

HOUSE BILL NO. 230

1/17 Introduced
1/17 Referred to Highways & Transportation
1/18 Fiscal Note Requested
1/24 Fiscal Note Received
2/07 Hearing
2/08 Committee Report-Bill Do Pass
2/09 2nd Reading Pass
2/12 3rd Reading Pass

Transmitted to Senate

2/13 Referred to Highways & Transportation
3/14 Hearing
3/19 Tabled in Committee

1 HOUSE BILL NO. 230
 2 INTRODUCED BY Jeff Felt
 3 James
 4 A BILL FOR AN ACT ENTITLED: "AN ACT EXEMPTING MONTANA
 5 RESIDENTS WHO ARE FULL-TIME STUDENTS AT OUT-OF-STATE
 6 INSTITUTIONS OF HIGHER EDUCATION AND WHO ARE REQUIRED TO
 7 LICENSE THEIR VEHICLES IN THE OTHER STATES FROM THE
 8 REQUIREMENT OF PURCHASING MONTANA LICENSE PLATES AND PAYING
 9 VEHICLE FEES IN ORDER TO ENGAGE IN SUMMER EMPLOYMENT IN
 10 MONTANA; AMENDING SECTIONS 15-24-301, 61-3-302, 61-3-701,
 11 AND 61-3-704, MCA."

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 13 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:
 14 Section 1. Section 15-24-301, MCA, is amended to read:
 15 "15-24-301. Personal property brought into the state
 16 -- assessment -- exceptions -- custom combine equipment. (1)
 17 Except as provided in subsections (2) through (6), property
 18 in the following cases is subject to taxation and assessment
 19 for all taxes levied that year in the county in which it is
 20 located:
 21 (a) any personal property (including livestock)
 22 brought, driven, or coming into this state at any time
 23 during the year that is used in the state for hire,
 24 compensation, or profit;
 25 (b) property whose owner or user is engaged in gainful

1 occupation or business enterprise in the state; or
 2 (c) property which comes to rest and becomes a part of
 3 the general property of the state.
 4 (2) The taxes on this property are levied in the same
 5 manner and to the same extent, except as otherwise provided,
 6 as though the property had been in the county on the regular
 7 assessment date, provided that the property has not been
 8 regularly assessed for the year in some other county of the
 9 state.
 10 (3) Nothing in this section shall be construed to levy
 11 a tax against a merchant or dealer within this state on
 12 goods, wares, or merchandise brought into the county to
 13 replenish the stock of the merchant or dealer.
 14 (4) Any motor vehicle not subject to the light vehicle
 15 license fee brought, driven, or coming into this state by
 16 any nonresident person temporarily employed in Montana and
 17 used exclusively for transportation of such person is
 18 subject to taxation and assessment for taxes as follows:
 19 (a) The motor vehicle is taxed by the county in which
 20 it is located.
 21 (b) One-fourth of the annual tax liability of the
 22 motor vehicle must be paid for each quarter or portion of a
 23 quarter of the year that the motor vehicle is located in
 24 Montana.
 25 (c) The quarterly taxes are due the first day of the



1 quarter.

2 (5) Agricultural harvesting machinery classified under
3 class eight, licensed in other states, and operated on the
4 lands of persons other than the owner of the machinery under
5 contracts for hire shall be subject to a fee in lieu of
6 taxation of \$35 per machine for the calendar year in which
7 the fee is collected. The machines shall be subject to
8 taxation under class eight only if they are sold in Montana.

9 (6) The provisions of this part do not apply to
10 automobiles and trucks having a rated capacity of
11 three-quarters of a ton or less. ~~These~~ Except as provided in
12 61-3-701(4), these vehicles are subject to the fee provided
13 for in 61-3-532."

14 Section 2. Section 61-3-302, MCA, is amended to read:

15 "61-3-302. Residents operating motor vehicles under
16 licenses issued by any state other than Montana forbidden.
17 ~~(1) It shall especially--be~~ Except as provided that in
18 subsection (2) a resident of the state of Montana shall not
19 operate a motor vehicle under a license issued by any other
20 state than Montana.

