

SENATE BILL NO. 408

Introduced: 02/14/83

Referred to Committee on Taxation: 02/14/83

Hearing: 3/1/83

Report: 3/1/83, Do Pass

2nd Reading: 03/04/83, Do Pass

2nd Reading: 3/4/83, Be Indefinitely Postponed
Bill Killed.

1 *Senate* BILL NO. *498*
 2 INTRODUCED BY *Mr. Hammond*
 3
 4 A BILL FOR AN ACT ENTITLED: "AN ACT PROVIDING A LICENSE IN
 5 LIEU OF TAX FOR CERTAIN AIRCRAFT; PROVIDING FOR PRORATION OF
 6 THE FEE FOR MIGRATORY AIRCRAFT; AMENDING SECTIONS 15-6-138,
 7 15-6-201, 15-6-210, 15-8-111, 15-23-402, 15-24-304,
 8 67-3-201, AND 67-3-202, MCA; AND PROVIDING AN APPLICABILITY
 9 DATE."
 10
 11 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:
 12 Section 1. Section 15-6-138, MCA, is amended to read:
 13 "15-6-138. Class eight property -- description --
 14 taxable percentage. (1) Class eight property includes:
 15 (a) all agricultural implements and equipment;
 16 (b) all mining machinery, fixtures, equipment, tools,
 17 and supplies except:
 18 (i) those included in class five; and
 19 (ii) coal and ore haulers;
 20 (c) all manufacturing machinery, fixtures, equipment,
 21 tools, and supplies except those included in class five;
 22 (d) motorcycles;
 23 (e) watercraft;
 24 (f) light utility and boat trailers;
 25 (g) ~~aircraft, other than aircraft subject to the~~

1 ~~license fee required under (sections 9 and 10);~~
 2 (h) all-terrain vehicles;
 3 (i) harness, saddlery, and other tack equipment; and
 4 (j) all other machinery except that specifically
 5 included in another class.
 6 (2) Class eight property is taxed at 11% of its market
 7 value."
 8 Section 2. Section 15-6-201, MCA, is amended to read:
 9 "15-6-201. Exempt categories. (1) The following
 10 categories of property are exempt from taxation:
 11 (a) the property of:
 12 (i) the United States, the state, counties, cities,
 13 towns, school districts;
 14 (ii) irrigation districts organized under the laws of
 15 Montana and not operating for profit;
 16 (iii) municipal corporations; and
 17 (iv) public libraries;
 18 (b) buildings, with land they occupy and furnishings
 19 therein, owned by a church and used for actual religious
 20 worship or for residences of the clergy, together with
 21 adjacent land reasonably necessary for convenient use of
 22 such buildings;
 23 (c) property used exclusively for agricultural and
 24 horticultural societies, for educational purposes, and for
 25 hospitals;

1 (d) property that meets the following conditions:
 2 (i) is owned and held by any association or
 3 corporation organized under Title 35, chapter 2, 3, 20, or
 4 21;
 5 (ii) is devoted exclusively to use in connection with a
 6 cemetery or cemeteries for which a permanent care and
 7 improvement fund has been established as provided for in
 8 Title 35, chapter 20, part 3; and
 9 (iii) is not maintained and operated for private or
 10 corporate profit;
 11 (e) institutions of purely public charity;
 12 (f) evidence of debt secured by mortgages of record
 13 upon real or personal property in the state of Montana;
 14 (g) public art galleries and public observatories not
 15 used or held for private or corporate profit;
 16 (h) all household goods and furniture, including but
 17 not limited to clocks, musical instruments, sewing machines,
 18 and wearing apparel of members of the family, used by the
 19 owner for personal and domestic purposes or for furnishing
 20 or equipping the family residence;
 21 (i) a truck canopy cover or topper weighing less than
 22 300 pounds and having no accommodations attached. Such
 23 property is also exempt from the fee in lieu of tax.
 24 (j) a bicycle, as defined in 61-1-123, used by the
 25 owner for personal transportation purposes; and

