

HOUSE BILL NO. 130

1/10 Introduced  
1/10 Referred to Taxation  
1/11 Fiscal Note Requested  
1/17 Fiscal Note Received  
Died in Committee

1                    HOUSE BILL NO. 130  
 2 INTRODUCED BY Kitselman

3  
 4 A BILL FOR AN ACT ENTITLED: "AN ACT TO EXEMPT FROM SCHOOL  
 5 DISTRICT TAXES CERTAIN PERSONS WHO ELECT TO DISQUALIFY  
 6 THEMSELVES FROM VOTING ON SCHOOL LEVIES AND SCHOOL BONDS;  
 7 AMENDING SECTIONS 13-2-116, 20-9-142, AND 20-20-301, MCA."

8  
 9 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

10        Section 1. Section 13-2-116, MCA, is amended to read:

11        "13-2-116. Precinct register. (1) Before each  
 12 election, the election administrator shall prepare a  
 13 precinct register for each precinct for use by the election  
 14 judges. The register must contain an alphabetical list of  
 15 the names, with addresses, of the registered electors, a  
 16 space for the signature of the elector, and such other  
 17 information as prescribed by the secretary of state.

18        (2) If some of the electors in a precinct are not  
 19 eligible to receive all ballots at an election because of a  
 20 combination of the elections of more than one political  
 21 subdivision or because they have elected to disqualify  
 22 themselves from voting on school levies and school bonds as  
 23 provided in [section 4], the election administrator shall  
 24 distinguish the names of those eligible for each ballot by  
 25 whatever method will be clear and efficient.

1            (3) When several precincts have been combined at one  
 2 polling place for an election, the election administrator  
 3 may combine the electors from all precincts into one  
 4 register or may provide separate registers for each  
 5 precinct.

6            (4) Precinct registers need not be printed if the  
 7 election will not be held."

8            Section 2. Section 20-9-142, MCA, is amended to read:

9            "20-9-142. Fixing and levying taxes by board of county  
 10 commissioners. (1) On the second Monday in August, the  
 11 county superintendent shall place before the board of county  
 12 commissioners the final adopted budget of the district and  
 13 any emergency budget adopted by the district during the  
 14 previous school fiscal year. It shall be the duty of the  
 15 board of county commissioners to fix and levy on all the  
 16 taxable value of all the real and personal property within  
 17 the district all district and county taxation required to  
 18 finance, within the limitations provided by law, the final  
 19 budget and any emergency budget of the district.

20            (2) (a) Taxes required to finance a school district  
 21 budget may not be levied on improvements on real property  
 22 and appurtenant land owned or under contract for deed and  
 23 actually occupied for at least 10 months a year as the  
 24 primary residential dwelling of a person 62 years of age or  
 25 older who has elected to disqualify himself from voting on

1 school levies and school bonds, as provided in [section 4].

2 (b) (i) A person who elects to disqualify himself from  
3 voting on school levies and school bonds under [section 4]  
4 may apply for exemption from school district taxes by making  
5 an affidavit to the department of revenue, on a form  
6 provided by the department without cost, stating:

7 (A) the name and address under which he is registered  
8 to vote;

9 (B) that he is 62 years of age or older;

10 (C) that his total household income from all sources  
11 does not exceed the limit established in [section 4]; and

12 (D) that he elects to disqualify himself from voting  
13 on school levies and school bonds during the current  
14 calendar year if application is made before March 1 or  
15 during the subsequent calendar year if application is made  
16 after March 1.

17 (ii) Exemption from school district taxes under this  
18 section applies to the year following the elections from  
19 which the applicant has disqualified himself if renewed by  
20 the applicant before March 1 of such following year.  
21 Renewal may be made by affidavit, on a form provided by the  
22 department without cost, stating that there has been no  
23 change in the information contained in the affidavit  
24 submitted pursuant to subsection (2)(b)(i).

25 (iii) An affidavit under this section is sufficient if

1 the applicant signs a statement affirming that the  
2 information supplied is correct, whether or not the  
3 statement is signed before a person authorized to administer  
4 oaths, and mails the application and statement to the  
5 department of revenue. This signed statement must be treated  
6 as a statement under oath or equivalent affirmation for the  
7 purposes of 45-7-202, relating to the criminal offense of  
8 false swearing.

9 (c) On March 1 of each year, the department of revenue  
10 shall forward to the appropriate county assessors and  
11 separately to the appropriate county election administrators  
12 the names and addresses of persons who have elected to  
13 disqualify themselves from voting on school levies and  
14 school bonds as provided in [section 4]."

15 Section 3. Section 20-20-301, MCA, is amended to read:

16 "20-20-301. Qualifications of elector. An individual  
17 is entitled to vote at school elections if he has the  
18 qualifications set forth in 13-1-111 and is a resident of  
19 the school district, except that he may not vote on school  
20 levies or school bonds if he has elected to disqualify  
21 himself from voting on school levies or school bonds as  
22 provided in [section 4]."