21 (2) A resident of Montana who is a full-time student
22 at an institution of higher education located outside
23 Montana may operate in Montana a motor vehicle required to
24 be licensed in the state in which he is attending school,
25 for a period not to exceed 100 days in a calendar year if

1 the motor vehicle is used exclusively for the transportation
2 of such student and he complies with the requirements of
3 [section 5]."

4 Section 3. Section 61-3-701, MCA, is amended to read:

5 "61-3-701. Foreign vehicles used in gainful occupation
6 to be registered -- reciprocity. (1) ~~Before~~ Except as
7 provided in subsection (4), before any foreign licensed
8 motor vehicle may be operated on the highways of this state
9 for hire, compensation, or profit or before the owner and/or
10 user thereof uses the vehicle if such owner and/or user is
11 engaged in gainful occupation or business enterprise in the
12 state, including highway work, the owner of the vehicle
13 shall make application to a county treasurer for
14 registration upon an application form furnished by the
15 division. Upon satisfactory evidence of ownership submitted
16 to the county treasurer and the payment of property taxes,
17 if appropriate, as required by 15-8-201 through 15-8-203 or
18 15-24-301 or the payment of the light vehicle license fee as
19 provided by 61-3-532, the treasurer shall accept the
20 application for registration and shall collect the regular
21 license fee required for the vehicle.

22 (2) The treasurer shall thereupon issue to the
23 applicant a copy of the application entitled "Owner's
24 Certificate of Registration and Payment Receipt" and forward
25 a duplicate copy of the certificate to the division. The

1 treasurer shall at the same time issue to the applicant the
 2 proper license plates or other identification markers, which
 3 shall at all times be displayed upon the vehicle when
 4 operated or driven upon roads and highways of this state
 5 during the period of the life of the license.

6 (3) The registration receipt shall not constitute
 7 evidence of ownership but shall be used only for
 8 registration purposes. No Montana certificate of ownership
 9 shall be issued for this type of registration.

10 (4) This section is not applicable to any vehicle;

11 (a) covered by a valid and existing reciprocal
 12 agreement or declaration entered into under the provisions
 13 of the laws of Montana; or

14 (b) registered in the name of a Montana resident who
 15 is a full-time student at an institution of higher education
 16 located outside Montana who has complied with the
 17 requirements of [section 5]."

18 Section 4. Section 61-3-704, MCA, is amended to read:

19 "61-3-704. Penalty. Any person operating a vehicle in
 20 violation of the intent and purpose of 61-3-701, or
 21 61-3-702, or [section 5] shall be guilty of a misdemeanor
 22 and upon conviction thereof shall be punished by a fine of
 23 not less than \$10 or more than \$50 or confined in the county
 24 jail for not more than 30 days or both such fine and
 25 imprisonment."

1 NEW SECTION. Section 5. Student exemption --
 2 procedure. (1) A resident of Montana who is a full-time
 3 student at an institution of higher education located
 4 outside Montana may operate in Montana a motor vehicle that
 5 he was required to license in the state in which he is
 6 attending school, for a period not to exceed 100 days in a
 7 calendar year if the motor vehicle is used exclusively for
 8 the transportation of such student and he has in his
 9 possession an exemption card.

10 (2) A student described in subsection (1) may apply to
 11 the county treasurer in the county of his residence for an
 12 exemption card exempting him from the provisions of
 13 61-3-302(1) and 61-3-701(1). The treasurer shall issue the
 14 card to the student upon the student's furnishing evidence
 15 of his full-time student status. A person must be taking at
 16 least 12 credit hours per quarter or semester to be
 17 considered a full-time student. Evidence may consist of a
 18 dated transcript or grades showing enrollment for the most
 19 recent quarter or semester prior to application. The
 20 treasurer may charge the student a fee commensurate with the
 21 cost of issuing the exemption card.

22 (3) The motor vehicle division shall prescribe the
 23 form of the exemption card and shall distribute a sufficient
 24 supply of the cards to each county treasurer.

25 NEW SECTION. Section 6. Codification instruction.

LC 0421/01

1 Section 5 is intended to be codified as an integral part of
2 Title 61, chapter 3, part 7, and the provisions of Title 61,
3 chapter 3, part 7, apply to section 5.

