

SENATE BILL NO. 384

INTRODUCED BY TURNAGE, GOODOVER, CRIPPEN, SEVERSON,  
ELLIOTT, GAGE, ECK, LYNCH, HAGER, B. BROWN, NORMAN,  
MAZUREK, HALLIGAN, TOWE, MCCALLUM

BY REQUEST OF THE SENATE TAXATION COMMITTEE

IN THE SENATE

February 9, 1983	Introduced and referred to Committee on Taxation.
February 19, 1983	Committee recommend bill do pass as amended. Report adopted.
February 21, 1983	Bill printed and placed on members' desks.
February 22, 1983	Second reading, do pass.  Correctly engrossed.
February 23, 1983	Third reading, passed. Ayes, 46; Noes, 3. Transmitted to House.

IN THE HOUSE

February 28, 1983	Introduced and referred to Committee on Taxation.
March 19, 1983	Committee recommend bill be concurrent in as amended. Report adopted.
March 22, 1983	Second reading, concurred in.
March 23, 1983	Third reading, concurred in.

IN THE SENATE

March 24, 1983

Returned to Senate with  
amendments.

March 29, 1983

Second reading, amendments  
concurred in.

March 30, 1983

Third reading, amendments  
concurred in. Ayes, 49; Noes,  
0.

Sent to enrolling.

Reported correctly enrolled.

1 *Sen. Bill No. 384*  
 2 INTRODUCED BY *Turnage Gordon*  
 3 *ask* BY REQUEST OF THE SENATE TAXATION COMMITTEE  
 4 *lynch Hager Bob Brown Norman Mazurk*  
 5 A BILL FOR AN ACT ENTITLED: "AN ACT TO PROVIDE THAT THOSE *Tax*  
 6 LOCAL GOVERNMENT ENTITIES WHICH FAILED TO CORRECTLY  
 7 ANTICIPATE MOTOR VEHICLE FEES AND STATE PAYMENTS IN LIEU OF  
 8 TAXES IN THEIR 1982-83 BUDGETS SHALL REFUND THE RESULTING  
 9 PROPERTY TAX OVERCHARGES OR PROVIDE REVISED SECOND-HALF TAX  
 10 NOTICES IN THE CURRENT TAX YEAR; AND PROVIDING AN IMMEDIATE  
 11 EFFECTIVE DATE."  
 12  
 13 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:  
 14 Section 1. Refund of overpayment of 1982 property  
 15 taxes. (1) Counties, municipalities, and school districts  
 16 that failed to correctly anticipate the receipt of nontax  
 17 revenues in the form of motor vehicle fees and state  
 18 payments in lieu of taxes, as distributed under 61-3-509,  
 19 for the 1982-83 budget year shall recalculate property tax  
 20 mill levies to reflect anticipation of such revenues for a  
 21 12-month period. The recalculated property tax levies  
 22 resulting from such revisions must be used to determine the  
 23 property tax overcharges that resulted from the failure to  
 24 correctly anticipate the receipt of nontax revenues. The  
 25 appropriate nontax revenue for the 1982-83 budget year

1 includes 12 months of motor vehicle fee collections and one  
 2 state payment in lieu of property taxes.

3 (2) The county treasurer shall estimate and inform  
 4 each taxing jurisdiction of the amount of motor vehicle fees  
 5 and state payments in lieu of taxes that should have been  
 6 anticipated in each fund for each taxing jurisdiction. The  
 7 county treasurer shall provide this information to all  
 8 jurisdictions prior to March 1, 1983. Each taxing  
 9 jurisdiction shall recalculate levies by crediting the  
 10 anticipated revenues directly to the revenue section of the  
 11 budget and not to the cash reserves and provide the revised  
 12 property tax levies to the county treasurer prior to March  
 13 15, 1983. The county treasurer shall establish refund  
 14 procedures for those taxpayers who have paid property taxes  
 15 in full for the 1982 tax year based on the revised property  
 16 tax levies. The county assessor shall revise the second-half  
 17 property tax bills for taxpayers who have not paid in full,  
 18 and the county treasurer shall cause these notices to be  
 19 mailed to each affected taxpayer by May 1, 1983.

