

HOUSE BILL NO. 869

INTRODUCED BY MENAHAN, HARRINGTON, PAVLOVICH,  
KEENAN, RAPP-SVRCEK, DARKO, KRUEGER

IN THE HOUSE

February 18, 1985	Introduced and referred to Committee on Taxation.
	Fiscal Note requested.
February 23, 1985	Fiscal Note returned.
March 27, 1985	Committee recommend bill do pass as amended. Report adopted.
March 28, 1985	Bill printed and placed on members' desks.
March 30, 1985	Second reading, do pass.  Considered correctly engrossed.
April 1, 1985	Third reading, passed.  Transmitted to Senate.

IN THE SENATE

April 3, 1985	Introduced and referred to Committee on Taxation.
April 9, 1985	New Fiscal Note requested.
April 10, 1985	Committee recommend bill be concurrent in as amended. Report adopted.
April 12, 1985	Second reading, concurred in.
April 15, 1985	New Fiscal Note returned.

April 17, 1985

Third reading, concurred in.  
Ayes, 47; Noes, 2.

Returned to House with  
amendments.

IN THE HOUSE

April 18, 1985

Received from Senate.

April 19, 1985

Second reading, pass  
consideration.

April 20, 1985

Second reading, amendments  
concurred in.

April 22, 1985

Third reading, amendments  
concurred in.

Sent to enrolling.

Reported correctly enrolled.



1	Single Person	Married Couple	Multiplier
2	\$0-----\$17,000	\$0-----\$17,000	0%
3	1,700±-----27,000	1,700±-----27,000	10%
4	2,700±-----27,000	2,700±-----37,000	20%
5	2,700±-----37,600	3,700±-----47,000	30%
6	3,760±-----47,400	4,700±-----57,000	40%
7	4,740±-----57,200	5,700±-----67,000	50%
8	5,720±-----67,000	6,700±-----77,000	60%
9	6,700±-----67,800	7,700±-----87,000	70%
10	6,700±-----77,600	8,700±-----97,000	80%
11	7,760±-----87,000	9,700±-----107,000	90%
12	<u>\$0 - \$1,000</u>	<u>\$0 - \$1,200</u>	<u>0%</u>
13	<u>1,001 - 2,000</u>	<u>1,201 - 2,400</u>	<u>10%</u>
14	<u>2,001 - 3,000</u>	<u>2,401 - 3,600</u>	<u>20%</u>
15	<u>3,001 - 4,000</u>	<u>3,601 - 4,800</u>	<u>30%</u>
16	<u>4,001 - 5,000</u>	<u>4,801 - 6,000</u>	<u>40%</u>
17	<u>5,001 - 6,000</u>	<u>6,001 - 7,200</u>	<u>50%</u>
18	<u>6,001 - 7,000</u>	<u>7,201 - 8,400</u>	<u>60%</u>
19	<u>7,001 - 8,000</u>	<u>8,401 - 9,600</u>	<u>70%</u>
20	<u>8,001 - 9,000</u>	<u>9,601 - 10,800</u>	<u>80%</u>
21	<u>9,001 - 10,000</u>	<u>10,801 - 12,000</u>	<u>90%</u>

22 (c) Property described in subsection (1)(d) is taxed  
 23 at one-half the taxable percentage established in subsection  
 24 (2)(a), or 4.275%."

25 NEW SECTION. Section 2. Extension of authority. Any

1 existing authority of the department of revenue to make  
 2 rules on the subject of the provisions of this act is  
 3 extended to the provisions of this act.

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

-End-

## STATE OF MONTANA

## FISCAL NOTE

REQUEST NO. FNN 470-85

Form BD-15

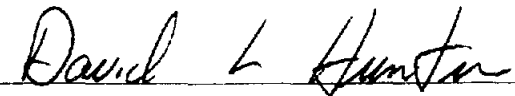
In compliance with a written request received February 18, 19 85, there is hereby submitted a Fiscal Note for H.B. 869 pursuant to Title 5, Chapter 4, Part 2 of the Montana Code Annotated (MCA). Background information used in developing this Fiscal Note is available from the Office of Budget and Program Planning, to members of the Legislature upon request.