1 (k) automobiles and trucks having a rated capacity of
 2 three-quarters of a ton or less; and
 3 ~~(l) aircraft subject to the license fee required under~~
 4 ~~[sections 9 and 10].~~
 5 (2) (a) The term "institutions of purely public
 6 charity" includes organizations owning and operating
 7 facilities for the care of the retired or aged or
 8 chronically ill, which are not operated for gain or profit.
 9 (b) The terms "public art galleries" and "public
 10 observatories" include only those art galleries and
 11 observatories, whether of public or private ownership, that
 12 are open to the public without charge at all reasonable
 13 hours and are used for the purpose of education only.
 14 (3) The following portions of the appraised value of a
 15 capital investment made after January 1, 1979, in a
 16 recognized nonfossil form of energy generation, as defined
 17 in 15-32-102, are exempt from taxation for a period of 10
 18 years following installation of the property:
 19 (a) \$20,000 in the case of a single family residential
 20 dwelling;
 21 (b) \$100,000 in the case of a multifamily residential
 22 dwelling or a nonresidential structure."
 23 Section 3. Section 15-6-210, MCA, is amended to read:
 24 "15-6-210. Antique aircraft exempt -- application
 25 procedure. (1) Aircraft 40 years old or older and not

1 regularly used for transportation are exempt from property
2 taxation ~~and the license fee provided in [sections 9 and~~
3 ~~10]~~.

4 (2) To apply for this exemption, the owner shall file
5 a signed application with the department of revenue
6 containing:

- 7 (a) the name and address of the owner;
- 8 (b) a description of the aircraft;
- 9 (c) a statement that the aircraft is not regularly
10 used for transportation."

11 Section 4. Section 15-8-111, MCA, is amended to read:

12 "15-8-111. Assessment -- market value standard --
13 exceptions. (1) All taxable property must be assessed at
14 100% of its market value except as provided in subsection
15 (5) of this section and in 15-7-111 through 15-7-114.

16 (2) (a) Market value is the value at which property
17 would change hands between a willing buyer and a willing
18 seller, neither being under any compulsion to buy or to sell
19 and both having reasonable knowledge of relevant facts.

20 (b) The market value of all motor trucks; agricultural
21 tools, implements, and machinery; and vehicles of all kinds,
22 including but not limited to motorcycles, aircraft, ~~other~~
23 ~~than aircraft subject to the license fee required under~~
24 ~~[sections 9 and 10]~~, and boats and all watercraft, is the
25 average wholesale value shown in national appraisal guides

1 and manuals or the value of the vehicle before
2 reconditioning and profit margin. The department of revenue
3 shall prepare valuation schedules showing the average
4 wholesale value when no national appraisal guide exists.

5 (3) The department of revenue or its agents may not
6 adopt a lower or different standard of value from market
7 value in making the official assessment and appraisal of the
8 value of property in subsection (1)(a) of 15-6-131 and
9 15-6-134 through 15-6-140. For purposes of taxation,
10 assessed value is the same as appraised value.

11 (4) The taxable value for all property in subsection
12 (1)(a) of 15-6-131 and classes four through eleven is the
13 percentage of market value established for each class of
14 property in subsection (2)(a) of 15-6-131 and 15-6-134
15 through 15-6-141.

16 (5) The assessed value of properties in subsection
17 (1)(b) of 15-6-131, 15-6-132, and 15-6-133 is as follows:

18 (a) Properties in subsection (1)(b) of 15-6-131, under
19 class one, are assessed at 100% of the annual net proceeds
20 after deducting the expenses specified and allowed by
21 15-23-503.

22 (b) Properties in 15-6-132 under class two are
23 assessed at 100% of the annual gross proceeds.

24 (c) Properties in 15-6-133, under class three, are
25 assessed at 100% of the productive capacity of the lands

1 when valued for agricultural purposes. All lands that meet
2 the qualifications of 15-7-202 are valued as agricultural
3 lands for tax purposes.

4 (6) Land and the improvements thereon are separately
5 assessed when any of the following conditions occur:

6 (a) ownership of the improvements is different from
7 ownership of the land;

8 (b) the taxpayer makes a written request; or

9 (c) the land is outside an incorporated city or town.