20 (3) A copy of the calculation of anticipated vehicle  
 21 fees and state payments in lieu of taxes and a copy of the  
 22 revised mill levies on which refunds or reduced second-half  
 23 payments are calculated must be mailed to the legislative  
 24 auditor, the office of public instruction, and the  
 25 department of administration.

-2- INTRODUCED BILL

SE 384

1       Section 2. Effective date. This act is effective on  
2       passage and approval.

-End-

Approved by committee  
on taxation

## SENATE BILL NO. 334

INTRODUCED BY TURNAGE, GOODOVER, CRIPPEN, SEVERSON,  
ELLIOTT, GAGE, ECK, LYNCH, HAGER, B. BROWN, NORMAN,

MAZUREK, HALLIGAN, TOWE, MCCALLUM

BY REQUEST OF THE SENATE TAXATION COMMITTEE

A BILL FOR AN ACT ENTITLED: "AN ACT TO PROVIDE THAT THOSE  
LOCAL GOVERNMENT ENTITIES WHICH FAILED TO CORRECTLY  
ANTICIPATE MOTOR VEHICLE FEES AND STATE PAYMENTS IN LIEU OF  
TAXES IN THEIR 1982-83 BUDGETS SHALL REFUND THE RESULTING  
PROPERTY TAX OVERCHARGES OR PROVIDE REVISED SECOND-HALF TAX  
NOTICES IN THE CURRENT TAX YEAR; REQUIRING A REDISTRIBUTION  
OF TAXES AND FEES; AND PROVIDING AN IMMEDIATE EFFECTIVE  
DATE."

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

Section 1. Refund of overpayment of 1982 property  
taxes. (1) Counties, municipalities, and school districts  
that failed to correctly anticipate the receipt of nontax  
revenues in the form of motor vehicle fees and state  
payments in lieu of taxes, as distributed under 61-3-509,  
for the 1982-83 budget year shall recalculate property tax  
mill levies to reflect anticipation of such revenues for a  
12-month period. The recalculated property tax levies  
resulting from such revisions must be used to determine the

property tax overcharges that resulted from the failure to  
correctly anticipate the receipt of nontax revenues. The  
appropriate nontax revenue for the 1982-83 budget year  
includes 12 months of motor vehicle fee collections and one  
state payment in lieu of property taxes.

(2) The county treasurer shall estimate and inform  
each taxing jurisdiction of the amount of motor vehicle fees  
and state payments in lieu of taxes that should have been  
anticipated in each fund for each taxing jurisdiction. ~~The~~  
~~county--treasurer--shall--provide--this--information--to--all~~  
~~jurisdictions--prior--to--March--15--1983.~~ Each taxing  
jurisdiction shall recalculate levies by crediting the  
anticipated revenues directly to the revenue section of the  
budget and not to the cash reserves and provide the revised  
property tax levies to the county treasurer ~~prior--to--March~~  
~~15--1983.~~ ~~The--county--treasurer--shall--establish--refund~~  
~~procedures--for--those--taxpayers--who--have--paid--property--taxes~~  
~~in--full--for--the--1982--tax--year--based--on--the--revised--property~~  
~~tax--levies.~~ ~~The--county--assessor--shall--revise--the--second--half~~  
~~property--tax--bills--for--taxpayers--who--have--not--paid--in--full,~~  
~~and--the--county--treasurer--shall--cause--these--notices--to--be~~  
~~mailed--to--each--affected--taxpayer--by--May--15--1983.~~ THE  
GOVERNING BODY OF A COUNTY SHALL ESTABLISH A REFUND  
PROCEDURE FOR THE TAX OVERCHARGE THAT RESULTED FROM THE  
FAILURE TO CORRECTLY ANTICIPATE THE REVENUES AS STATED IN