23 NEW SECTION. Section 4. Voluntary exclusion from  
24 school funding elections. (1) A person who is 62 years of  
25 age or older and who meets the requirements of subsection

1 (2) may elect to disqualify himself from voting on school  
 2 levies and school bonds by making an application to the  
 3 department of revenue, as provided in 20-9-142. Such  
 4 election applies only to the school district in which the  
 5 applicant owns and occupies his primary residential dwelling  
 6 and is valid for the current calendar year if application is  
 7 made before March 1 or for the subsequent calendar year if  
 8 application is made after March 1.

9 (2) Persons whose total household income from all  
 10 sources does not exceed 125% of the United States office of  
 11 management and budget poverty level for the calendar year in  
 12 which application is made are eligible for voluntary  
 13 exclusion from school funding elections held during that  
 14 year if application is made before March 1 or during the  
 15 subsequent calendar year if application is made after March  
 16 1.

17 (3) Nothing in this section may be construed to mean  
 18 that a person who elects to disqualify himself from voting  
 19 on school levies and school bonds is barred from elections  
 20 for school district trustees or from any other elections for  
 21 which he has the qualifications set forth in 13-1-111.

22 NEW SECTION. Section 5. Extension of authority. Any  
 23 existing authority of the department of revenue to make  
 24 rules on the subject of the provisions of this act is  
 25 extended to the provisions of this act.

1 NEW SECTION. Section 6. Codification instruction.  
 2 Section 4 is intended to be codified as an integral part of  
 3 Title 20, chapter 20, part 3, and the provisions of Title 20  
 4 apply to section 4.

-End-

STATE OF MONTANA  
FISCAL NOTE

REQUEST NO. FNN078-85

Form BD-15

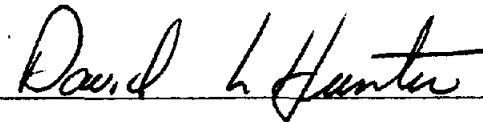
In compliance with a written request received January 13 \_\_\_\_\_ 19 85 \_\_\_\_\_, there is hereby submitted a Fiscal Note for H.B. 130 pursuant to Title 5, Chapter 4, Part 2 of the Montana Code Annotated (MCA). Background information used in developing this Fiscal Note is available from the Office of Budget and Program Planning, to members of the Legislature upon request.

DESCRIPTION:

An act to exempt from school district taxes certain persons who elect to disqualify themselves from voting on school levies and school bonds.

ASSUMPTIONS:

1. Using the implicit price deflator for GNP (1983-1984, 1.033) and Federal Poverty Guidelines, 125% of official poverty level for CY1986 is \$6,646.
2. The School Foundation mill levy is 45 mills; the average district mill levy for schools, excluding 45 mills for the School Foundation Program, is 101 mills.
3. The taxable value of property owned by the at-risk population for FY1987 is \$1,717,049.
4. The taxable value for the state in FY1987 is \$2,495,795,000.
5. 100% of the taxable value reported under the category "retired or disabled" is attributable to retired individuals 62 years of age or older.
6. All those who qualify for the exemption will actually use it.
7. Assume 108,550 letters in FY1987 at \$.20 per letter.



BUDGET DIRECTOR  
Office of Budget and Program Planning

Date: \_\_\_\_\_

Jan 17, 1985

ESTIMATED EFFECT ON REVENUE AND OR EXPENDITURES:

	<u>Under</u> <u>Current Law</u>	<u>FY86</u> <u>Under</u> <u>Proposed Law</u>	<u>Difference</u>	<u>Under</u> <u>Current Law</u>	<u>FY87</u> <u>Under</u> <u>Proposed Law</u>	<u>Difference</u>
School Foundation (45 Mills)		No Effect		\$112,310,775	\$112,233,508	(\$77,267)
Total Revenue		No Effect		\$112,310,775	\$112,233,508	(\$77,267)
Postage & Forms				0	21,710	21,710
Total Expenditures				0	21,710	21,710
Net Expenditures				\$112,310,775	\$112,211,798	(\$98,977)

EFFECT ON COUNTY OR OTHER LOCAL REVENUE:

<u>Effect on School Revenue in the State</u>	<u>FY87</u>
Property tax under current law	\$252,075,295
Property tax under proposed law	<u>251,901,873</u>
Estimated decrease	\$ 173,422

It should be noted that an actual school revenue loss will probably not be realized. Instead mill levies may be increased thereby shifting the tax burden to other property tax payers.

LONG-RANGE EFFECTS OF PROPOSED LEGISLATION:

Future revenue losses would depend on the taxable value of property held by individuals 62 or over who meet the income requirements specified in the law.