~
 21 ~~registered by the purchasers.~~

22 ~~(d)(c) "Purchasers" includes dealers who apply for~~
 23 ~~registration or reregistration of motor vehicles, except as~~
 24 ~~otherwise provided by 61-3-502.~~

25 ~~(e)(d) Goods, wares, and merchandise of motor vehicle~~

1 dealers, other than new motor vehicles and new mobile homes,
2 shall be assessed at market value as of January 1.

3 (2) In all cases where taxes or a fee in lieu of tax
4 were required to be paid, the applicant for registration or
5 reregistration of a motor vehicle, other than a mobile home,
6 is not relieved of the duty of paying taxes or the fee in
7 lieu of tax if the taxes or fees have not been paid by a
8 prior applicant or owner."

9 SECTION 24. SECTION 23-2-611, MCA, IS AMENDED TO READ:

10 "23-2-611. Certificate of ownership. (1) No snowmobile
11 may be operated upon any public lands, trails, easements,
12 lakes, rivers, streams, roadways or shoulders of roadways,
13 streets, or highways, unless a certificate of ownership has
14 first been obtained from the division of motor vehicles in
15 accordance with the laws of this state.

16 ~~(2) Before such certificate may be obtained, the~~ The
17 owner of a snowmobile shall ~~make application~~ apply for a
18 certificate of ownership with the county treasurer of the
19 county in which the owner resides, upon forms to be
20 furnished for this purpose ~~which shall~~ that must require the
21 following information:

- 22 (a) name of owner;
- 23 (b) residence by town and county;
- 24 (c) business or home mail address;
- 25 (d) name and address of lien holder;

- 1 (e) amount due under contract or lien;
- 2 (f) name and address of manufacturer;
- 3 (g) model number or name;
- 4 (h) serial number; and
- 5 (i) name and address of dealer or other person from
6 whom acquired.

7 (3) The application ~~shall~~ must be signed by at least
8 one owner or by a properly authorized officer or
9 representative of the owner.

10 (4) If a certificate of ownership for a snowmobile has
11 previously been issued under the provisions of this part,
12 the application for a new certificate must be accompanied by
13 the immediately previous certificate or by an affidavit upon
14 a prescribed form stating under oath that the vehicle had
15 not been operated during the immediately previous year. This
16 subsection does not apply to snowmobiles that are purchased
17 as new and unused machines or that were operated when the
18 provisions of this part were not in force and effect.

19 (5) Upon completion of the application in
20 quintuplicate on forms furnished by the division of motor
21 vehicles, the county treasurer shall issue to the applicant
22 two copies of the application, one of which shall be marked
23 "file copy", and forward one copy and the original
24 application to the division, which shall cause to be entered
25 the information contained in the application upon the

1 corresponding records of its office, and shall furnish the
2 applicant a certificate of ownership which shall contain the
3 information found on the application and a permanent
4 ownership number. The certificate of ownership is not
5 required to be renewed annually and is valid as long as the
6 person holding it owns the snowmobile.

7 (6) The owner shall at all times retain possession of
8 the certificate of ownership, except when the same is being
9 transmitted to and from the division for endorsement or
10 cancellation. The owner of a snowmobile shall display his
11 certificate of ownership number on both sides of the cowling
12 of the snowmobile and shall maintain the number in legible
13 condition at all times. The number shall read from left to
14 right and be marked in Arabic numerals, in block characters
15 of good proportion, and shall be a minimum of 3 inches in
16 height, excluding border or trim, and of a color that
17 contrasts with the color of the background.

18 (7) Upon application for a certificate of ownership, a
19 fee of \$3 shall be paid to the county treasurer, one-half of
20 which fee shall be forwarded by the county treasurer to the
21 division of motor vehicles.