10 (7) The taxable value of all property in subsection
11 (1)(b) of 15-6-131 and classes two and three is the
12 percentage of assessed value established in 15-6-131(2)(b),
13 15-6-132, and 15-6-133 for each class of property."

14 Section 5. Section 15-23-402, MCA, is amended to read:

15 "15-23-402. Report by airline company. Every airline
16 company engaged in air commerce in this state shall annually
17 file with the department of revenue in such form as the
18 department may require a report under oath showing the
19 following:

20 (1) the name of the person or persons, association,
21 joint-stock company, or corporation;

22 (2) under the laws of what state organized or
23 existing;

24 (3) the location of its principal office;

25 (4) the location of its principal office in this

1 state, if any;

2 (5) the number of aircrafts ~~other than aircraft~~
3 ~~subject to a license fee~~ of each type or kind, the total
4 original cost, the average cost per plane, the total
5 depreciated cost, and the average depreciated cost per plane
6 at the end of the preceding calendar year;

7 (6) the number of shares of capital stock authorized,
8 number of shares outstanding, the total par value and the
9 total market value at the end of the preceding calendar
10 year; the par value of outstanding bonds and long-term debt
11 and the market value at the end of the preceding calendar
12 year;

13 (7) income account showing operating revenues and
14 expenses of the entire system and net operating income
15 during the preceding calendar year;

16 (8) the total tonnage of passengers, express, and
17 freight first received by the airline company in this state
18 during the preceding calendar year plus the total tonnage of
19 passengers, express, and freight finally discharged by it
20 within this state during the preceding calendar year and the
21 total of such tonnage first received by the airline company
22 or finally discharged by it within and without this state
23 during the preceding calendar year;

24 (9) the total time in equated plane hours of all
25 aircraft of the scheduled airline company in flight in this

1 state during the preceding calendar year plus the total time
2 of such aircraft on the ground in this state during the
3 preceding calendar year and the total of such time in flight
4 or on the ground within and without this state during the
5 preceding calendar year;

6 (10) the number of revenue ton-miles of passengers,
7 mail, express, and freight flown by the scheduled airline
8 company within this state during the preceding calendar year
9 and the total number of such miles flown by it within and
10 without this state during the preceding calendar year;

11 (11) the number of arrivals and departures of all
12 aircraft of the scheduled airline company in this state
13 during the preceding calendar year and the total number of
14 such arrivals and departures within and without this state
15 during the preceding calendar year;

16 (12) such other information as the department may
17 require."

18 Section 6. Section 15-24-304, MCA, is amended to read:

19 "15-24-304. Prorated taxes ~~fee~~ -- aircraft. A person
20 who acquires an aircraft required to be registered under
21 subsections (2) through (6) of 67-3-201 after June 1 in any
22 year shall register the aircraft within 30 days of acquiring
23 it. The county assessor shall prorate the ~~person's~~ property
24 ~~tax license fee~~ due on the aircraft for the remaining
25 portion of the year in the manner provided in 15-24-303."

1 Section 7. Section 67-3-201, MCA, is amended to read:

2 "67-3-201. Aircraft registration and licensing. (1)
3 Except as provided in 67-3-102, a person may not operate or
4 cause or authorize to be operated a civil aircraft within
5 this state unless the aircraft has an appropriate effective
6 license, certificate, or permit issued by the United States
7 government which has been registered with the department and
8 the registration with the department is in force.

9 (2) Aircraft customarily kept in this state shall be
10 registered with the department, which may charge a fee
11 therefor of not more than \$10. The registration shall be
12 renewed annually on or before June 1 each year.

13 (3) Section 67-3-202 and subsections (2) through (6)
14 of this section shall not apply to:

15 (a) aircraft owned and operated by the federal
16 government, the state, or any political subdivision thereof;

17 (b) aircraft owned and held by an aircraft dealer
18 solely for the purpose of resale;

19 (c) aircraft operated by an airline company and
20 regularly scheduled for the primary purpose of carrying
21 persons or property for hire in interstate or international
22 transportation; or

23 (d) dismantled or otherwise nonflyable aircraft.