1 SUBSECTION 111. THE REFUND PROCEDURE MAY PROVIDE FOR A  
 2 REDUCTION OF THE 1982 FIRST-HALF PROPERTY TAXES REMAINING  
 3 UNPAID. A DIRECT REFUND. A REDUCTION OF SECOND-HALF PROPERTY  
 4 TAXES OR SOME COMBINATION OF THESE METHODS. DIRECT REFUNDS  
 5 MUST BE MADE BY MAY 1, 1983. NOTICES OF REVISED SECOND-HALF  
 6 PROPERTY TAXES MUST BE MAILED BY MAY 1, 1983. THE GOVERNING  
 7 BODY OF A COUNTY IS GRANTED THE AUTHORITY TO ESTABLISH THE  
 8 REFUND PROCEDURE FOR ALL TAXING JURISDICTIONS WITHIN THE  
 9 COUNTY. A TAXING JURISDICTION WHOSE FUNDS ARE NOT HELD BY  
 10 THE COUNTY SHALL DEPOSIT WITH THE COUNTY SUFFICIENT FUNDS TO  
 11 MAKE ANY NECESSARY DIRECT REFUNDS FOR THE TAX OVERCHARGE BY  
 12 THAT TAXING JURISDICTION. OR THE COUNTY SHALL WITHHOLD SUCH  
 13 AMOUNT FROM ALLOCATIONS OF FUTURE TAX COLLECTIONS.

14 (3) A copy of the calculation of anticipated vehicle  
 15 fees and state payments in lieu of taxes and a copy of the  
 16 revised mill levies on which refunds or reduced second-half  
 17 payments are calculated must be mailed to the legislative  
 18 auditor, the office of public instruction, and the  
 19 department of administration.

20 141. IN ADDITION TO THE DETERMINATION OF TAX  
 21 OVERCHARGES, THE COUNTY TREASURER SHALL, BASED UPON THE  
 22 RECALCULATED PROPERTY TAX LEVIES, RECALCULATE THE  
 23 DISPOSITION OF TAXES AND FEES PURSUANT TO 61-3-509 COLLECTED  
 24 AS OF JANUARY 1, 1983, AND INCREASE OR DECREASE THE AMOUNT  
 25 OF MOTOR VEHICLE FEES IN LIEU OF TAX AND PERSONAL PROPERTY

1 TAX DISTRIBUTED TO THE SEVERAL TAXING JURISDICTIONS IN THE  
 2 COUNTY.

3 Section 2. Effective date. This act is effective on  
 4 passage and approval.

-End-

## SENATE BILL NO. 384

INTRODUCED BY TURNAGE, GOODOVER, CRIPPEN, SEVERSON,  
ELLIOTT, GAGE, ECK, LYNCH, HAGER, B. BROWN, NORMAN,  
MAZUREK, HALLIGAN, TONE, MCCALLUM  
BY REQUEST OF THE SENATE TAXATION COMMITTEE

A BILL FOR AN ACT ENTITLED: "AN ACT TO PROVIDE THAT THOSE  
LOCAL GOVERNMENT ENTITIES WHICH FAILED TO CORRECTLY  
ANTICIPATE MOTOR VEHICLE FEES AND STATE PAYMENTS IN LIEU OF  
TAXES IN THEIR 1982-83 BUDGETS SHALL REFUND THE RESULTING  
PROPERTY TAX OVERCHARGES OR PROVIDE REVISED SECOND-HALF TAX  
NOTICES IN THE CURRENT TAX YEAR; REQUIRING A REDISTRIBUTION  
OF TAXES AND FEES AND PROVIDING AN IMMEDIATE EFFECTIVE  
DATE."

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

Section 1. Refund of overpayment of 1982 property  
taxes. (1) Counties, municipalities, and school districts  
that failed to correctly anticipate the receipt of nontax  
revenues in the form of motor vehicle fees and state  
payments in lieu of taxes, as distributed under 61-3-509,  
for the 1982-83 budget year shall recalculate property tax  
mill levies to reflect anticipation of such revenues for a  
12-month period. The recalculated property tax levies  
resulting from such revisions must be used to determine the

property tax overcharges that resulted from the failure to  
correctly anticipate the receipt of nontax revenues. The  
appropriate nontax revenue for the 1982-83 budget year  
includes 12 months of motor vehicle fee collections and one  
state payment in lieu of property taxes.

