# SENATE BILL NO. 189

# INTRODUCED BY BLAYLOCK

## IN THE SENATE

I	n the senate
January 18, 1983	Introduced and referred to Committee on Taxation.
January 19, 1983	Piscal note requested.
January 24, 1983	Fiscal note returned.
January 31, 1983	Committee recommend bill do pass. Report adopted.
February 1, 1983	Bill printed and placed on members' desks.
February 2, 1983	Second reading, do pass.
February 3, 1983	Correctly engrossed.
February 4, 1983	Third reading, passed. Ayes, 49; Noes, 0. Transmitted to House.
I	N THE HOUSE
February 5, 1983	Introduced and referred to Committee on Taxation.
March 5, 1983	Committee recommend bill be concurred in. Report adopted.
March 7, 1983	Second reading, concurred in.
March 8, 1983	Third reading, concurred in.
ı	n the senate
March 9, 1983	Returned to Senate. Sent to enrolling.

Reported correctly enrolled.

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1	Martin BILL	NO. 189	
2	INTRODUCED BY BOMOR	<u> 1997 - 1987 - 1997 - 1997 - 1997 - 1997 - 1997 - 1997 - 1997 - 1997 - 1997 - 1997 - 1997 - 1997 - 1997 - 199</u>	<u> </u>
3	O		
4	A BILL FOR AN ACT ENTITLED: "AN	ACT TO GENER	ALLY REVISE AN
5	CLARIFY THE LIGHT VEHICLE FEE ST	TATUTES; TO PR	HT TAHT BOLVE
6	AMOUNT OF THE FEE FOR LIGHT	VEHICLES BE	A WHOLE DOLLA
7	AMOUNT; TO CLARIFY THE FEE	CATEGORY THA	T APPLIES T
8	9-YEAR-OLD VEHICLES; AND TO PR	OVIDE CLARIFI	CATION OF LIGH
9	VEHICLES ELIGIBLE FOR REIMBUR	SEMENT; AMEN	DING SECTION
.0	61-3-533 AND 61-3-536. MCA.		
1			
.2	BE IT ENACTED BY THE LEGISLATURE	OF THE STATE	OF MONTANA:
.3	Section 1. Section 61-3-5	33, MCA, is a	mended to read
4	#61-3-533. Schedule of fee	s for automob	iles and ligh
.5	trucks. (1) Except as provid	led in subse	ction (3), th
.6	following schedule, based on veh	icle age and	weight, is use
.7	to determine the fee imposed by	61-3-532:	
8	Yeticle Age	Kel	oht
9		2-850 pounds	More_than
0		or less	2-850 pounds
1	Less than or		
2	equal to 4 years	\$70	\$90
3	More than 4 years		
4	and less than 8 years	40	50
5	Hore-them 8 years old and over	10	15

1	(2) <u>[a]</u> The fee for a light vehicle is <u>determined by:</u>
2	(il multiplying the appropriate dollar amount from the
3	table in subsection (1) multiplied by the ratio of the PCE
4	for the second quarter of the year prior to the year of
5	licensing to the PCE for the second quarter of 1981*: and
6	fill rounding the proffuct thus obtained to the nearest
7	whole dollar amounts
8	(b) "PCE" means the implicit price deflator for
9	personal consumption expenditures as published quarterly in
10	the Survey of Current Business by the bureau of economic
11	analysis of the United States department of commerce.
12	(3) The light vehicle license fee for disabled
13	veterans qualifying under the provisions of 10-2-301 through
14	10-2-304 is \$5.*
15	Section 2. Section 61-3-536, MCA, is amended to read:
16	<pre>#61-3-536. State aid for local government. (1) Each</pre>
17	county treasurer shall compute:
18	(a) the total amount received during the period from
19	January 1, 1981, to December 31, 1981, for property taxes on

automobiles and trucks having a rated capacity of

during the same period if the license fee system had been in

(b) the total amount that would have been received

(c) the number of light vehicles registered in the

three-quarters of a ton or less, denoted CT;