24 (4) An aircraft shall be registered as property within
25 a particular county of the state. This county shall be the

1 county of the owner's principal residence, if the owner is a
 2 natural person, or the owner's principal place of doing
 3 business in the state, if the owner is not a natural person.
 4 However, if the owner declares by affidavit that the
 5 aircraft is customarily kept at a landing facility in
 6 another county within the state, he may register the
 7 aircraft as property within such other county.

8 (5) Except as provided in 15-6-210, all aircraft
 9 ~~required to be registered under subsections (2) through (6)~~
 10 ~~of this section~~ shall be subject to ~~all state, county, and~~
 11 ~~school district tax levies~~ the aircraft license fee provided
 12 for in [sections 9 and 10] and all other levies designated
 13 for aircraft or airport-related uses. Such aircraft shall
 14 not be liable for other city tax levies.

15 (6) Aircraft not registered in the state but entering
 16 the state to engage in commercial operations shall be
 17 registered prior to commencing operation."

18 Section 8. Section 67-3-202, MCA, is amended to read:

19 "67-3-202. Penalty for registration violations. (1)
 20 When an aircraft required to be registered under the
 21 provisions of subsections (2) through (6) of 67-3-201 is not
 22 registered on or before June 1 of the current calendar year,
 23 a penalty fee of \$100 shall be added to the registration fee
 24 and collected. Registration of an aircraft in the name of
 25 the applicant for the year immediately preceding the year

1 for which application for registration is made shall be
 2 prima facie evidence that the aircraft has been based in
 3 this state during the year for which application for
 4 registration is made.

5 (2) Except for aircraft exempt from property taxation
 6 ~~and the license fee~~ as provided in 15-6-210, an application
 7 for registration shall be accompanied by a copy of the
 8 receipt for or statement of personal property tax or license
 9 fee paid, signed by the treasurer of the county where the
 10 aircraft is registered or a statement of lien assignment
 11 against real property signed by the county assessor where
 12 the aircraft is registered. A person who pays personal
 13 property tax or a license fee on his aircraft to any
 14 jurisdiction other than the county where the aircraft is
 15 required to be registered is liable for the tax or fee in
 16 that county without credit for such other taxes or fees
 17 paid. In addition to this civil liability, a person who
 18 attempts to establish the situs of his aircraft in any
 19 jurisdiction other than the county where the aircraft is
 20 required to be registered with intent to avoid payment of
 21 taxes or fees to that county commits the offense of false
 22 swearing as defined in 45-7-202.

23 (3) A person who operates an aircraft required to be
 24 registered in the state without having displayed upon such
 25 aircraft a certificate of registration issued by the

1 department for that aircraft commits a misdemeanor."

2 **NEW_SECTION.** Section 9. Aircraft license fee. (1)

3 Aircraft required to be registered in Montana under

4 subsections (2) through (6) of 67-3-201 are subject to a

5 license fee. This fee is in lieu of property tax. The fee

6 must be paid to the county treasurer prior to registration.

7 (2) Aircraft that meet the description of property

8 exempt from taxation or fees under the provisions of

9 15-6-210 are exempt from the fee imposed in [section 10].

10 (3) No aircraft subject to the license fee and

11 registration in Montana may be operated by any person in

12 this state unless there is displayed in the appropriate

13 place thereon a decal as visual proof that the license fee

14 in lieu of tax has been paid and that the aircraft has been

15 registered for the current year. The department of revenue

16 shall prepare the decals and provide them to county

17 treasurers, who shall issue the decals at the time the

18 license fee is paid.

19 **NEW_SECTION.** Section 10. License fee schedule for

20 aircraft. The license fee for aircraft required to be

21 registered under subsections (2) through (6) of 67-3-201 is

22 1% of the average or approximate wholesale value as provided

23 in the Aircraft Blue Book published by the aircraft dealers

24 association of Aurora, Colorado. If no valuation schedule

25 exists, the department of revenue shall prepare valuation

1 schedules for the aircraft, showing the average wholesale

2 value.