DESCRIPTION OF PROPOSED LEGISLATION:

An act revising the income schedule on which property tax reductions are based for widows and widowers at least 62 years of age, widows and widowers with dependent children, and recipients of retirement or disability benefits; amending Section 15-6-134, MCA; providing an immediate effective date and an applicability date.

ASSUMPTIONS:

1. The taxable value of the state will be \$2,397,311,000 and \$2,444,893,000 in FY 86 and FY 87, respectively (OBPP).
2. Mill levies are assumed constant at 6 mills for Universities, 45 mills for the School Foundation Program and 216 mills for Local Governments (weighted average for this property type).
3. Samples of elderly homeowner credit returns, which give household income and property tax liabilities, apply to future years. These data allow the simulation of the affects of the proposal on property tax liabilities. The simulation suggests a reduction in property tax liabilities of 6.38% assuming income and mill levies are constant.
4. The taxable value of graduated class 4 property was \$5,553,183 in tax year 1984. \$354,293 of taxable value losses will occur due to increasing the bracket schedules from between \$200 and \$2,000. ( $6.38\% \times \$5,553,183 = \$354,293$ ). This level is assumed constant.
5. Extending the schedules will create an additional loss in taxable value of \$472,000 (loss in taxable value from last two brackets).



BUDGET DIRECTOR  
Office of Budget and Program Planning

Date: Feb 23, 1985

**HB 869**

FISCAL IMPACT:

	Under <u>Current Law</u>	<u>FY 86</u> Under <u>Proposed Law</u>	Estimated <u>Decrease</u>	Under <u>Current Law</u>	<u>FY 87</u> Under <u>Proposed Law</u>	Estimate <u>Decrease</u>
University Levy	\$ 14,383,866	\$ 14,378,908	\$ (4,958)	\$ 14,669,358	\$ 14,664,400	\$ (4,958)
School Foundation Program	<u>107,878,995</u>	<u>107,841,812</u>	<u>(37,183)</u>	<u>110,020,185</u>	<u>109,983,002</u>	<u>(37,183)</u>
TOTAL REVENUE	\$122,262,861	\$122,220,720	\$ (42,141)	\$124,689,543	\$124,647,402	\$ (42,141)

EFFECT ON COUNTY OR OTHER LOCAL REVENUE OR EXPENDITURES:

Local government revenue would be reduced by approximately \$136,338 annually.

TECHNICAL OR MECHANICAL DEFECTS OR CONFLICTS WITH EXISTING LEGISLATION:

The income limits specified in Section 1(a)(iii) need to be amended to be consistent with the proposed percentage table.

STATE OF MONTANA  
FISCAL NOTE

AMENDED  
REQUEST NO. FNN 470-85

Form BD-15

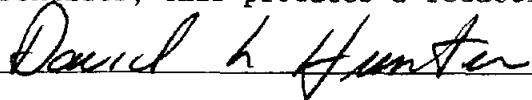
In compliance with a written request received April 9, 19 85, there is hereby submitted a Fiscal Note for H.B. 869 (Amended) pursuant to Title 5, Chapter 4, Part 2 of the Montana Code Annotated (MCA). Background information used in developing this Fiscal Note is available from the Office of Budget and Program Planning, to members of the Legislature upon request.

DESCRIPTION OF PROPOSED LEGISLATION:

An act extending to all lower income property owners the property tax reductions for widows and widowers at least 62 years of age, widows and widowers with dependent children, and recipients of retirement or disability benefits; adjusting the income schedule for such property tax reductions; amending Sections 15-6-134 and 15-6-142, MCA; providing an immediate effective date and an applicability date.