(2) The county treasurer shall estimate and inform  
each taxing jurisdiction of the amount of motor vehicle fees  
and state payments in lieu of taxes that should have been  
anticipated in each fund for each taxing jurisdiction. The  
~~county treasurer shall provide this information to all~~  
~~jurisdictions prior to March 15, 1983.~~ Each taxing  
jurisdiction shall recalculate levies by crediting the  
anticipated revenues directly to the revenue section of the  
budget and not to the cash reserves and provide the revised  
property tax levies to the county treasurer ~~prior to March~~  
~~15, 1983.~~ ~~The county treasurer shall establish refund~~  
~~procedures for those taxpayers who have paid property taxes~~  
~~in full for the 1982 tax year based on the revised property~~  
~~tax levies. The county assessor shall revise the second-half~~  
~~property tax bills for taxpayers who have not paid in full~~  
~~and the county treasurer shall cause these notices to be~~  
~~mailed to each affected taxpayer by May 15, 1983.~~ THE  
GOVERNING BODY OF A COUNTY SHALL ESTABLISH A REFUND  
PROCEDURE FOR THE TAX OVERCHARGE THAT RESULTED FROM THE  
FAILURE TO CORRECTLY ANTICIPATE THE REVENUES AS STATED IN

1 SUBSECTION (1). THE REFUND PROCEDURE MAY PROVIDE FOR A  
 2 REDUCTION OF THE 1982 FIRST-HALF PROPERTY TAXES REMAINING  
 3 UNPAID. A DIRECT REFUND, A REDUCTION OF SECOND-HALF PROPERTY  
 4 TAXES OR SOME COMBINATION OF THESE METHODS. DIRECT REFUNDS  
 5 MUST BE MADE BY MAY 1, 1983. NOTICES OF REVISED SECOND-HALF  
 6 PROPERTY TAXES MUST BE MAILED BY MAY 1, 1983. THE GOVERNING  
 7 BODY OF A COUNTY IS GRANTED THE AUTHORITY TO ESTABLISH THE  
 8 REFUND PROCEDURE FOR ALL TAXING JURISDICTIONS WITHIN THE  
 9 COUNTY. A TAXING JURISDICTION WHOSE FUNDS ARE NOT HELD BY  
 10 THE COUNTY SHALL DEPOSIT WITH THE COUNTY SUFFICIENT FUNDS TO  
 11 MAKE ANY NECESSARY DIRECT REFUNDS FOR THE TAX OVERCHARGE BY  
 12 THAT TAXING JURISDICTION. OR THE COUNTY SHALL WITHHOLD SUCH  
 13 AMOUNT FROM ALLOCATIONS OF FUTURE TAX COLLECTIONS.

14 (3) A copy of the calculation of anticipated vehicle  
 15 fees and state payments in lieu of taxes and a copy of the  
 16 revised mill levies on which refunds or reduced second-half  
 17 payments are calculated must be mailed to the legislative  
 18 auditor, the office of public instruction, and the  
 19 department of administration.

20 (4) IN ADDITION TO THE DETERMINATION OF TAX  
 21 OVERCHARGES, THE COUNTY TREASURER SHALL, BASED UPON THE  
 22 RECALCULATED PROPERTY TAX LEVIES, RECALCULATE THE  
 23 DISPOSITION OF TAXES AND FEES PURSUANT TO 61-3-509 COLLECTED  
 24 AS OF JANUARY 1, 1983, AND INCREASE OR DECREASE THE AMOUNT  
 25 OF MOTOR VEHICLE FEES IN LIEU OF TAX AND PERSONAL PROPERTY

1 TAX DISTRIBUTED TO THE SEVERAL TAXING JURISDICTIONS IN THE  
 2 COUNTY.

3 Section 2. Effective date. This act is effective on  
 4 passage and approval.

-End-



HOUSE TAXATION COMMITTEE  
AMENDMENTS TO SB 384, THIRD READING COPY, BLUE  
MARCH 17, 1983

1. Title, line 10.

Following: "REFUND"

Insert: "OR CREDIT WITH INTEREST"

2. Title, line 11.

Following: "OVERCHARGES"

Strike: "OR"

Insert: "AND"

Following: "REVISED"

Strike: "SECOND-HALF"

3. Title, line 12.

Following: "IN"

Strike: "THE CURRENT TAX YEAR"

Insert: "ACCORDANCE WITH THE OPTION CHOSEN"

4. Page 3, line 4.

Following: "TAXES"

Insert: ", "

Following: "METHODS"

Insert: "or establishment of a credit against 1983 property taxes,  
but must be common for all taxing jurisdictions in the county.

