

HOUSE BILL NO. 492
INTRODUCED BY DOZIER

IN THE HOUSE

January 25, 1983	Introduced and referred to Committee on Taxation.
February 4, 1983	Committee recommend bill do pass. Report adopted.
February 5, 1983	Bill printed and placed on members' desks.
February 7, 1983	Second reading, do pass.
February 8, 1983	Considered correctly engrossed.
February 9, 1983	Third reading, passed. Transmitted to Senate.

IN THE SENATE

February 10, 1983	Introduced and referred to Committee on Taxation.
March 12, 1983	Committee recommend bill be concurred in. Report adopted.
March 15, 1983	Second reading, concurred in.
March 17, 1983	Third reading, concurred in. Ayes, 47; Noes, 0.

IN THE HOUSE

March 17, 1983	Returned to House.
March 18, 1983	Sent to enrolling. Reported correctly enrolled.

1 House BILL NO. 492
 2 INTRODUCED BY Doy
 3
 4 A BILL FOR AN ACT ENTITLED: "AN ACT TO PROVIDE THAT ALL
 5 TRAILERS LICENSED FOR A GROSS WEIGHT OF 18,000 POUNDS OR
 6 LESS ARE CLASS EIGHT PROPERTY FOR THE PURPOSE OF TAXATION
 7 AND THAT ALL TRAILERS LICENSED FOR A GROSS WEIGHT EXCEEDING
 8 18,000 POUNDS ARE CLASS TEN PROPERTY; AMENDING SECTIONS
 9 15-6-138 THROUGH 15-6-140, MCA; AND PROVIDING AN EFFECTIVE
 10 DATE."
 11
 12 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:
 13 Section 1. Section 15-6-138, MCA, is amended to read:
 14 "15-6-138. Class eight property -- description --
 15 taxable percentage. (1) Class eight property includes:
 16 (a) all agricultural implements and equipment;
 17 (b) all mining machinery, fixtures, equipment, tools,
 18 and supplies except:
 19 (i) those included in class five; and
 20 (ii) coal and ore haulers;
 21 (c) all manufacturing machinery, fixtures, equipment,
 22 tools, and supplies except those included in class five;
 23 (d) motorcycles;
 24 (e) watercraft;
 25 (f) ~~light-utility-and-boon-trailers~~ all trailers up to

1 ~~and including 18,000 pounds maximum gross loaded weight,~~
 2 ~~except those subject to a fee in lieu of property tax;~~
 3 (g) aircraft;
 4 (h) all-terrain vehicles;
 5 (i) harness, saddlery, and other tack equipment; and
 6 (j) all other machinery except that specifically
 7 included in another class.
 8 (2) Class eight property is taxed at 11% of its market
 9 value."
 10 Section 2. Section 15-6-139, MCA, is amended to read:
 11 "15-6-139. Class nine property -- description --
 12 taxable percentage. (1) Class nine property includes:
 13 (a) buses and trucks having a rated capacity of more
 14 than three-quarters of a ton but less than or equal to 1 1/2
 15 tons;
 16 ~~(b) stock-trailers;~~
 17 ~~(c) truck toppers~~ weighing more than 300 pounds;
 18 ~~(d) furniture, fixtures, and equipment, except that~~
 19 ~~specifically included in another class, used in commercial~~
 20 ~~establishments as defined in this section;~~
 21 ~~(e) x-ray and medical and dental equipment; and~~
 22 ~~(f) citizens' band radios and mobile telephones.~~
 23 (2) "Commercial establishment" includes any hotel;
 24 motel; office; petroleum marketing station; or service,
 25 wholesale, retail, or food-handling business.

(3) Class nine property is taxed at 13% of its market value."

Section 3. Section 15-6-140, MCA, is amended to read:

"15-6-140. Class ten property -- description -- taxable percentage. (1) Class ten property includes:

(a) radio and television broadcasting and transmitting equipment;

(b) cable television systems;

(c) coal and ore haulers;

(d) trucks having a rated capacity of more than 1 1/2 tons, including those prorated under 15-24-102;

(e) ~~trailers,--except-those-included-in-class-eight-or~~
~~nine all trailers exceeding 18,000 pounds maximum gross~~
~~loaded weight,~~ including those prorated under 15-24-102, and except those subject to a fee in lieu of property tax;

(f) theater projectors and sound equipment; and

(g) all other property not included in the preceding nine classes except that property subject to a fee in lieu of a property tax.

(2) Class ten property is taxed at 16% of its market value."

NEW SECTION. Section 4. Effective date. This act is effective July 1, 1983.

-End-

FISCAL NOTE

Form BD-15

In compliance with a written request received January 27, , 19 83 , there is hereby submitted a Fiscal Note for House Bill 492 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:

House Bill 492 provides that all trailers licensed for a gross weight of 18,000 pounds or less are class eight property for the purpose of taxation and that all trailers licensed for a gross weight exceeding 18,000 pounds are class ten property and provides an effective date.