ASSUMPTIONS:

1. Total state taxable value is \$2,397,311,000 in FY1986 and \$2,444,893,000 in FY1987.
2. Mill levies are assumed constant at 6 mills for Universities, 45 mills for the School Foundation Program, and 216 mills for Local Governments (weighted average for this property type).
3. Samples of elderly homeowner credit returns, which give household income and property tax liabilities, apply to future years. These data allow the simulation of the effects of the proposal on property tax liabilities. The simulation suggests a reduction in property tax liabilities of 6.38%, assuming income and mill levies are constant.
4. The taxable value of graduated class 4 property was \$5,553,183 in tax year 1984. Taxable value is reduced \$354,293 due to increasing the bracket schedules from between \$200 and \$2,000 ( $6.38\% \times \$5,553,183 = \$354,293$ ). This level is assumed constant.
5. Extending the schedules will create an additional loss in taxable value of \$472,000 (loss in taxable value from last two brackets).
6. Census data indicate that extending the proposed benefits to all individuals approximately doubles the number of homeowners affected. For these homeowners the taxable value rate is reduced from 8.55% to 5.30%. Under the assumption that the homes owned by the group of taxpayers currently receiving these benefits are comparable to the homes owned by the new group of homeowners that would receive these benefits, this produces a reduction in taxable value of \$3,405,254.

  
BUDGET DIRECTOR  
Office of Budget and Program Planning

Date: April 15, 1985  
HB 869 Amended

FISCAL IMPACT:

	<u>FY86</u>			<u>FY87</u>		
	<u>Under</u> <u>Current Law</u>	<u>Under</u> <u>Proposed Law</u>	<u>Estimated</u> <u>Decrease</u>	<u>Under</u> <u>Current Law</u>	<u>Under</u> <u>Proposed Law</u>	<u>Estimated</u> <u>Decrease</u>
University Levy	14,383,866	14,358,476	(25,390)	14,669,358	14,643,986	(25,390)
School Foundation Program	107,878,995	107,688,576	(190,419)	110,020,185	109,829,766	(190,419)
TOTAL REVENUE	122,262,861	122,047,052	(215,809)	124,689,543	124,473,734	(215,809)

AFFECT ON COUNTY OR OTHER LOCAL REVENUE OR EXPENDITURES:

Local government revenue would be reduced by approximately \$698,205 annually.



APPROVED BY COMMITTEE  
ON TAXATION

HOUSE BILL NO. 869

INTRODUCED BY MENAHAN, HARRINGTON, PAVLOVICH,  
KEENAN, RAPP-SVRCEK, DARKO, KRUEGER

A BILL FOR AN ACT ENTITLED: "AN ACT REVISING THE INCOME  
SCHEDULE ON WHICH PROPERTY TAX REDUCTIONS ARE BASED FOR  
WIDOWS AND WIDOWERS AT LEAST 62 YEARS OF AGE, WIDOWS AND  
WIDOWERS WITH DEPENDENT CHILDREN, AND RECIPIENTS OF  
RETIREMENT OR DISABILITY BENEFITS; AMENDING SECTION SECTIONS  
15-6-134 AND 15-6-142, MCA; PROVIDING AN IMMEDIATE EFFECTIVE  
DATE AND AN APPLICABILITY DATE."

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

Section 1. Section 15-6-134, MCA, is amended to read:

"15-6-134. Class four property -- description --  
taxable percentage. (1) Class four property includes:

(a) all land except that specifically included in  
another class;

(b) all improvements except those specifically  
included in another class;

(c) the first \$35,000 or less of the market value of  
any improvement on real property and appurtenant land not  
exceeding 5 acres owned or under contract for deed and  
actually occupied for at least 10 months a year as the  
primary residential dwelling of:

(i) a widow or widower 62 years of age or older who  
qualifies under the income limitations of (iii) of this  
subsection;

(ii) a widow or widower of any age with dependent  
children who qualifies under the income limitations of (iii)  
of this subsection; or

(iii) a recipient or recipients of retirement or  
disability benefits whose total income from all sources  
including otherwise tax-exempt income of all types is not  
more than ~~\$8,000~~ \$10,000 for a single person or ~~\$10,000~~  
\$12,000 for a married couple;

(d) all golf courses, including land and improvements  
actually and necessarily used for that purpose, that:

(i) consist of at least 9 holes and not less than  
3,000 lineal yards; and

(ii) were used as a golf course on January 1, 1979, and  
were owned by a nonprofit Montana corporation.