In no case shall refunds be made to delinquent taxpayers"

5. Page 3, line 5.

Strike: "MAY 1"

Insert: "June 30"

6. Page 3, line 13.

Following: "COLLECTIONS."

Insert: "The allowable credit against 1983 taxes must be clearly  
identified within the local government entity's fiscal 1983-84  
budget, and the amount credited to each taxpayer must be indicated  
on the tax notice. A credit program must include the amount of  
excess tax plus interest computed at the average rate of interest  
earned by the county on long- and short-term investments from  
January through July 1983. A taxpayer who paid taxes for 1982 in  
full and who owes no tax for 1983 must be offered a cash refund  
in lieu of a credit against taxes."

7. Page 3, line 23.

Following: "61-3-509"

Insert: "and state aid received under 61-3-536"

8. Page 3, line 25.

Following: "TAX"

Insert: "and state aid"

9. Page 4, line 2.

Following: "COUNTY."

Insert: "All references or comparisons to 1982 mill levies by  
any taxing jurisdiction must be to the recalculated mill levies."

AND AS AMENDED  
BE CONCURRED IN

## SENATE BILL NO. 384

INTRODUCED BY TURNAGE, GOODOVER, CRIPPEN, SEVERSON,

ELLIOTT, GAGE, ECK, LYNCH, HAGER, B. BROWN, NORMAN,

MAZUREK, HALLIGAN, TOWE, MCCALLUM

BY REQUEST OF THE SENATE TAXATION COMMITTEE

A BILL FOR AN ACT ENTITLED: "AN ACT TO PROVIDE THAT THOSE LOCAL GOVERNMENT ENTITIES WHICH FAILED TO CORRECTLY ANTICIPATE MOTOR VEHICLE FEES AND STATE PAYMENTS IN LIEU OF TAXES IN THEIR 1982-83 BUDGETS SHALL REFUND ~~OR CREDIT WITH INTEREST~~ THE RESULTING PROPERTY TAX OVERCHARGES OR AND PROVIDE REVISED ~~SECOND-HALF~~ TAX NOTICES IN THE CURRENT-TAX YEAR ACCORDANCE WITH THE OPTION CHOSEN: REQUIRING A REDISTRIBUTION OF TAXES AND FEES; AND PROVIDING AN IMMEDIATE EFFECTIVE DATE."

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

Section 1. Refund of overpayment of 1982 property taxes. (1) Counties, municipalities, and school districts that failed to correctly anticipate the receipt of nontax revenues in the form of motor vehicle fees and state payments in lieu of taxes, as distributed under 61-3-509, for the 1982-83 budget year shall recalculate property tax mill levies to reflect anticipation of such revenues for a 12-month period. The recalculated property tax levies

resulting from such revisions must be used to determine the property tax overcharges that resulted from the failure to correctly anticipate the receipt of nontax revenues. The appropriate nontax revenue for the 1982-83 budget year includes 12 months of motor vehicle fee collections and one state payment in lieu of property taxes.

(2) The county treasurer shall estimate and inform each taxing jurisdiction of the amount of motor vehicle fees and state payments in lieu of taxes that should have been anticipated in each fund for each taxing jurisdiction. ~~The county--treasurer--shall--provide--this--information--to--all jurisdictions--prior--to--March--15--1983.~~ Each taxing jurisdiction shall recalculate levies by crediting the anticipated revenues directly to the revenue section of the budget and not to the cash reserves and provide the revised property tax levies to the county treasurer ~~prior--to--March 15--1983--The--county--treasurer--shall--establish--refund procedures--for--those--taxpayers--who--have--paid--property--taxes in--full--for--the--1982--tax--year--based--on--the--revised--property tax--levies--The--county--assessor--shall--revise--the--second--half property--tax--bills--for--taxpayers--who--have--not--paid--in--full--and--the--county--treasurer--shall--cause--these--notices--to--be mailed--to--each--affected--taxpayer--by--May--15--1983.~~ THE GOVERNING BODY OF A COUNTY SHALL ESTABLISH A REFUND PROCEDURE FOR THE TAX OVERCHARGE THAT RESULTED FROM THE