effect, denoted CF; and

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- 1 county on December 31, 1981, denoted NC.
- 2 (2) The three quantities, CT, CF, and NC, shall be 3 certified to the department of revenue by February 1, 1982. 4 The department shall compute for each county a quantity 5 called county revenue loss, denoted CRL, and county loss per
- 6 vehicle, denoted CLV, and defined as follows:
- 7 (a) CRL = larger of:
- 9 (i) 0; or
- 9 '(ii) CT CF;
- 10 (b) CLV = CRL/NC.
- 11 (31 In order to be eligible for reightragent payments
- 12 allight vehicle must be such that it would have been subject
- 13 to ad valores tax if it had been registered prior to January
- 14 le\_1982.
- 15 (3714) Prior to February 1 of year denoted Y, the
  - county treasurer shall determine and certify to the
- 17 department the number of <u>eligible</u> light vehicles registered
- 18 in the county on December 31 of the prior year, denoted
- 19 NC(Y)-

- 20 (4915) On March 1 of year Y, the department shall
- 21 transmit to each county treasurer a warrant in the amount of
- 22 CLV x NC(Y).
- 23 (5)(6) Upon receipt of the payment provided for in
- 24 subsection (4), the county treasurer shall credit the
- 25 payment to a motor vehicle suspense fund and, at some time

- 1 between March 15 and March 30, shall distribute the payment
- 2 in the same manner as funds are distributed to the taxing
- 3 jurisdictions as provided in 61-3-509.\*\*

-End-

#### STATE OF MONTANA

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REQUEST	NO.			_	_	_	_	_	_	_	_	

#### FISCAL NOTE

Form BD-15

In complia	nce with a	written	request r	eceived	January	19,	, 19,	there is I	hereby subn	nitted a Fisca	al Note
for Sen	ate Bill	189		_ pursuant t	o Title 5,	Chapter 4, f	Part 2 of the	Montana (	Code Annota	ated (MCA).	
Backgroun	d informatio	on used in	developi	ng this Fisca	Note is av	ailable from	the Office of	Budget ar	nd Program I	Planning, to m	nembers
of the Leg	slature upo	n reques	t.								

## DESCRIPTION OF PROPOSED LEGISLATION:

Senate Bill 189 generally revises and clarifies the light vehicle fee statutes; provides that the amount of the fee for light vehicles be a whole dollar amount; clarifies the fee category that applies to 8-year-old vehicles; and provides clarification of light vehicles eligible for reimbursement.

### FISCAL IMPACT:

No fiscal impact.

#### TECHNICAL NOTES:

- It is assumed that the probability that a randomly selected value of a fee will be rounded upward is the same as the probability that it will be rounded downward, so the effect of Section 1 of this proposal upon tax revenues ought to be neglibible.
- 2) Section 2 of the proposed law attempts to justify the current administrative practice, which is based on the assumption that it was the intent of the state to reimburse local governments only for revenue lost on those vehicles upon which property tax would have been paid under the old system. Therefore, this measure should have no fiscal impact, unless it is determined that previously-untaxed vehicles properly should have resulted in "reimbursement" payments.

FISCAL NOTE 6:C/1

BUDGET DIRECTOR

Office of Budget and Program Planning

Date: 1 - 2 4 - 8

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Approved by committee on Taxation

