

SENATE BILL 343

IN THE SENATE

February 2, 1979	Introduced and referred to Committee on Taxation.
February 5, 1979	Fiscal note requested.
February 8, 1979	Fiscal note returned.
April 20, 1979	Died in Committee.

1 *John* *Asate* BILL NO. *343*
 2 INTRODUCED BY *Savannah Manly that Katal Nolas*
 3 *Adriest Schultz* *Roy E. Smith Watt Doan VanHoltzhausen*
 4 A BILL FOR AN ACT ENTITLED: "AN ACT TO AMEND THE DEFINITION *Kidley*
 5 OF AGRICULTURAL LAND FOR PROPERTY TAX PURPOSES BY REQUIRING *Goodman*
 6 THAT IT PRODUCE AGRICULTURAL PRODUCTS FOR SALE WORTH AT *Kopp*
 7 LEAST AN AVERAGE OF \$1,000 A YEAR; AMENDING SECTION *Kopp*
 8 15-7-202, MCA." *Agnera Baumgardner*

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

10 Section 1. Section 15-7-202, MCA, is amended to read:

11 "15-7-202. Eligibility of land for valuation as
12 agricultural. (1) Land which is actively devoted to
13 agricultural use shall be eligible for valuation,
14 assessment, and taxation as herein provided each year it
15 meets either of the following qualifications:
16

17 (a) the area of such land is not less than 5
18 contiguous acres when measured in accordance with provisions
19 of 15-7-206, and it has been actively devoted to agriculture
20 during the last growing season, and it continues to be
21 actively devoted to agricultural use, which means:

- 22 (i) it is used to produce field crops including but
- 23 not limited to grains, feed crops, fruits, vegetables; or
- 24 (ii) it is used for grazing; or
- 25 (iii) it is in a cropland retirement program; or and

1 (b) it agriculturally produces has produced for sale
 2 or home consumption the equivalent of 15% or more of the
 3 owners' annual gross income regardless of the number of
 4 contiguous acres in the ownership agricultural products
 5 including livestock, worth at least an average of \$1,000 a
 6 year during the past 3 years.

7 (2) Land shall not be classified or valued as
8 agricultural if it is subdivided with stated restrictions
9 prohibiting its use for agricultural purposes.

10 (3) The grazing on land by a horse or other animals
11 kept as a hobby and not as a part of a bona fide
12 agricultural enterprise shall not be considered a bona fide
13 agricultural operation.

14 (4) The department of revenue or its agents may
 15 require a person applying for assessment of his land as
 16 agricultural to provide proof and sign a statement that the
 17 land meets the requirement imposed in subsection (1)(b)."

-End-

STATE OF MONTANA

REQUEST NO. 214-79

FISCAL NOTE

Form BD-15

In compliance with a written request received February 5, 19 79, there is hereby submitted a Fiscal Note for Senate Bill 343 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 amends the definition of agricultural land for property tax purposes by requiring that it produce agricultural products for sale worth at least an average of \$1,000 a year.

ASSUMPTIONS

Although the fiscal impact cannot be determined, this legislation should have minimal impact on both state and local government revenues.

FISCAL IMPACT

Cannot be determined.

EFFECT ON LOCAL GOVERNMENTS

Should have minimal impact on local governments.

PREPARED BY DEPARTMENT OF REVENUE

Richard L. Drayton
BUDGET DIRECTOR

Office of Budget and Program Planning

Date: 2/8/79