3 **NEW_SECTION.** Section 11. Disposition of aircraft

4 license fee. (1) The county treasurer shall credit all

5 aircraft license fees to a suspense fund and, on or before

6 July 1 of each year, after deducting any amount of prorated

7 license fee rebated as provided for in [section 12], shall:

8 (a) transmit to the state treasurer 1 1/2% of the

9 money in the fund; and

10 (b) distribute the remaining money in the fund in the

11 relative proportions as required by the levies for state,

12 county, school district, and municipal purposes, in the same

13 manner as personal property taxes are distributed.

14 (2) The state treasurer shall deposit the money

15 received under subsection (1)(a) in the earmarked revenue

16 fund to the credit of the department of commerce for the

17 purposes provided in 67-1-301 and 67-3-201.

18 **NEW_SECTION.** Section 12. Migratory aircraft --

19 rebate. (1) A license fee for migratory aircraft required to

20 be registered under 67-3-201(6) must be paid in the manner

21 provided for in 15-24-304 and [section 10].

22 (2) A prorated rebate for license fees paid for the

23 remaining months following the month of departure from the

24 state is allowed for migratory aircraft if a claim for the

25 rebate is made within 15 days of leaving the state.

1 (3) To be eligible for a rebate as provided for in
2 this section, the owner of a migratory aircraft that has
3 left the state and will not reenter the state in a manner
4 requiring registration as provided for in 67-3-201(6) must
5 transmit to the county treasurer an affidavit certifying the
6 date the migratory aircraft left the state.

7 NEW SECTION. Section 13. Applicability date. This act
8 applies to aircraft registered on or after January 1, 1984.

-End-

Approved by committee
On Taxation

1 *Amended* BILL NO. *488*
2 INTRODUCED BY *Will Hammond Dennis Selby*
3
4 A BILL FOR AN ACT ENTITLED: "AN ACT PROVIDING A LICENSE IN
5 LIEU OF TAX FOR CERTAIN AIRCRAFT; PROVIDING FOR PRORATION OF
6 THE FEE FOR MIGRATORY AIRCRAFT; AMENDING SECTIONS 15-6-138,
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20 worship or for residences of the clergy, together with
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25 hospitals;

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 22 300 pounds and having no accommodations attached. Such
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 2 three-quarters of a ton or less; and
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 25 procedure. (1) Aircraft 40 years old or older and not

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3 10].

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5 a signed application with the department of revenue
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6 adopt a lower or different standard of value from market
7 value in making the official assessment and appraisal of the
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21 15-23-503.

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23 assessed at 100% of the annual gross proceeds.

24 (c) Properties in 15-6-133, under class three, are
25 assessed at 100% of the productive capacity of the lands

1 when valued for agricultural purposes. All lands that meet
2 the qualifications of 15-7-202 are valued as agricultural
3 lands for tax purposes.

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5 assessed when any of the following conditions occur:

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7 ownership of the land;

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23 existing;

24 (3) the location of its principal office;

25 (4) the location of its principal office in this

1 state, if any;

2 (5) the number of aircraft, ~~other than aircraft~~
3 ~~subject to a license fee~~, of each type or kind, the total
4 original cost, the average cost per plane, the total
5 depreciated cost, and the average depreciated cost per plane
6 at the end of the preceding calendar year;

7 (6) the number of shares of capital stock authorized,
8 number of shares outstanding, the total par value and the
9 total market value at the end of the preceding calendar
10 year; the par value of outstanding bonds and long-term debt
11 and the market value at the end of the preceding calendar
12 year;

13 (7) income account showing operating revenues and
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16 (8) the total tonnage of passengers, express, and
17 freight first received by the airline company in this state
18 during the preceding calendar year plus the total tonnage of
19 passengers, express, and freight finally discharged by it
20 within this state during the preceding calendar year and the
21 total of such tonnage first received by the airline company
22 or finally discharged by it within and without this state
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24 (9) the total time in equated plane hours of all
25 aircraft of the scheduled airline company in flight in this