ASSUMPTIONS:

- 1) At present, most trailers other than stock trailers and commercial trailers are assigned to Class 8 (taxed at 11% of market value).
- 2) Stock trailers which are now assigned to Class 9 (taxed at 13% of market value), are predominatly in excess of 18,000 pounds gross loaded weight.
- 3) Commercial trailers, which are now assigned to Class 10 (taxed at 16% of market value) are predominantly in excess of 18,000 pounds gross loaded weight.
- 4) ~~No information on value of trailers by gross loaded weight is available.~~

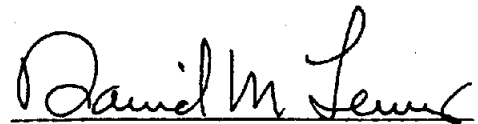
FISCAL IMPACT:

Revenue for the university system and the school foundation fund is expected to increase, but the size of the increase cannot be determined.

EFFECT ON COUNTY OR OTHER LOCAL REVENUE OR EXPENDITURES:

Property tax revenue for local government is to increase, but the size of the increase cannot be determined.

FISCAL NOTE 9:T/1



BUDGET DIRECTOR

Office of Budget and Program Planning

Date: 2-1-83

Approved by committee
on Taxation

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7 AND THAT ALL TRAILERS LICENSED FOR A GROSS WEIGHT EXCEEDING
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17 (b) all mining machinery, fixtures, equipment, tools,
18 and supplies except:
19 (i) those included in class five; and
20 (ii) coal and ore haulers;
21 (c) all manufacturing machinery, fixtures, equipment,
22 tools, and supplies except those included in class five;
23 (d) motorcycles;
24 (e) watercraft;
25 (f) ~~light-utility-and-boat-trailers~~ all trailers up to

1 and including 18,000 pounds maximum gross loaded weight,
2 except those subject to a fee in lieu of property tax;
3 (g) aircraft;
4 (h) all-terrain vehicles;
5 (i) harness, saddlery, and other tack equipment; and
6 (j) all other machinery except that specifically
7 included in another class.
8 (2) Class eight property is taxed at 11% of its market
9 value."
10 Section 2. Section 15-6-139, MCA, is amended to read:
11 "15-6-139. Class nine property -- description --
12 taxable percentage. (1) Class nine property includes:
13 (a) buses and trucks having a rated capacity of more
14 than three-quarters of a ton but less than or equal to 1 1/2
15 tons;
16 ~~(b) --stock-trailers;~~
17 ~~(c) (b)~~ truck toppers weighing more than 300 pounds;
18 ~~(d) (c)~~ furniture, fixtures, and equipment, except that
19 specifically included in another class, used in commercial
20 establishments as defined in this section;
21 ~~(e) (d)~~ x-ray and medical and dental equipment; and
22 ~~(f) (e)~~ citizens' band radios and mobile telephones.
23 (2) "Commercial establishment" includes any hotel;
24 motel; office; petroleum marketing station; or service,
25 wholesale, retail, or food-handling business.

1 (3) Class nine property is taxed at 13% of its market
2 value."

3 Section 3. Section 15-6-140, MCA, is amended to read:

4 "15-6-140. Class ten property -- description --
5 taxable percentage. (1) Class ten property includes:

6 (a) radio and television broadcasting and transmitting
7 equipment;

8 (b) cable television systems;

9 (c) coal and ore haulers;

10 (d) trucks having a rated capacity of more than 1 1/2
11 tons, including those prorated under 15-24-102;

12 ~~(e) trailers,--except-those-included-in-class-eight-or~~
13 ~~nine all trailers exceeding 18,000 pounds maximum gross~~
14 ~~loaded weight,~~ including those prorated under 15-24-102, and
15 except those subject to a fee in lieu of property tax;

16 (f) theater projectors and sound equipment; and

17 (g) all other property not included in the preceding
18 nine classes except that property subject to a fee in lieu
19 of a property tax.

20 (2) Class ten property is taxed at 16% of its market
21 value."

22 ~~NEW SECTION.~~ Section 4. Effective date. This act is
23 effective July 1, 1983.

-End-

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 19 (i) those included in class five; and
 20 (ii) coal and ore haulers;
 21 (c) all manufacturing machinery, fixtures, equipment,
 22 tools, and supplies except those included in class five;
 23 (d) motorcycles;
 24 (e) watercraft;
 25 (f) ~~light-utility-and-boat-trailers~~ all trailers up to

1 and including 18,000 pounds maximum gross loaded weight,
 2 except those subject to a fee in lieu of property tax;
 3 (g) aircraft;
 4 (h) all-terrain vehicles;
 5 (i) harness, saddlery, and other tack equipment; and
 6 (j) all other machinery except that specifically
 7 included in another class.
 8 (2) Class eight property is taxed at 11% of its market
 9 value."
 10 Section 2. Section 15-6-139, MCA, is amended to read:
 11 "15-6-139. Class nine property -- description --
 12 taxable percentage. (1) Class nine property includes:
 13 (a) buses and trucks having a rated capacity of more
 14 than three-quarters of a ton but less than or equal to 1 1/2
 15 tons;
 16 ~~(b) stock-trailers;~~
 17 ~~(c) truck toppers~~ weighing more than 300 pounds;
 18 ~~(d) furniture, fixtures, and equipment, except that~~
 19 ~~specifically included in another class, used in commercial~~
 20 ~~establishments as defined in this section;~~
 21 ~~(e) x-ray and medical and dental equipment; and~~
 22 ~~(f) citizens' band radios and mobile telephones.~~
 23 (2) "Commercial establishment" includes any hotel;
 24 motel; office; petroleum marketing station; or service,
 25 wholesale, retail, or food-handling business.

