

HOUSE BILL NO. 229

1/17 Introduced
1/17 Referred to Taxation
1/18 Fiscal Note Requested
1/25 Fiscal Note Received
1/30 Hearing
1/31 Adverse Committee Report
2/04 Bill Killed

1 HOUSE BILL NO. 229
 2 INTRODUCED BY Jeff Stiff M. Hanson
 3 Fred Thomas James Berlin
 4 A BILL FOR AN ACT ENTITLED: "AN ACT TO EXEMPT MINK UNDER 11
 5 MONTHS OF AGE FROM TAXATION; AMENDING SECTION 15-6-207, MCA;
 6 AND PROVIDING AN IMMEDIATE EFFECTIVE DATE AND AN
 7 APPLICABILITY DATE."
 8

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

10 Section 1. Section 15-6-207, MCA, is amended to read:

11 "15-6-207. Agricultural exemptions. The following
 12 agricultural products are exempt from taxation:

13 (1) all unprocessed, perishable fruits and vegetables
 14 in farm storage and owned by the producer;

15 (2) all nonperishable unprocessed agricultural
 16 products, except livestock or mink, held in possession of
 17 the original producer for less than 7 months following
 18 harvest; and

19 (3) livestock, defined as cattle, sheep, horses, or
 20 mules, which have not attained the age of 9 months as of the
 21 last day of any month if assessed on the average inventory
 22 basis or on March 1 if assessed as provided in
 23 15-24-911(1)(a) and swine which have not attained the age of
 24 3 months as of January 1; and

25 (4) mink that have not attained the age of 11 months

1 as of March 31."

2 NEW SECTION. Section 2. Extension of authority. Any
 3 existing authority of the department of revenue to make
 4 rules on the subject of the provisions of this act is
 5 extended to the provisions of this act.

6 NEW SECTION. Section 3. Effective date --
 7 applicability date. This act is effective on passage and
 8 approval and is applicable to taxable years beginning after
 9 December 31, 1984.

-End-



-2- INTRODUCED BILL
 HB 229

STATE OF MONTANA
F I S C A L N O T E

REQUEST NO. FNN137-85

Form BD-15

In compliance with a written request received January 18 19 85, there is hereby submitted a Fiscal Note for H.B. 229 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 mink under 11 months of age from taxation and providing an immediate effective date and an applicability date.

ASSUMPTIONS:

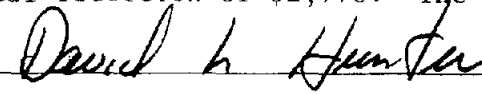
1. Total State Taxable Value is \$2,408,903,000 in FY1986 and \$2,495,795,000 in FY1987.
2. Weighted Average Effective mill levy is 192.773 mills; University mill levy is 6 mills; School Foundation Program levy is 45 mills.
3. Taxable value of "Fur Bearing Animals" remains constant at FY1984 level of \$19,598. (Includes all fur bearing animals regardless of age since the Department of Revenue cannot separate the taxable value of minks under 11 months of age.)
4. Total school effect is 60% of total change in property tax.

EFFECT ON REVENUE:

	<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>
University Mill Levy	\$ 14,453,418	\$ 14,453,300	(\$ 118)	\$ 14,974,770	\$ 14,974,652	(\$ 118)
School Foundation Program Levy	\$108,400,635	\$108,399,753	(\$ 882)	\$112,310,775	\$112,309,893	(\$ 882)
TOTAL REVENUE	<u>\$122,854,053</u>	<u>\$122,853,053</u>	<u>(\$1,000)</u>	<u>\$127,285,545</u>	<u>\$127,284,545</u>	<u>(\$1,000)</u>

EFFECT ON COUNTY/LOCAL REVENUE:

The total change in property tax is a reduction of \$3,778. When the effects on Universities and the School Foundation Program are removed, the net effect on local governments is an annual reduction of \$2,778. The total school effect is an annual reduction of \$2,267.



BUDGET DIRECTOR
Office of Budget and Program Planning

Date: Jan 23, 1985
HB 229