

HOUSE BILL NO. 845

2/15 Introduced
2/15 Referred to Taxation
2/22 Hearing
2/22 Committee Report-Bill Pass as Amended
2/25 2nd Reading Pass
2/26 3rd Reading Pass

Transmitted to Senate

3/04 Referred to Taxation
3/27 Hearing
4/08 Adverse Committee Report
4/08 Bill Killed

1 HOUSE BILL NO. 845
 2 INTRODUCED BY Sen. Steve Hammond
 3
 4 A BILL FOR AN ACT ENTITLED: "AN ACT PROHIBITING RELOCATION
 5 OF IMPROVEMENTS OR LEASEHOLD IMPROVEMENTS FROM THEIR TAXABLE
 6 SITUS UNLESS PROPERTY TAXES DUE ARE PAID; PROVIDING
 7 PENALTIES; EXPANDING PERTINENT LIEN PROVISIONS; AMENDING
 8 SECTIONS 15-16-403 AND 15-16-503, MCA."

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

11 Section 1. Section 15-16-403, MCA, is amended to read:

12 "15-16-403. Lien on real property and improvements.
 13 (1) Every tax due upon real property is a lien against the
 14 property assessed, and every tax due upon improvements upon
 15 real estate assessed to other than the owner of the real
 16 estate is a lien upon the land and improvements, which
 17 several liens attach as of January 1 in each year. Every tax
 18 due upon improvements, including leasehold improvements,
 19 upon real property is a lien against the improvements even
 20 though the improvements may be removed from the real
 21 property and transported to another location within or
 22 outside the state.

23 (2) The liens set out in subsection (1) attach as of
 24 January 1 in each year."

25 Section 2. Section 15-16-503, MCA, is amended to read:

1 "15-16-503. Collection by suit of personal property
 2 taxes and taxes on relocated improvements when taxpayer
 3 moves to another county. If any person removes from one
 4 county to another after being assessed on personal property
 5 or removes improvements or leasehold improvements to real
 6 property from one county to another after being assessed on
 7 such improvements or leasehold improvements, the treasurer
 8 of the county in which he was assessed may sue for and
 9 collect the same in the name of the county where the
 10 assessment was made."

11 NEW SECTION. Section 3. Relocating of improvements or
 12 leasehold improvements to real property -- payment of taxes.
 13 Before improvements or leasehold improvements to real
 14 property may be relocated from their taxable situs to
 15 another location within or without the state, the property
 16 taxes due on such improvements or leasehold improvements
 17 must be paid.

18 NEW SECTION. Section 4. Tax receipt -- when
 19 production required. If stopped on a highway or at a state
 20 vehicle weigh station by a state highway patrolman or state
 21 vehicle weigh station attendant, a person transporting a
 22 real estate or leasehold improvement to relocate it from its
 23 taxable situs to another location must produce, if
 24 requested, a tax receipt or duplicate showing that the
 25 property taxes due have been paid.

1 NEW SECTION. Section 5. Penalty. A person who
2 violates [section 3 or 4] is guilty of a misdemeanor.

3 NEW SECTION. Section 6. Codification instruction.
4 Sections 3 through 5 are intended to be codified as an
5 integral part of Title 15, chapter 24, and the provisions of
6 Title 15 apply to sections 3 through 5.

7 NEW SECTION. Section 7. Extension of authority. Any
8 existing authority of the department of revenue to make
9 rules on the subject of the provisions of this act is
10 extended to the provisions of this act.

-End-

APPROVED BY COMMITTEE
ON TAXATION

HOUSE BILL NO. 845

INTRODUCED BY SCHYE, H. HAMMOND

A BILL FOR AN ACT ENTITLED: "AN ACT PROHIBITING RELOCATION OF IMPROVEMENTS OR LEASEHOLD IMPROVEMENTS FROM THEIR TAXABLE SITUS UNLESS PROPERTY TAXES DUE ARE PAID; PROVIDING PENALTIES; EXPANDING PERTINENT LIEN PROVISIONS; AMENDING SECTIONS 15-16-403 AND 15-16-503, MCA; AND PROVIDING AN IMMEDIATE EFFECTIVE DATE AND AN APPLICABILITY DATE."

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

Section 1. Section 15-16-403, MCA, is amended to read:

"15-16-403. Lien on real property and improvements.

(1) Every tax due upon real property is a lien against the property assessed, and every tax due upon improvements upon real estate assessed to other than the owner of the real estate is a lien upon the land and improvements;--which several liens attach as of January 1 in each year. Every tax due upon improvements, including leasehold improvements, upon real property is a lien against the improvements even though the improvements may be removed from the real property and transported to another location within or outside the state.

(2) The liens set out in subsection (1) attach as of January 1 in each year."

Section 2. Section 15-16-503, MCA, is amended to read:

"15-16-503. Collection by suit of personal property taxes and taxes on relocated improvements when taxpayer moves to another county. If any person removes from one county to another after being assessed on personal property or removes improvements or leasehold improvements to real property from one county to another after being assessed on such improvements or leasehold improvements, the treasurer of the county in which he was assessed may sue for and collect the same in the name of the county where the assessment was made."

NEW SECTION. Section 3. Relocating of improvements or leasehold improvements to real property -- payment of taxes. Before improvements or leasehold improvements to real property may be relocated from their taxable situs to another location within or without the state, the property taxes due on such improvements or leasehold improvements must be paid.

NEW SECTION. Section 4. Tax receipt -- when production required. If stopped on a highway or at a state vehicle weigh station by a state highway patrolman or state vehicle weigh station attendant, a person transporting a real estate or leasehold improvement to relocate it from its taxable situs to another location must produce, if requested, a tax receipt or duplicate showing that the



1 property taxes due have been paid.

2 NEW SECTION. Section 5. Penalty. A person who
3 violates [section 3 or 4] is guilty of a misdemeanor AND IS
4 PUNISHABLE AS PROVIDED IN 15-24-204(1).

5 NEW SECTION. Section 6. Codification instruction.
6 Sections 3 through 5 are intended to be codified as an
7 integral part of Title 15, chapter 24, and the provisions of
8 Title 15 apply to sections 3 through 5.

9 NEW SECTION. Section 7. Extension of authority. Any
10 existing authority of the department of revenue to make
11 rules on the subject of the provisions of this act is
12 extended to the provisions of this act.

13 NEW SECTION. SECTION 8. EFFECTIVE DATE --
14 APPLICABILITY. THIS ACT IS EFFECTIVE ON PASSAGE AND
15 APPROVAL AND APPLIES TO TAXABLE YEARS BEGINNING AFTER
16 DECEMBER 31, 1984.

-End-

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8 such improvements or leasehold improvements, the treasurer
9 of the county in which he was assessed may sue for and
10 collect the same in the name of the county where the
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21 vehicle weigh station by a state highway patrolman or state
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24 taxable situs to another location must produce, if
25 requested, a tax receipt or duplicate showing that the

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-End-