

CHAPTER NO. 630.

SENATE BILL NO. 521

INTRODUCED BY MANLEY, WATT, McCALLUM, TURNAGE

BY REQUEST OF THE COMMITTEE ON TAXATION

IN THE SENATE

February 16, 1979	Introduced and referred to Committee on Taxation.
February 23, 1979	Fiscal note requested.
February 28, 1979	Fiscal note returned.
March 8, 1979	Committee recommend bill do pass as amended. Report adopted.
March 9, 1979	Printed and placed on members' desks.
March 10, 1979	Second reading, do pass.
March 12, 1979	Considered correctly engrossed.
March 13, 1979	Third reading, passed. Transmitted to second house.

IN THE HOUSE

March 14, 1979	Introduced and referred to Committee on Taxation.
April 11, 1979	Committee recommend bill be concurred in. Report adopted.
April 12, 1979	Second reading, concurred in.
April 16, 1979	Third reading, concurred in.

IN THE SENATE

April 16, 1979	Returned from second house. Concurred in. Sent to enrolling.  Reported correctly enrolled.
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1  
 2 INTRODUCTION BY *Jack* BILL NO. *521*  
*Manly Watt McCallum*  
 3 BY REQUEST OF THE COMMITTEE ON TAXATION  
*Turner*

4 A BILL FOR AN ACT ENTITLED: "AN ACT TO EXTEND THE PERIOD  
 5 DURING WHICH COUNTY TAX APPEAL BOARDS MAY MEET; PROVIDING  
 6 THAT TAXPAYERS' APPLICATIONS ARE GRANTED IF A COUNTY TAX  
 7 APPEAL BOARD REFUSES OR FAILS TO HEAR THE APPLICATION;  
 8 AMENDING SECTIONS 15-15-101 THROUGH 15-15-103, MCA."

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

11 Section 1. Section 15-15-101, MCA, is amended to read:  
 12 "15-15-101. County tax appeal board -- meetings and  
 13 compensation. (1) The board of county commissioners of each  
 14 county shall appoint a three-member county tax appeal board,  
 15 with the members to serve staggered terms of 3 years each.  
 16 The members of each county tax appeal board shall be  
 17 residents of the county in which they serve. They shall  
 18 receive compensation of \$25 a day and travel expenses as  
 19 provided for in 2-18-501 through 2-18-503, as amended, only  
 20 when the county tax appeal board is in session to hear  
 21 taxpayers' appeals from property tax assessments or when  
 22 they are attending meetings called by the state tax appeal  
 23 board. Travel expenses and compensation shall be paid from  
 24 the appropriation to the state tax appeal board. Office  
 25 space and equipment for the county tax appeal boards shall

1 be furnished by the county. All other incidental expenses  
 2 shall be paid from the appropriation of the state tax appeal  
 3 board.

4 (2) The county tax appeal board must meet on the third  
 5 Monday of April in each year to hear protests concerning  
 6 assessments made by the department of revenue. It must  
 7 continue in session for that purpose from time to time until  
 8 the business of hearing protests is disposed of, but not  
 9 later than ~~the first Monday in June unless granted additional~~  
 10 ~~time by order of the state tax appeal board 60 days after~~  
 11 ~~the department of revenue or its agent has mailed notice of~~  
 12 ~~classification and appraisal to all property owners as~~  
 13 ~~required in 15-7-102.~~ In connection with any such appeal,  
 14 the county tax appeal board may change any assessment or fix  
 15 the assessment at some other level. The county clerk shall  
 16 publish a notice to taxpayers, giving the time the county  
 17 tax appeal board will meet to hear protests concerning  
 18 assessments and the latest date the county tax appeal board  
 19 may take applications for such hearings. The notice shall be  
 20 published in a newspaper if any is printed in the county or,  
 21 if none, then in such manner as the board may direct. The  
 22 notice shall be published at least 7 days prior to the first  
 23 meeting of the county tax appeal board."

24 Section 2. Section 15-15-102, MCA, is amended to read:  
 25 "15-15-102. Application for reduction in valuation. No

1 reduction may be made in the valuation of property unless  
 2 the party affected or his agent makes and files with the  
 3 county tax appeal board on or before the first Monday in  
 4 June or 15 days after receiving a notice of classification  
 5 and appraisal from the department of revenue, whichever is  
 6 later, a written application therefor. The application  
 7 shall state the post-office address of the applicant, shall  
 8 specifically describe the property involved, and shall state  
 9 the facts upon which it is claimed such reduction should be  
 10 made."

11 Section 3. Section 15-15-103, MCA, is amended to read:  
 12 "15-15-103. Examination of applicant. Before the  
 13 county tax appeal board grants any application or makes any  
 14 reduction applied for, it must examine on oath the person or  
 15 agent making the application, touching the value of the  
 16 property of each person. No reduction must be made unless  
 17 such person or agent makes an application, as provided in  
 18 15-15-102, and attends and answers all questions pertinent  
 19 to the inquiry. The testimony of all witnesses upon such  
 20 hearing must be taken in shorthand or by stenotype or  
 21 electronically recorded and preserved for 1 year. If the  
 22 decision of the county tax appeal board is appealed, all  
 23 testimony must be transcribed or otherwise reduced to  
 24 writing and forwarded, together with all exhibits, to the  
 25 state tax appeal board. The date of hearing, the proceedings

1 before the board, and the decision must be entered upon the  
 2 minutes of the board, and the board shall notify the  
 3 applicant of its decision by registered or certified mail  
 4 within 3 days thereafter. A copy of the minutes of the  
 5 county tax appeal board must be transmitted to the state tax  
 6 appeal board no later than 3 days after the ~~second-Monday-in~~  
 7 July board holds its final hearing of the year."