1 state during the preceding calendar year plus the total time
2 of such aircraft on the ground in this state during the
3 preceding calendar year and the total of such time in flight
4 or on the ground within and without this state during the
5 preceding calendar year;

6 (10) the number of revenue ton-miles of passengers,
7 mail, express, and freight flown by the scheduled airline
8 company within this state during the preceding calendar year
9 and the total number of such miles flown by it within and
10 without this state during the preceding calendar year;

11 (11) the number of arrivals and departures of all
12 aircraft of the scheduled airline company in this state
13 during the preceding calendar year and the total number of
14 such arrivals and departures within and without this state
15 during the preceding calendar year;

16 (12) such other information as the department may
17 require."

18 Section 6. Section 15-24-304, MCA, is amended to read:

19 "15-24-304. Prorated taxes fee -- aircraft. A person
20 who acquires an aircraft required to be registered under
21 subsections (2) through (6) of 67-3-201 after June 1 in any
22 year shall register the aircraft within 30 days of acquiring
23 it. The county assessor shall prorate the ~~person's~~ property
24 tax license fee due on the aircraft for the remaining
25 portion of the year in the manner provided in 15-24-303."

1 Section 7. Section 67-3-201, MCA, is amended to read:

2 "67-3-201. Aircraft registration and licensing. (1)

3 Except as provided in 67-3-102, a person may not operate or
4 cause or authorize to be operated a civil aircraft within
5 this state unless the aircraft has an appropriate effective
6 license, certificate, or permit issued by the United States
7 government which has been registered with the department and
8 the registration with the department is in force.

9 (2) Aircraft customarily kept in this state shall be
10 registered with the department, which may charge a fee
11 therefor of not more than \$10. The registration shall be
12 renewed annually on or before June 1 each year.

13 (3) Section 67-3-202 and subsections (2) through (6)
14 of this section shall not apply to:

15 (a) aircraft owned and operated by the federal
16 government, the state, or any political subdivision thereof;

17 (b) aircraft owned and held by an aircraft dealer
18 solely for the purpose of resale;

19 (c) aircraft operated by an airline company and
20 regularly scheduled for the primary purpose of carrying
21 persons or property for hire in interstate or international
22 transportation; or

23 (d) dismantled or otherwise nonflyable aircraft.

24 (4) An aircraft shall be registered as property within
25 a particular county of the state. This county shall be the

1 county of the owner's principal residence, if the owner is a
 2 natural person, or the owner's principal place of doing
 3 business in the state, if the owner is not a natural person.
 4 However, if the owner declares by affidavit that the
 5 aircraft is customarily kept at a landing facility in
 6 another county within the state, he may register the
 7 aircraft as property within such other county.

8 (5) Except as provided in 15-6-210, all aircraft
 9 ~~required to be registered under subsections (2) through (6)~~
 10 ~~of this section shall be subject to all state, county, and~~
 11 ~~school district tax levies the aircraft license fee provided~~
 12 ~~for in [sections 9 and 10]~~ and all other levies designated
 13 for aircraft- or airport-related uses. Such aircraft shall
 14 not be liable for other city tax levies.

15 (6) Aircraft not registered in the state but entering
 16 the state to engage in commercial operations shall be
 17 registered prior to commencing operation."

18 Section 8. Section 67-3-202, MCA, is amended to read:

19 "67-3-202. Penalty for registration violations. (1)
 20 When an aircraft required to be registered under the
 21 provisions of subsections (2) through (6) of 67-3-201 is not
 22 registered on or before June 1 of the current calendar year,
 23 a penalty fee of \$100 shall be added to the registration fee
 24 and collected. Registration of an aircraft in the name of
 25 the applicant for the year immediately preceding the year

1 for which application for registration is made shall be
 2 prima facie evidence that the aircraft has been based in
 3 this state during the year for which application for
 4 registration is made.