1 FAILURE TO CORRECTLY ANTICIPATE THE REVENUES AS STATED IN  
 2 SUBSECTION (1). THE REFUND PROCEDURE MAY PROVIDE FOR A  
 3 REDUCTION OF THE 1982 FIRST-HALF PROPERTY TAXES REMAINING  
 4 UNPAID, A DIRECT REFUND, A REDUCTION OF SECOND-HALF PROPERTY  
 5 TAXES, OR SOME COMBINATION OF THESE METHODS OR ESTABLISHMENT  
 6 OF A CREDIT AGAINST 1983 PROPERTY TAXES, BUT MUST BE COMMON  
 7 FOR ALL TAXING JURISDICTIONS IN THE COUNTY. IN NO CASE SHALL  
 8 REFUNDS BE MADE TO DELINQUENT TAXPAYERS. DIRECT REFUNDS MUST  
 9 BE MADE BY MAY--2 JUNE 30, 1983. NOTICES OF REVISED  
 10 SECOND-HALF PROPERTY TAXES MUST BE MAILED BY MAY 1, 1983.  
 11 THE GOVERNING BODY OF A COUNTY IS GRANTED THE AUTHORITY TO  
 12 ESTABLISH THE REFUND PROCEDURE FOR ALL TAXING JURISDICTIONS  
 13 WITHIN THE COUNTY. A TAXING JURISDICTION WHOSE FUNDS ARE NOT  
 14 HELD BY THE COUNTY SHALL DEPOSIT WITH THE COUNTY SUFFICIENT  
 15 FUNDS TO MAKE ANY NECESSARY DIRECT REFUNDS FOR THE TAX  
 16 OVERCHARGE BY THAT TAXING JURISDICTION. OR THE COUNTY SHALL  
 17 WITHHOLD SUCH AMOUNT FROM ALLOCATIONS OF FUTURE TAX  
 18 COLLECTIONS. THE ALLOWABLE CREDIT AGAINST 1983 TAXES MUST BE  
 19 CLEARLY IDENTIFIED WITHIN THE LOCAL GOVERNMENT ENTITY'S  
 20 FISCAL 1983-84 BUDGET. AND THE AMOUNT CREDITED TO EACH  
 21 TAXPAYER MUST BE INDICATED ON THE TAX NOTICE. A CREDIT  
 22 PROGRAM MUST INCLUDE THE AMOUNT OF EXCESS TAX PLUS INTEREST  
 23 COMPUTED AT THE AVERAGE RATE OF INTEREST EARNED BY THE  
 24 COUNTY ON LONG- AND SHORT-TERM INVESTMENTS FROM JANUARY  
 25 THROUGH JULY 1983. A TAXPAYER WHO PAID TAXES FOR 1982 IN

1 FULL AND WHO OWES NO TAX FOR 1983 MUST BE DEFERRED A CASH  
 2 REFUND IN LIEU OF A CREDIT AGAINST TAXES.

3 (3) A copy of the calculation of anticipated vehicle  
 4 fees and state payments in lieu of taxes and a copy of the  
 5 revised mill levies on which refunds or reduced second-half  
 6 payments are calculated must be mailed to the legislative  
 7 auditor, the office of public instruction, and the  
 8 department of administration.

9 (4) IN ADDITION TO THE DETERMINATION OF TAX  
 10 OVERCHARGES, THE COUNTY TREASURER SHALL, BASED UPON THE  
 11 RECALCULATED PROPERTY TAX LEVIES, RECALCULATE THE  
 12 DISPOSITION OF TAXES AND FEES PURSUANT TO 61-3-509 AND STATE  
 13 AID RECEIVED UNDER 61-3-536 COLLECTED AS OF JANUARY 1, 1983,  
 14 AND INCREASE OR DECREASE THE AMOUNT OF MOTOR VEHICLE FEES IN  
 15 LIEU OF TAX AND STATE AID AND PERSONAL PROPERTY TAX  
 16 DISTRIBUTED TO THE SEVERAL TAXING JURISDICTIONS IN THE  
 17 COUNTY. ALL REFERENCES OR COMPARISONS TO 1982 MILL LEVIES  
 18 BY ANY TAXING JURISDICTION MUST BE TO THE RECALCULATED MILL  
 19 LEVIES.

20 Section 2. Effective date. This act is effective on  
 21 passage and approval.

-End-