8 NEW SECTION. Section 4. Failure or refusal to hear  
 9 application. (1) If a county tax appeal board refuses or  
 10 fails to hear a taxpayer's application for a reduction in  
 11 valuation of property, except that listed in 15-2-302, the  
 12 taxpayer's application is considered to be granted on the  
 13 day following the board's final meeting for that year.  
 14 (2) The county treasurer shall enter the appraisal or  
 15 classification sought in the application in the assessment  
 16 book.

-End-

55521

## STATE OF MONTANA

Request No. 418-79

## FISCAL NOTE

Form BD-15

In compliance with a written request received February 27, 1979, there is hereby submitted a Fiscal Note for Senate Bill 521 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 OF PROPOSED LEGISLATION:

This bill extends the period during which county tax appeal boards may meet and provides that taxpayers' applications are granted if a county tax appeal board refuses or fails to hear the application.

## ASSUMPTIONS:

1. A substantial number of notices of change in valuation will be received by taxpayers too late to be appealed to county tax appeal boards in the present time frame set by law.
2. County boards will continue to operate in the same fashion as in the past, and therefore will be required to spend an estimated 200 additional days annually hearing appeals.
3. Per diem of county board members is set by law. Other county board expenses (secretarial, postage and supplies, etc.) will remain about the same in the next biennium as in the current biennium.

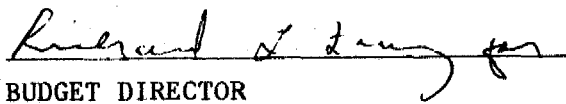
## FISCAL IMPACT

	<u>FY 80</u>	<u>FY 81</u>
200 additional hearing days	\$43,000	\$43,000
Additional operating costs, State Tax Appeal Board	<u>7,000</u>	<u>7,000</u>
Additional cost of proposed legislation	<u>\$50,000</u>	<u>\$50,000</u>

The increased expenditures will be from the State General Fund.

## LOCAL IMPACT:

The local impact is estimated to be minimal. An increase in operating expenses (space, equipment, etc.) and/or decrease in tax revenues could result.

  
 BUDGET DIRECTOR  
 Office of Budget and Program Planning  
 Date: 2/28/79

Approved by Committee  
on Taxation

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 14   compensation. (1) The board of county commissioners of each  
 15   county shall appoint a three-member county tax appeal board,  
 16   with the members to serve staggered terms of 3 years each.  
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 18   residents of the county in which they serve. They shall  
 19   receive compensation of \$25 a day and travel expenses as  
 20   provided for in 2-18-501 through 2-18-503, as amended, only  
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 22   taxpayers' appeals from property tax assessments or when  
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1   space and equipment for the county tax appeal boards shall  
 2   be furnished by the county. All other incidental expenses  
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 4   boards.

5           (2) The county tax appeal board must meet on the third  
 6   Monday of April in each year to hear protests concerning  
 7   assessments made by the department of revenue. It must  
 8   continue in session for that purpose from time to time until  
 9   the business of hearing protests is disposed of, but not  
 10   later than the ~~last Monday in June unless granted additional~~  
 11   ~~time--by--order--of--the--state--tax--appeal--board 60 days after~~  
 12   the department of revenue or its agent;

13           (A) has mailed notice of classification and appraisal  
 14   to all property owners as required in 15-7-102; AND

15           (B) HAS NOTIFIED THE COUNTY TAX APPEAL BOARD THAT  
 16   CLASSIFICATION AND APPRAISAL NOTICES HAVE BEEN MAILED TO ALL  
 17   PROPERTY OWNERS. In connection with any such appeal, the  
 18   county tax appeal board may change any assessment or fix the  
 19   assessment at some other level. The county clerk shall  
 20   publish a notice to taxpayers, giving the time the county  
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1 notice shall be published at least 7 days prior to the first  
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16 15-2-302, the taxpayer's application is considered to be  
17 granted on the day following the board's final meeting for  
18 that year.

19 (2) The county treasurer shall enter the appraisal or  
20 classification sought in the application in the assessment  
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20 (2) The county treasurer shall enter the appraisal or  
 21 classification sought in the application in the assessment  
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-End-

March 8, 1979

SENATE STANDING COMMITTEE REPORT  
(Taxation)

That Senate Bill No. 521 be amended as follows:

1. Page 2, line 11.

Following: "agent"

Insert: ":

(a)"

2. Page 2, line 13.

Following: "15-7-102"

Insert: "; and

(b) has notified the county tax appeal board that  
classification and appraisal notices have been mailed to  
all property owners "

3. Page 4, line 10.

Following: "taxpayer's"

Insert: "timely"