22 (8) Before a ~~tax-paid decal indicating that the fee in~~
23 ~~lieu of property tax has been paid on the snowmobile for the~~
24 ~~current year~~ may be applied for pursuant to the laws of this
25 state, the owner must present the certificate of ownership

1 or copy of completed application therefor as a prerequisite
2 to completing the application for the ~~tax-paid decal.~~"

3 ~~SECTION 25. SECTION 23-2-612, MCA, IS AMENDED TO READ:~~

4 "23-2-612. Transfer of interest. (1) Except as
5 provided in subsection (3), upon a transfer of any
6 certificate of ownership to a snowmobile registered as
7 required under the provisions of this part, the person whose
8 title or interest is to be transferred shall write his
9 signature with pen and ink upon the certificate of ownership
10 issued for the snowmobile in the appropriate space provided
11 upon the reverse side of the certificate, and such signature
12 shall be acknowledged before a notary public.

13 (2) Within 20 calendar days thereafter, the transferee
14 shall forward the certificate of ownership so endorsed,
15 together with the information required under this part, to
16 the division of motor vehicles, which shall file the same
17 upon receipt thereof. No certificate of ownership may be
18 issued by the division until the outstanding certificates
19 are surrendered to that office or their loss established to
20 its reasonable satisfaction. The division shall collect a
21 fee of \$3 for each application for transfer of ownership.

22 (3) A purchaser of a new or used snowmobile from a
23 licensed snowmobile dealer has a grace period of 20 calendar
24 days from the date of purchase to make application for a
25 certificate of ownership and to obtain a ~~tax-paid decal~~

1 ~~indicating that the fee in lieu of property tax has been~~
 2 ~~paid on the snowmobile for the current year.~~ It is not a
 3 violation of this part or any other law for the purchaser to
 4 operate such a snowmobile without a certificate of ownership
 5 and a ~~tax-paid~~ decal during the 20-day period. During this
 6 period the sticker, provided for in subsection (4), shall
 7 remain affixed to the snowmobile.

8 (4) Prior to the delivery of the snowmobile to the
 9 purchaser, the dealer shall issue and affix to the
 10 snowmobile a sticker (in a form to be prescribed by the
 11 division of motor vehicles). The sticker shall contain the
 12 name and address of the purchaser, the date of sale, the
 13 name and address of the dealer, and a description of the
 14 snowmobile, including its serial number. The dealer shall
 15 keep a copy of the sticker for his records and shall send a
 16 copy of the sticker to the division.

17 (5) The provisions of subsection (2) of this section,
 18 requiring a transferee to forward the certificate of
 19 ownership after endorsement to the division, do not apply in
 20 the event of the transfer of a snowmobile to a duly licensed
 21 snowmobile dealer intending to resell the snowmobile and who
 22 operates it only for demonstration purposes, but every such
 23 dealer, upon transferring such interest, shall deliver the
 24 certificate of ownership with an application for a new
 25 certificate executed by the new owner in accordance with the

1 provisions of this part. The division, upon receipt of the
 2 certificate of ownership and application for a new
 3 certificate, together with the conditional sales contract or
 4 other lien, if any, shall issue a new certificate of
 5 ownership together with a statement of any conditional sales
 6 contract, mortgage, or other lien."

7 SECTION 26, SECTION 23-2-616, MCA, IS AMENDED TO READ:
 8 "23-2-616. Display of ~~tax-paid~~ decals -- application
 9 and issuance -- use of fees. (1) No snowmobile may be
 10 operated by any person in the ~~state of~~ Montana unless there
 11 is displayed in a conspicuous place on it a decal as visual
 12 proof that ~~Montana personal property taxes have~~ the fee in
 13 lieu of property tax has been paid on it for the current
 14 year.

15 (2) Application for the tax-paid decal shall be made
 16 to the county treasurer upon forms to be furnished for this
 17 purpose, which may be obtained from the division of motor
 18 vehicles or at the county ~~assessor's~~ treasurer's office in
 19 the county where the owner resides. The application shall
 20 contain the following information:

- 21 (a) name of owner;
 22 (b) address;
 23 (c) certificate of ownership number;
 24 (d) name of manufacturer;
 25 (e) model number;

- 1 (f) make;
- 2 (g) horsepower;
- 3 (h) year of manufacture;
- 4 (i) statement evidencing ~~assessment and~~ payment of the
- 5 fee in lieu of property tax; and

6 (j) such other information as the division of motor
7 vehicles may require.