(2) Class four property is taxed as follows:

(a) Except as provided in 15-24-1402 or 15-24-1501,  
property described in subsections (1)(a) and (1)(b) is taxed  
at 8.55% of its market value.

(b) Property described in subsection (1)(c) is taxed  
at 8.55% of its market value multiplied by a percentage  
figure based on income and determined from the following  
table:

Income	Income	Percentage
Single Person	Married Couple	Multiplier
\$0-----\$1,000	\$0-----\$1,000	0%
1,001-----2,000	1,001-----2,000	10%
2,001-----2,000	2,001-----3,000	20%
2,001-----3,600	3,001-----4,000	30%
3,601-----4,400	4,001-----5,000	40%
4,401-----5,200	5,001-----6,000	50%
5,201-----6,000	6,001-----7,000	60%
6,001-----6,800	7,001-----8,000	70%
6,801-----7,600	8,001-----9,000	80%
7,601-----8,000	9,001-----10,000	90%
<u>\$0 - \$1,000</u>	<u>\$0 - \$1,200</u>	<u>0%</u>
<u>1,001 - 2,000</u>	<u>1,201 - 2,400</u>	<u>10%</u>
<u>2,001 - 3,000</u>	<u>2,401 - 3,600</u>	<u>20%</u>
<u>3,001 - 4,000</u>	<u>3,601 - 4,800</u>	<u>30%</u>
<u>4,001 - 5,000</u>	<u>4,801 - 6,000</u>	<u>40%</u>
<u>5,001 - 6,000</u>	<u>6,001 - 7,200</u>	<u>50%</u>
<u>6,001 - 7,000</u>	<u>7,201 - 8,400</u>	<u>60%</u>
<u>7,001 - 8,000</u>	<u>8,401 - 9,600</u>	<u>70%</u>
<u>8,001 - 9,000</u>	<u>9,601 - 10,800</u>	<u>80%</u>
<u>9,001 - 10,000</u>	<u>10,801 - 12,000</u>	<u>90%</u>

(c) Property described in subsection (1)(d) is taxed at one-half the taxable percentage established in subsection (2)(a), or 4.275%."

SECTION 2. SECTION 15-6-142, MCA, IS AMENDED TO READ:

"15-6-142. Class twelve property -- description -- taxable percentage. (1) Class twelve property includes:

(a) a trailer or mobile home used as a residence except when:

(i) held by a distributor or dealer of trailers or mobile homes as his stock in trade; or

(ii) specifically included in another class;

(b) the first \$35,000 or less of the market value of a trailer or mobile home used as a residence and actually occupied for at least 10 months a year as the primary residential dwelling of:

(i) a widow or widower 62 years of age or older who qualifies under the income limitations of (iii) of this subsection;

(ii) a widow or widower of any age with dependent children who qualifies under the income limitations of (iii) of this subsection; or

(iii) a recipient or recipients of retirement or disability benefits whose total income from all sources including otherwise tax-exempt income of all types is not more than \$8,000 \$10,000 for a single person or \$10,000 \$12,000 for a married couple.

(2) Class twelve property is taxed as follows:

(a) Property described in subsection (1)(a) that is

1 not of the type described in subsection (1)(b) is taxed at  
2 8.55% of its market value.

3 (b) Property described in subsection (1)(b) is taxed  
4 at 8.55% of its market value multiplied by a percentage  
5 figure based on income and determined from the table  
6 established in subsection (2)(b) of 15-6-134."

7 NEW SECTION. Section 3. 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.

11 NEW SECTION. Section 4. Effective date --  
12 applicability. This act is effective on passage and approval  
13 and applies to taxable years beginning after December 31,  
14 ~~1984~~ 1985.

