

SENATE BILL 176

IN THE SENATE

January 19, 1979	Introduced and referred to Committee on Taxation.
January 22, 1979	Fiscal note requested.
January 26, 1979	Fiscal note returned.
April 20, 1979	Died in Committee.

1 *Amended* BILL NO. *176* *Sharon Mark*
 2 INTRODUCED BY *Salvage Radio Ramsey*
 3 *Undivided* *Ellison Smith* *Ellison Wyrick* *Ellison*
 4 A BILL FOR AN ACT ENTITLED: "AN ACT TO SUBMIT TO THE *WATHE*
 5 QUALIFIED ELECTORS OF MONTANA AN AMENDMENT TO THE MONTANA *Faton*
 6 CONSTITUTION PLACING A PROPERTY TAX LIMITATION ON CERTAIN *Mayer*
 7 REAL PROPERTY." *Goodson M. Gallum* *Khudratt* *Ellen*
 8 *Goodson* *Rasmussen* *Schmidt* *Shelly*
 9 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA: *John*

10 Section 1. Article VIII of the Montana constitution is
 11 amended by adding a new section that reads:

12 Property tax limitation. For property tax purposes, the
 13 total taxable value of all land and improvements, excluding
 14 fixtures, except such land and improvements used for
 15 agriculture, mining, or processing metal or minerals or used
 16 in supplying transportation, communication, or energy to the
 17 public may not exceed 5% of its market value.

18 Section 2. Effective date. If approved by the
 19 electorate, this amendment is effective January 1, 1981.

20 Section 3. Submission to electorate. This amendment
 21 shall be submitted to the electors of Montana at the general
 22 election to be held on November 4, 1980, by printing on the
 23 ballot the full title of this act and the following:

24 ☐ FOR limiting the taxable value of certain land and
 25 improvements to 5% of its current market value.

1 ☐ AGAINST limiting the taxable value of certain land
 2 and improvements to 5% of its current market value.
 3

-End-

STATE OF MONTANA

REQUEST NO. 71-79

FISCAL NOTE

Form BD-15

In compliance with a written request received January 22, 19 79, there is hereby submitted a Fiscal Note for Senate Bill 176 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 bill submits to the qualified electors of Montana an amendment to the Montana Constitution placing a property tax limitation on certain real property.

FISCAL IMPACT

None in the FY80 and FY81 biennium.

LONG-RANGE IMPACT

If the proposed were to be enacted and passed by the voters all qualifying property would have to be put on the assessment roles at current market value. The most accurate method would be reappraisal, however, this would cost an estimated \$8 million. Another method would be to increase the appraised value to the current market value by using a factor calculated from information gathered under the Realty Transfer Act. This method has the potential of causing several lawsuits by owners of property that are atypical of results obtained from the sample.

PREPARED BY DEPARTMENT OF REVENUE

Richard L. Drury
BUDGET DIRECTOR

Office of Budget and Program Planning

Date: 1/26/79