8 (3) The application shall be signed by the county
9 treasurer and transmitted by him to the division of motor
10 vehicles accompanied by a fee of \$2. Upon receipt of the
11 application in approved form, the division of motor vehicles
12 or county treasurer shall issue to the applicant a decal in
13 the style and design prescribed by the division and of a
14 different color than the preceding year, numbered in
15 sequence.

16 ~~{4}--Before-filing--the--application--with--the--county~~
17 ~~treasurer--the--applicant--shall--submit--it--to--the--county~~
18 ~~assessor--of--the--county--and--the--county--assessor--shall--enter~~
19 ~~on--the--application--in--a--place--provided--for--that--purpose--the~~
20 ~~market--value--and--taxable--value--of--the--snowmobile--for--the~~
21 ~~year--for--which--the--application--is--made~~

22 {5}{4} The applicant shall pay the county treasurer
23 the application fee and the personal property taxes assessed
24 against fee in lieu of property tax on the snowmobile for
25 the current year before the application may be accepted by

1 the county treasurer.

2 {6}{5} All moneys ~~money~~ collected from payment of the
3 application fees and all interest accruing from use of these
4 moneys shall be turned over to the state treasurer and
5 placed in the earmarked revenue fund to the credit of the
6 department, with \$1 designated for use in enforcing the
7 purposes of this part and \$1 designated for use in the
8 development, maintenance, and operation of snowmobile
9 facilities."

10 SECTION 27, SECTION 23-2-617, MCA, IS AMENDED TO READ:

11 "23-2-617. Duplicate decal. In the event any tax-paid
12 decal indicating that the fee in lieu of property tax has
13 been paid on a snowmobile for the current year is lost,
14 mutilated, or becomes illegible, the person to whom the same
15 was issued shall immediately make application for and may
16 obtain a duplicate thereof, upon payment of a fee of \$1 to
17 the county treasurer."

18 SECTION 28, SECTION 23-2-618, MCA, IS AMENDED TO READ:

19 "23-2-618. Application to be made annually -- grace
20 period -- proof of purchase. (1) Application must be made
21 annually to the county treasurer for the issuance of
22 tax-paid decals annually a decal indicating that the fee in
23 lieu of property tax has been paid for the current year. All
24 ~~tax-paid~~ decals expire on June 30 of each year.

25 (2) An owner of a newly purchased snowmobile shall

1 have a grace period of 20 calendar days from the date of
 2 purchase to make application for a current ~~tax-paid~~ decal,
 3 provided that at all times during that period a bill of sale
 4 or other proof of purchase reciting the date of purchase
 5 shall be carried by the operator or with the snowmobile. An
 6 owner or operator of such a snowmobile being operated after
 7 the 20-day grace period without a current ~~tax-paid~~ decal
 8 displayed on the snowmobile shall be subject to the
 9 penalties of 23-2-642(1), as amended."

10 SECTION 29. SECTION 23-2-642, MCA, IS AMENDED TO READ:

11 "23-2-642. Penalties. (1) The failure to display a
 12 current ~~tax-paid~~ decal indicating that the fee in lieu of
 13 property tax has been paid on the snowmobile for the current
 14 year during the time provided in this part is a misdemeanor,
 15 punishable by a fine of not less than \$10 or more than \$50.

16 (2) A person who violates any other provision of this
 17 part or a rule adopted pursuant thereto shall pay a civil
 18 penalty of not less than \$15 or more than \$500 for each
 19 separate violation.

20 (3) A person who willfully violates any other
 21 provision of this part or a rule adopted pursuant thereto
 22 shall pay a civil penalty of not less than \$50 or more than
 23 \$1,000 for each separate violation.

24 (4) A manufacturer who certifies that a new snowmobile
 25 can meet the sound-level limitations imposed by this part

1 shall be subject to the penalty provisions of subsections
 2 (2) and (3) if any machine so certified does not meet the
 3 appropriate sound level limitation. For the purposes of this
 4 section, every sale of a new snowmobile that does not meet
 5 the sound-level limitations imposed by this part constitutes
 6 a separate violation."