-End-

STATE OF MONTANA
FISCAL NOTE

REQUEST NO. FNN 135-85

Form BD-15

In compliance with a written request received January 18, 19 85, there is hereby submitted a Fiscal Note for House Bill 230 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 OF PROPOSED LEGISLATION:

House Bill 230 exempts Montana residents who are full-time students at out-of-state institutions of higher education and who are required to license their vehicles in the other states, from the requirement of purchasing Montana license plates and paying vehicles fees in order to engage in summer employment in Montana; and directing the Department of Justice, Motor Vehicle Division to provide exemption cards to each county treasurer.

ASSUMPTIONS:

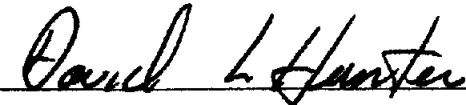
1. The proposed legislation does not require the automated motor vehicle license system to be modified.
2. An estimated 3,000 students attend out-of-state institutions of higher education. Most are not required to license their vehicle in the state in which they attend school.

FISCAL IMPACT:

Minimal

TECHNICAL DEFECT:

The proposed legislation does not require the student to show proof of residency; thus it is possible that out-of-state students from other states who are attending an out-of-state institution of higher education and are employed for the summer in Montana, may try to qualify for the exemption.



BUDGET DIRECTOR
Office of Budget and Program Planning

Date: JAN 23, 1985

HB 230

APPROVED BY COMMITTEE
ON HIGHWAYS & TRANSPORTATION

HOUSE BILL NO. 230

INTRODUCED BY Joseph H. Telford
Joseph H. Telford James Phillips

A BILL FOR AN ACT ENTITLED: "AN ACT EXEMPTING MONTANA RESIDENTS WHO ARE FULL-TIME STUDENTS AT OUT-OF-STATE INSTITUTIONS OF HIGHER EDUCATION AND WHO ARE REQUIRED TO LICENSE THEIR VEHICLES IN THE OTHER STATES FROM THE REQUIREMENT OF PURCHASING MONTANA LICENSE PLATES AND PAYING VEHICLE FEES IN ORDER TO ENGAGE IN SUMMER EMPLOYMENT IN MONTANA; AMENDING SECTIONS 15-24-301, 61-3-302, 61-3-701, AND 61-3-704, MCA."

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-- assessment -- exceptions -- custom combine equipment. (1) Except as provided in subsections (2) through (6), property in the following cases is subject to taxation and assessment for all taxes levied that year in the county in which it is located:

(a) any personal property (including livestock) brought, driven, or coming into this state at any time during the year that is used in the state for hire, compensation, or profit;

(b) property whose owner or user is engaged in gainful

occupation or business enterprise in the state; or

(c) property which comes to rest and becomes a part of the general property of the state.

(2) The taxes on this property are levied in the same manner and to the same extent, except as otherwise provided, as though the property had been in the county on the regular assessment date, provided that the property has not been regularly assessed for the year in some other county of the state.

(3) Nothing in this section shall be construed to levy a tax against a merchant or dealer within this state on goods, wares, or merchandise brought into the county to replenish the stock of the merchant or dealer.

(4) Any motor vehicle not subject to the light vehicle license fee brought, driven, or coming into this state by any nonresident person temporarily employed in Montana and used exclusively for transportation of such person is subject to taxation and assessment for taxes as follows:

(a) The motor vehicle is taxed by the county in which it is located.

(b) One-fourth of the annual tax liability of the motor vehicle must be paid for each quarter or portion of a quarter of the year that the motor vehicle is located in Montana.

(c) The quarterly taxes are due the first day of the



1 quarter.

2 (5) Agricultural harvesting machinery classified under
3 class eight, licensed in other states, and operated on the
4 lands of persons other than the owner of the machinery under
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25 for a period not to exceed 100 days in a calendar year if

1 the motor vehicle is used exclusively for the transportation
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3 [section 5]."

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 2 INTRODUCED BY Jeffrey Ficht
 3 Joseph Michael Jones Debra L. Cannon
 4 A BILL FOR AN ACT ENTITLED: "AN ACT EXEMPTING MONTANA
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