5 (2) Except for aircraft exempt from property taxation
 6 ~~and the license fee~~ as provided in 15-6-210, an application
 7 for registration shall be accompanied by a copy of the
 8 receipt for or statement of personal property tax ~~or license~~
 9 ~~fee~~ paid, signed by the treasurer of the county where the
 10 aircraft is registered or a statement of lien assignment
 11 against real property signed by the county assessor where
 12 the aircraft is registered. A person who pays personal
 13 property tax ~~or a license fee~~ on his aircraft to any
 14 jurisdiction other than the county where the aircraft is
 15 required to be registered is liable for the tax ~~or fee~~ in
 16 that county without credit for such other taxes ~~or fees~~
 17 paid. In addition to this civil liability, a person who
 18 attempts to establish the situs of his aircraft in any
 19 jurisdiction other than the county where the aircraft is
 20 required to be registered with intent to avoid payment of
 21 taxes ~~or fees~~ to that county commits the offense of false
 22 swearing as defined in 45-7-202.

23 (3) A person who operates an aircraft required to be
 24 registered in the state without having displayed upon such
 25 aircraft a certificate of registration issued by the

1 department for that aircraft commits a misdemeanor."

2 **NEW_SECTION.** Section 9. Aircraft license fee. (1)
3 Aircraft required to be registered in Montana under
4 subsections (2) through (6) of 67-3-201 are subject to a
5 license fee. This fee is in lieu of property tax. The fee
6 must be paid to the county treasurer prior to registration.

7 (2) Aircraft that meet the description of property
8 exempt from taxation or fees under the provisions of
9 15-6-210 are exempt from the fee imposed in [section 10].

10 (3) No aircraft subject to the license fee and
11 registration in Montana may be operated by any person in
12 this state unless there is displayed in the appropriate
13 place thereon a decal as visual proof that the license fee
14 in lieu of tax has been paid and that the aircraft has been
15 registered for the current year. The department of revenue
16 shall prepare the decals and provide them to county
17 treasurers, who shall issue the decals at the time the
18 license fee is paid.

19 **NEW_SECTION.** Section 10. License fee schedule for
20 aircraft. The license fee for aircraft required to be
21 registered under subsections (2) through (6) of 67-3-201 is
22 1% of the average or approximate wholesale value as provided
23 in the Aircraft Blue Book published by the aircraft dealers
24 association of Aurora, Colorado. If no valuation schedule
25 exists, the department of revenue shall prepare valuation

1 schedules for the aircraft, showing the average wholesale
2 value.

3 **NEW_SECTION.** Section 11. Disposition of aircraft
4 license fee. (1) The county treasurer shall credit all
5 aircraft license fees to a suspense fund and, on or before
6 July 1 of each year, after deducting any amount of prorated
7 license fee rebated as provided for in [section 12], shall:

8 (a) transmit to the state treasurer 1 1/2% of the
9 money in the fund; and

10 (b) distribute the remaining money in the fund in the
11 relative proportions as required by the levies for state,
12 county, school district, and municipal purposes, in the same
13 manner as personal property taxes are distributed.

14 (2) The state treasurer shall deposit the money
15 received under subsection (1)(a) in the earmarked revenue
16 fund to the credit of the department of commerce for the
17 purposes provided in 67-1-301 and 67-3-201.

18 **NEW_SECTION.** Section 12. Migratory aircraft —
19 rebate. (1) A license fee for migratory aircraft required to
20 be registered under 67-3-201(6) must be paid in the manner
21 provided for in 15-24-304 and [section 10].

22 (2) A prorated rebate for license fees paid for the
23 remaining months following the month of departure from the
24 state is allowed for migratory aircraft if a claim for the
25 rebate is made within 15 days of leaving the state.

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1 (3) To be eligible for a rebate as provided for in
2 this section, the owner of a migratory aircraft that has
3 left the state and will not reenter the state in a manner
4 requiring registration as provided for in 67-3-201(6) must
5 transmit to the county treasurer an affidavit certifying the
6 date the migratory aircraft left the state.

7 **NEW SECTION.** Section 13. Applicability date. This act
8 applies to aircraft registered on or after January 1, 1984.

-End-