facte, BILL NO. 189 1 INTRODUCED BY Blanlock 2 3 A BILL FOR AN ACT ENTITLED: "AN ACT TO GENERALLY REVISE AND CLARIFY THE LIGHT VEHICLE FEE STATUTES; TO PROVIDE THAT THE 5 AMOUNT OF THE FEE FOR LIGHT VEHICLES BE A WHOLE DOLLAR 6 7 AMOUNT: TO CLARIFY THE FEE CATEGORY THAT APPLIES TO 8 8-YEAR-OLD VEHICLES; AND TO PROVIDE CLARIFICATION OF LIGHT 9 VEHICLES ELIGIBLE FOR REIMBURSEMENT; AMENDING SECTIONS 10 61-3-533 AND 61-3-536, MCA." 11 12 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA: 13 Section 1. Section 61-3-533, MCA, is amended to read: 14 #61-3-533. Schedule of fees for automobiles and light 15 trucks. (1) Except as provided in subsection (3), the following schedule, based on vehicle age and weight, is used 16 17 to determine the fee imposed by 61-3-532: 18 Yehicle Age Hei ont 19 2+850 pounds More than 2-850 nounds 20 or less 21 Less than or 22 \$90 equal to 4 years \$70 23 More than 4 years 24 and less than 8 years 40 50 25 Hore than B years old and over 15

6	fill counding the product thus obtained to the meacest
7	whole dollar amount.
8	(b) "PCE" means the implicit price deflator for
9	personal consumption expenditures as published quarterly in
10	the Survey of Current Business by the bureau of economic
11	analysis of the United States department of commerce.
12	(3) The light vehicle license fee for disabled
13	veterans qualifying under the provisions of 10-2-301 through
14	10-2-304 is \$5.=
15	Section 2. Section 61-3-536, HCA, is amended to read:
16	<pre>#61-3-536. State aid for local government. (1) Each</pre>
17	county treasurer shall compute:
18	(a) the total amount received during the period from
19	January 1, 1981, to December 31, 1981, for property taxes on
20	automobiles and trucks having a rated capacity of
21	three-quarters of a ton or less, denoted CT;
22	(b) the total amount that would have been received
23	during the same period if the license fee system had been in
24	effect, denoted CF; and

(c) the number of light vehicles registered in the

(2) (a) The fee for a light vehicle is determined by:

fil multiplying the appropriate dollar amount from the

table in subsection (1) multiplied by the ratio of the PCE

for the second quarter of the year prior to the year of

licensing to the PCE for the second quarter of 1981: and

- county on December 31, 1981, denoted NC.
- (2) The three quantities, CT, CF, and NC, shall be 2 certified to the department of revenue by February 1, 1982. 3 The department shall compute for each county a quantity 4 called county revenue loss, denoted CRL, and county loss per 5 vehicle, denoted CLV, and defined as follows: 6
- (a) CRL = larger of: 7
- (i) 0; or 8

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- 9 (iii) CT - CF;
- 10 (b) CLV = CRL/NC.
- 11 (3) In order to be eligible for reimbursement navment. a light wehicle must be such that it would have been subject 12 to ad valores tax if it had been registered prior to lanuary 13 14 14 1982
- +3+141 Prior to February 1 of year denoted Y, the 15 county treasurer shall determine and certify to the 17 department the number of eligible light vehicles registered in the county on December 31 of the prior year, denoted NC(Y).
- 20 †47151 On March 1 of year Y, the department shall transmit to each county treasurer a warrant in the amount of 21 22 CLV x NC(Y).
- 23 451/61 Upon receipt of the payment provided for in 24 subsection (4), the county treasurer shall credit the payment to a motor vehicle suspense fund and, at some time 25

- between March 15 and March 30, shall distribute the payment 1
- in the same manner as funds are distributed to the taxing 2
- jurisdictions as provided in 61-3-509.\*\* 3

~End~

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9	January 1: 1981, to December 31, 1981, for property taxes on
20	automobiles and trucks having a rated capacity of
21	three-quarters of a ton or less, denoted CT;
22	(b) the total amount that would have been received
23	during the same period if the license fee system had been in
24	effect, denoted CF; and
25	(c) the number of light vehicles registered in the

county on December 31, 1981, denoted NC.

- (2) The three quantities, CT, CF, and NC, shall be certified to the department of revenue by February 1, 1982.

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-End-

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22	equal to 4 years	\$70	\$90
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4	and less than 8 years	40	59
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