1 (3) Class nine property is taxed at 13% of its market
2 value."

3 Section 3. Section 15-6-140, MCA, is amended to read:

4 "15-6-140. Class ten property -- description --
5 taxable percentage. (1) Class ten property includes:

6 (a) radio and television broadcasting and transmitting
7 equipment;

8 (b) cable television systems;

9 (c) coal and ore haulers;

10 (d) trucks having a rated capacity of more than 1 1/2
11 tons, including those prorated under 15-24-102;

12 ~~(e) trailers,--except-those-included-in-class-eight-or~~
13 ~~nine all trailers exceeding 18,000 pounds maximum gross~~
14 ~~loaded weight,~~ including those prorated under 15-24-102, and
15 except those subject to a fee in lieu of property tax;

16 (f) theater projectors and sound equipment; and

17 (g) all other property not included in the preceding
18 nine classes except that property subject to a fee in lieu
19 of a property tax.

20 (2) Class ten property is taxed at 16% of its market
21 value."

22 ~~NEW SECTION.~~ Section 4. Effective date. This act is
23 effective July 1, 1983.

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INTRODUCED BY DOZIER

A BILL FOR AN ACT ENTITLED: "AN ACT TO PROVIDE THAT ALL TRAILERS LICENSED FOR A GROSS WEIGHT OF 18,000 POUNDS OR LESS ARE CLASS EIGHT PROPERTY FOR THE PURPOSE OF TAXATION AND THAT ALL TRAILERS LICENSED FOR A GROSS WEIGHT EXCEEDING 18,000 POUNDS ARE CLASS TEN PROPERTY; AMENDING SECTIONS 15-6-138 THROUGH 15-6-140, MCA; AND PROVIDING AN EFFECTIVE DATE."

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- (a) all agricultural implements and equipment;
- (b) all mining machinery, fixtures, equipment, tools, and supplies except:
 - (i) those included in class five; and
 - (ii) coal and ore haulers;
- (c) all manufacturing machinery, fixtures, equipment, tools, and supplies except those included in class five;
- (d) motorcycles;
- (e) watercraft;
- (f) ~~light-utility-and-boat-trailers~~ all trailers up to

~~and including 18,000 pounds maximum gross loaded weight, except those subject to a fee in lieu of property tax;~~

- (g) aircraft;
 - (h) all-terrain vehicles;
 - (i) harness, saddlery, and other tack equipment; and
 - (j) all other machinery except that specifically included in another class.
- (2) Class eight property is taxed at 11% of its market value."

Section 2. Section 15-6-139, MCA, is amended to read:

"15-6-139. Class nine property -- description -- taxable percentage. (1) Class nine property includes:

- (a) buses and trucks having a rated capacity of more than three-quarters of a ton but less than or equal to 1 1/2 tons;
 - ~~(b) --stock-trailers--~~
 - ~~(c) --~~(b) truck toppers weighing more than 300 pounds;
 - ~~(d) --~~(c) furniture, fixtures, and equipment, except that specifically included in another class, used in commercial establishments as defined in this section;
 - ~~(e) --~~(d) x-ray and medical and dental equipment; and
 - ~~(f) --~~(e) citizens' band radios and mobile telephones.
- (2) "Commercial establishment" includes any hotel; motel; office; petroleum marketing station; or service, wholesale, retail, or food-handling business.

1 (3) Class nine property is taxed at 13% of its market
2 value."

3 Section 3. Section 15-6-140, MCA, is amended to read:

4 "15-6-140. Class ten property -- description --
5 taxable percentage. (1) Class ten property includes:

6 (a) radio and television broadcasting and transmitting
7 equipment;

8 (b) cable television systems;

9 (c) coal and ore haulers;

10 (d) trucks having a rated capacity of more than 1 1/2
11 tons, including those prorated under 15-24-102;

12 (e) ~~trailers, except those included in class eight or~~
13 ~~nine all trailers exceeding 18,000 pounds maximum gross~~
14 ~~loaded weight~~, including those prorated under 15-24-102, and
15 except those subject to a fee in lieu of property tax;

16 (f) theater projectors and sound equipment; and

17 (g) all other property not included in the preceding
18 nine classes except that property subject to a fee in lieu
19 of a property tax.

20 (2) Class ten property is taxed at 15% of its market
21 value."

22 **NEW SECTION.** Section 4. Effective date. This act is
23 effective July 1, 1983.

-End-