HOUSE BILL NO. 355

- 1/22 Introduced
 1/22 Referred to Taxation Died in Committee

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1 HOUSE, BILL NO. 355

2 INTRODUCED BY A SULTAN SOUTHER SOUTH SOUT

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

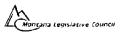
Section 1. Section 15-8-111, MCA, is amended to read:

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

- (2) (a) Market value is the value at which property would change hands between a willing buyer and a willing seller, neither being under any compulsion to buy or to sell and both having reasonable knowledge of relevant facts.
- (b) The market value of all motor trucks; agricultural tools, implements, and machinery; and vehicles of all kinds, including but not limited to motorcycles, aircraft, and boats and all watercraft, is the average wholesale value shown in national appraisal guides and manuals or the value of the vehicle before reconditioning and profit margin. The department of revenue shall prepare valuation schedules

showing the average wholesale value when no national appraisal guide exists.

- (3) (a) In making the official assessment and appraisal of the value of property in 15-6-134 through 15-6-140. The the department of revenue or its agents may not:
- 7 (i) adopt a lower or different standard of value from 8 market value; or in-making-the-official-assessment-and 9 appraisal-of-the-value-of-property-in-15-6-134-through 10 15-6-140:
- 11 (ii) use replacement cost as a substitute for market
 12 value.
- 13 <u>(b)</u> For purposes of taxation, assessed value is the 14 same as appraised value.
- 15 (4) The taxable value for all property in classes four 16 through eleven is the percentage of market value established 17 for each class of property in 15-6-134 through 15-6-141.
- 18 (5) The assessed value of properties in 15-6-131 19 through 15-6-133 is as follows:
- 20 (a) Properties in 15-6-131, under class one, are
 21 assessed at 100% of the annual net proceeds after deducting
 22 the expenses specified and allowed by 15-23-503.
- 23 (b) Properties in 15-6-132 under class two are 24 assessed at 100% of the annual gross proceeds.
- 25 (c) Properties in 15-6-133, under class three, are



- assessed at 100% of the productive capacity of the lands
 when valued for agricultural purposes. All lands that meet
- 3 the qualifications of 15-7-202 are valued as agricultural $\frac{1}{2}$
- 4 lands for tax purposes.
- 5 (6) Land and the improvements thereon are separately 6 assessed when any of the following conditions occur:
- 7 (a) ownership of the improvements is different from8 ownership of the land;
 - (b) the taxpayer makes a written request; or
 - (c) the land is outside an incorporated city or town.
- 11 (7) The taxable value of all property in 15-6-131 and 12 classes two and three is the percentage of assessed value 13 established in 15-6-131(2), 15-6-132, and 15-6-133 for each
- 14 class of property."

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

-End-