

HOUSE BILL NO. 917

Introduced: 03/22/83

Referred to Committee on Taxation: 03/22/83

Hearing: 3/24/83

Report: 4/4/83, Do Not Pass

Rereferred to Select Committee on Economic Development:

04/05/83

Hearing: 4/8/83

Died in Committee

1 House BILL NO. 917
2 INTRODUCED BY Facer-Gillard
3

4 A BILL FOR AN ACT ENTITLED: "AN ACT TO AMEND ARTICLE VII OF
5 THE CONSTITUTION OF THE STATE OF MONTANA TO ELIMINATE
6 PROPERTY TAXES ON ALL NONINDUSTRIAL IMPROVEMENTS TO REAL
7 PROPERTY, ON RESIDENTIAL LAND, AND ON CERTAIN AGRICULTURAL
8 ITEMS; ELIMINATING UP TO 50% OF THE PROPERTY TAXES ON
9 INDUSTRIAL IMPROVEMENTS; FREEZING PROPERTY TAX RATES ON
10 OTHER TAXABLE PROPERTY; REQUIRING THAT ADDITIONAL LOCAL
11 TAXATION BE THROUGH INCOME TAXES; PROHIBITING PROPERTY
12 TAXATION FOR THE GENERAL SUPPORT OF STATE GOVERNMENT;
13 ESTABLISHING A GENERAL SALES TAX, NOT TO EXCEED 5 PERCENT;
14 PROVIDING STATE REIMBURSEMENT FOR LOST PROPERTY TAX REVENUE;
15 PROVIDING A TRUST FUND TO PROVIDE ADEQUATE RESOURCES TO THE
16 ELDERLY AND DISABLED; PROVIDING RENTER ASSISTANCE; PROVIDING
17 FOR THE PROMOTION OF TOURISM IN THE STATE; AND PROVIDING
18 THAT THE ACT BE SUBMITTED TO THE ELECTORS OF THE STATE OF
19 MONTANA."

20
21 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

22 Section 1. There is a new section in Article VII of
23 the Constitution of the State of Montana that reads:

24 Section 15. Property tax limitations. (1) No property
25 tax may be levied upon any nonindustrial real property

1 improvements or upon residential land, not exceeding 1 acre,
2 reasonably necessary for the use and enjoyment of a
3 residential dwelling, or upon agricultural products in
4 storage, livestock, or agricultural tools, implements, or
5 machinery. The legislature may eliminate up to 50% of the
6 property taxes levied against industrial improvements. No
7 property tax may be levied for the general support of state
8 government.

9 (2) No mill levy on real or personal property not
10 exempted under subsection (1) may be increased beyond the
11 level that existed on December 31, 1984. The legislature
12 shall by law provide local governments, including school
13 districts, with the authority to levy income taxes to
14 supplement other allowable sources of funding.

15 Section 2. There is a new section in Article VII of
16 the Constitution of the State of Montana that reads:

17 Section 16. Sales tax. The state shall levy a general
18 sales tax of up to 5%:

19 (1) to provide state reimbursement for property tax
20 losses due to exemptions provided in section 15 of this
21 article;

22 (2) for support of a trust fund for the elderly and
23 disabled, to be known as the new environments for the
24 elderly and disabled trust of the state of Montana. The
25 principal of the new environments for the elderly and

1 disabled trust shall forever remain inviolate in an amount
2 of one hundred million dollars (\$100,000,000), guaranteed by
3 the state against loss or diversion.

4 {3} to provide assistance, proportional to taxes
5 eliminated from residential property tax, to individuals who
6 are lessees of their permanent residences;

7 {4} to provide a tourism fund to advertise and promote
8 the state of Montana equal to 1% of the revenue raised by
9 the general sales tax.

10 Section 3. Effective date. If approved by the
11 electorate, the amendments set forth in sections 1 and 2
12 shall be effective on January 1 following such approval.

13 Section 4. Submission to electorate. The amendments
14 set forth in sections 1 and 2 shall be submitted to the
15 electors of the state of Montana at the general election to
16 be held November 6, 1984, by printing on the ballot the full
17 title of this act and the following:

18 ☐ FOR prohibiting property tax funding for the general
19 support of state government, eliminating certain
20 property taxes, and freezing the tax rate of other
21 property taxes; establishing a general sales tax to
22 be used to fund state reimbursement of lost property
23 tax revenue, care for the aged and disabled, renter
24 assistance, and tourism promotion.

25 ☐ AGAINST prohibiting property tax funding for the

1 general support of state government, eliminating
2 certain property taxes, and freezing the tax rate of
3 other property taxes; establishing a general sales
4 tax to be used to fund state reimbursement of lost
5 property tax revenue, care for the aged and
6 disabled, renter assistance, and tourism promotion.

7 Section 5. Coordination instruction. If HB 629
8 introduced in the 48th legislature is not passed and
9 approved, the date "November 6, 1984" in section 4 of this
10 act is changed to "November 8, 1983".

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