7 Section 30. Repealer. Sections ~~SECTION~~ SECTIONS
 8 ~~15-6-121 and 15-8-203, MCA, are MCA-15 AND 15-8-203, MCA,~~
 9 ARE repealed.

10 Section 31. Applicability. This act applies to motor
 11 homes, travel trailers, campers, ~~AUTOMOBILES, LIGHT-TRUCKS,~~
 12 ~~MOTORCYCLES~~ and snowmobiles registered during and after
 13 1980.

-End-

April 16, 1979

SENATE STANDING COMMITTEE REPORT
(Taxation)

That House Bill No. 848, third reading bill, be amended as follows:

1. Title, lines 4 and 5.
Following: "A"
Strike: "FEE IN LIEU OF"

2. Title, line 5.
Following: "FOR"
Insert: "AUTOMOBILES, LIGHT TRUCKS, MOTORCYCLES,"

3. Title, line 6.
Following: "SECTIONS"
Insert: "10-2-301,"

4. Title, line 7.
Following: "15-6-111,"
Insert: "15-6-113,"
Following: "15-6-201,"
Strike: remainder of line 7 and lines 8 and 9 in their entirety
Insert: "61-3-502, 61-3-503, AND"

5. Title, line 10.
Following: "61-3-504,"
Strike: "AND 61-3-509,"

6. Title, lines 10 and 11.
Following: "REPEALING"
Strike: "SECTIONS"
Insert: "SECTION"
Following: "15-6-121"
Strike: "AND 15-8-203"

7. Title, line 11.
Following: "MCA"
Insert: "; AND PROVIDING FOR COORDINATION WITH HOUSE BILL 213"

8. Page 1, line 14.
Following: line 13
Strike: section 1 in its entirety
Insert: "Section 1. Legislative finding. It is the determination of the legislature that the existing method of property taxation for motor vehicles is difficult to administer and inefficient. Therefore the legislature hereby provides a new method for determination of property tax, which is more equitable and easier to administer.

Section 2. THERE IS A NEW MCA SECTION THAT READS:
Class [eleven] property - description. (1) Class [eleven] property includes:
(a) automobiles;
(b) light trucks;
(c) motor homes;

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House Bill No. 848

(d) travel trailers;
(e) snowmobiles;
(f) motorcycles; and
(g) campers.

(2)(a) "Light truck" means a truck with a manufacturer's rated capacity of three-quarters of a ton or less.

(b) "Motor home" means a self-propelled motor vehicle originally designed or permanently altered to provide temporary facilities for recreational, travel, or camping use.

(c) "Travel trailer" means a trailer 32 feet or less in length and 8 feet or less in width originally designed or permanently altered to provide temporary facilities for recreational, travel, or camping use.

(3) There is a property tax imposed on class [eleven] property in accordance with the schedules provided in [sections 3 through 7], and collected under the procedure established in Title 15, chapter 16. The tax imposed in [sections 3 through 7] need not be paid by a dealer for vehicles that constitute inventory of the dealership.

(4) Local and state mill levies may not be applied against the value of property in this class. However, that portion of a county's taxable value represented by the taxable value of automobiles, light trucks, mobile homes, travel trailers, campers, motorcycles, and snowmobiles registered in the county during calendar year 1979 shall remain in the county's taxable value for all purposes except mill levy calculations.

Section 3. THERE IS A NEW MCA SECTION THAT READS:

Schedules of property taxes for automobiles and light trucks.

(1) The owner of an automobile or a light truck weighing more than 3,000 pounds, manufacturer's shipping weight, shall pay a property tax based on the age of the vehicle according to the following schedule:

less than 2 years old	\$125
2 years old and less than 3 years old	110
3 years old and less than 4 years old	95
4 years old and less than 5 years old	80
5 years old and less than 6 years old	65
6 years old and less than 7 years old	50
7 years old and less than 8 years old	35
8 years old and less than 9 years old	20
9 years old and older	15

(2) The owner of an automobile or light truck weighing 3,000 pounds or less, manufacturer's shipping weight, shall pay a property tax based on the age of the vehicle according to the following schedule:

less than 2 years old	\$115
2 years old and less than 3 years old	100
3 years old and less than 4 years old	85
4 years old and less than 5 years old	70
5 years old and less than 6 years old	55
6 years old and less than 7 years old	40
7 years old and less than 8 years old	25
8 years old and older	15

(3) The age of an automobile or light truck is determined by subtracting the manufacturer's designated model year from the current calendar year.

Section 4. THERE IS A NEW MCA SECTION THAT READS:

Schedule of property taxes for motorcycles. (1) Except as provided in 15-6-201, the owner of a motorcycle with a piston displacement of more than 100 cubic centimeters shall pay a property tax based on the age of the motorcycle according to the following schedule:

less than 3 years old	\$ 25
3 years old and less than 4 years old	20
4 years old and less than 6 years old	10
6 years old and older	5

(2) Except as provided in 15-6-201, the owner of a motorcycle with a piston displacement of 100 cubic centimeters or less shall pay a property tax of one-half of the amount required for the age of the motorcycle under the schedule in subsection (1) except that the minimum property tax for a motorcycle under this subsection is \$5."

Renumber: subsequent sections

9. Page 1, line 21.
Following: "of"
Strike: "fees"
Insert: "property taxes"

10. Page 1, line 22.
Following: "pay a"
Strike: "fee"
Insert: "tax"

11. Page 2, line 11.
Following: "of"
Strike: "fees"
Insert: "property taxes"

12. Page 2, line 12.
Following: "The"
Strike: "fee imposed by [section 1]"
Insert: "property tax"

13. Page 2, line 14.
Following: "the"
Strike: "fee"
Insert: "property tax"

14. Page 2, line 15.
Following: "The"
Strike: "fee imposed by [section 1]"
Insert: "property tax"

15. Page 2, line 16.
Following: "the"
Strike: "fee"
Insert: "property tax"

16. Page 2, line 20.
Following: "4."
Strike: "Fee in lieu of tax"
Insert: "Schedule of property tax"

17. Page 2, line 21.
Following: "(1)"
Strike: "There is a fee in lieu of tax on snowmobiles."
(2) The fee"
Insert: "The property tax"

18. Page 2, line 24.
Following: "the"
Strike: "fee"
Insert: "property tax"
Renumber: subsequent subsection

19. Page 3, line 3.
Following: line 2
Strike: lines 3-25, pages 4-10, and lines 1-15 on page 11.
Renumber: subsequent sections

20. Page 12, line 15.
Following: "is"
Strike: "not"
Following: "to"
Strike: "any other assessment, taxation, or fee in lieu of tax"
Insert: "property taxation as well as the sales tax imposed in this section"

21. Page 14, line 11.
Following: "of"
Strike: "other than a motor home, travel trailer, or"
Insert: "except of"

22. Page 14, line 16.
Following: "the"
Strike: "market value and taxable value of"
Insert: "property tax due on"

23. Page 14, line 20.
Following: "except"
Strike: "other than motor homes, travel trailers, or"
Insert: "except"

24. Page 15, lines 11 and 12.
Following: "than"
Strike: "a motor home, travel trailer,"
Insert: "property listed in [section 2]"

25. Page 15, line 18.
Following: line 17
Strike: lines 18-25, and lines 1-8 on page 16
Renumber: subsequent sections

26. Page 16, line 19.

Following: "(a)"

Strike: "automobiles, motor trucks, and other"

27. Page 16, line 21.

Following: "trailers,"

Insert: "automobiles, motorcycles, light trucks,"

28. Page 19, line 8.

Following: "taxation"

Strike: "and the fee in lieu of tax"

29. Page 19.

Following: line 8

Insert: "(4) A motorcycle rated at 2 horsepower or less is exempt from taxation."

30. Page 19, line 9.

Following: line 8

Strike: lines 9-25 on page 19, pages 20-29, and lines 1-22 on page 30 in their entirety

31. Page 30.

Following: line 22

Insert: "Section 15. Section 15-6-113, MCA, IS AMENDED TO READ:

"15-6-113. Class twelve property -- description -- taxable percentage. (1) Class twelve property includes:

(a) boats and all watercraft;

(b) aircraft; and

~~(c) motorcycles; and~~

~~(d) (c) large farm machinery valued in the official guide tractors and farm implements and department valuation schedules.~~

(2) Class twelve property is taxed at 1½% of its market value."

Section 16. Section 10-2-301, MCA, IS AMENDED TO READ:

"10-2-301. Free license plates to disabled veterans.

Any person who is a veteran of the armed service of the United States and 100% disabled because of an injury which that has been determined by the veterans administration to be service connected and who is a citizen and resident of the state of Montana and who is the owner of a passenger automobiles or of a truck up to and including three-quarter ton GVW-rated capacity ~~shall be provided with is entitled to receive free license plates upon payment of personal property tax equal to 1% of the taxable value for such automobile or truck and upon proof of 100% service-connected disability.~~

"Section 17. Coordination with House Bill 213. If House Bill 213, introduced in the 46th legislature, is passed and signed by the governor;

(1) property in the following subsections of House Bill 213 are classified in section 2 of House Bill 848:

(a) subsections (1)(d) and (1)(b) of section 8;

(b) automobiles and light trucks in subsection (1)(a) of section 9; and

(c) subsections (1)(b) through (1)(d) of section 9; and

(2) section 5 of House Bill 213 is amended to read as follows:
NEW SECTION. Section 5. Class five property -- description -- taxable percentage. (1) Class five property includes:

(a) all property used and owned by cooperative rural electrical and cooperative rural telephone associations organized under the laws of Montana, except property owned by cooperative organizations described in subsection (1)(c) of [section 7];

(b) air and water pollution control equipment as defined in this section; and

~~(c) (d) -- track campers, motor homes, and camping and travel trailers, including fifth-wheel trailers, owned by and actually used primarily by a person 60 years of age or older who~~

~~(i) -- is retired from full employment; and~~

~~(ii) -- whose total income from all sources is not more than \$7,000 for a single person or \$8,000 for a married couple;~~

~~(d) (c) new industrial property as defined in this section.~~

(2) "Air and water pollution equipment" means facilities, machinery, or equipment used to reduce or control water or atmospheric pollution or contamination by removing, reducing, altering, disposing, or storing pollutants, contaminants, wastes, or heat. The department of health and environmental sciences shall determine if such utilization is being made.

(3) "New industrial property" means any new industrial plant, including land, buildings, machinery, and fixtures, used by new industries during the first 3 years of their operation. The property may not have been assessed within the state of Montana prior to July 1, 1961.

(4) (a) "New industry" means any person, corporation, firm, partnership, association, or other group that establishes a new plant in Montana for the operation of a new industrial endeavor, as distinguished from a mere expansion, reorganization, or merger of an existing industry.

(b) New industry includes only those industries that:

(i) manufacture, mill, mine, produce, process, or fabricate materials;

(ii) do similar work, employing capital and labor, in which materials unserviceable in their natural state are extracted, processed, or made fit for use or are substantially altered or treated so as to create commercial products or materials; or

(iii) engage in the mechanical or chemical transformation of materials or substances into new products in the manner defined as manufacturing in the 1972 Standard Industrial Classification Manual prepared by the United States office of management and budget.

(5) New industrial property does not include:

(a) property used by retail or wholesale merchants, commercial services of any type, agriculture, trades, or professions;

(b) a plant that will create adverse impact on existing state, county, or municipal services; or

(c) property used or employed in any industrial plant that has been in operation in this state for 3 years or longer.

(6) Class five property is taxed at 3% of its market value."

Renumber: subsequent sections

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32. Page 30, lines 23 and 24.
Following: "Repealer."
Strike: "Sections"
Insert: "Section"
Following: "15-6-121"
Strike: "and 15-8-203, MCA, are"
Insert: ", MCA, is"

33. Page 31, line 1.
Following: "campers,"
Insert: "automobiles, light trucks; motorcycles,"