-End-

## 1 HOUSE BILL NO. 869

2 INTRODUCED BY MENAHAN, HARRINGTON, PAVLOVICH,

3 KEENAN, RAPP-SVRCEK, DARKO, KRUEGER

4  
5 A BILL FOR AN ACT ENTITLED: "AN ACT REVISING THE INCOME  
6 SCHEDULE ON WHICH PROPERTY TAX REDUCTIONS ARE BASED FOR  
7 WIDOWS AND WIDOWERS AT LEAST 62 YEARS OF AGE, WIDOWS AND  
8 WIDOWERS WITH DEPENDENT CHILDREN, AND RECIPIENTS OF  
9 RETIREMENT OR DISABILITY BENEFITS; AMENDING SECTION SECTIONS  
10 15-6-134 AND 15-6-142, MCA; PROVIDING AN IMMEDIATE EFFECTIVE  
11 DATE AND AN APPLICABILITY DATE."

12  
13 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

14 Section 1. Section 15-6-134, MCA, is amended to read:

15 "15-6-134. Class four property -- description --  
16 taxable percentage. (1) Class four property includes:17 (a) all land except that specifically included in  
18 another class;19 (b) all improvements except those specifically  
20 included in another class;21 (c) the first \$35,000 or less of the market value of  
22 any improvement on real property and appurtenant land not  
23 exceeding 5 acres owned or under contract for deed and  
24 actually occupied for at least 10 months a year as the  
25 primary residential dwelling of:1 (i) a widow or widower 62 years of age or older who  
2 qualifies under the income limitations of (iii) of this  
3 subsection;4 (ii) a widow or widower of any age with dependent  
5 children who qualifies under the income limitations of (iii)  
6 of this subsection; or7 (iii) a recipient or recipients of retirement or  
8 disability benefits whose total income from all sources  
9 including otherwise tax-exempt income of all types is not  
10 more than ~~\$8,000~~ \$10,000 for a single person or ~~\$10,000~~  
11 \$12,000 for a married couple;12 (d) all golf courses, including land and improvements  
13 actually and necessarily used for that purpose, that:14 (i) consist of at least 9 holes and not less than  
15 3,000 lineal yards; and16 (ii) were used as a golf course on January 1, 1979, and  
17 were owned by a nonprofit Montana corporation.

18 (2) Class four property is taxed as follows:

19 (a) Except as provided in 15-24-1402 or 15-24-1501,  
20 property described in subsections (1)(a) and (1)(b) is taxed  
21 at 8.55% of its market value.22 (b) Property described in subsection (1)(c) is taxed  
23 at 8.55% of its market value multiplied by a percentage  
24 figure based on income and determined from the following  
25 table:

Income	Income	Percentage
Single Person	Married Couple	Multiplier
\$0-----\$1,000	\$0-----\$1,000	0%
1,001-----2,000	1,001-----2,000	10%
2,001-----2,700	2,001-----3,700	20%
2,701-----3,600	3,001-----4,700	30%
3,601-----4,400	4,001-----5,700	40%
4,401-----5,200	5,001-----6,700	50%
5,201-----6,000	6,001-----7,000	60%
6,001-----6,800	7,001-----8,000	70%
6,801-----7,600	8,001-----9,700	80%
7,601-----8,000	9,001-----10,000	90%
<u>\$0 - \$1,000</u>	<u>\$0 - \$1,200</u>	<u>0%</u>
<u>1,001 - 2,000</u>	<u>1,201 - 2,400</u>	<u>10%</u>
<u>2,001 - 3,000</u>	<u>2,401 - 3,600</u>	<u>20%</u>
<u>3,001 - 4,000</u>	<u>3,601 - 4,800</u>	<u>30%</u>
<u>4,001 - 5,000</u>	<u>4,801 - 6,000</u>	<u>40%</u>
<u>5,001 - 6,000</u>	<u>6,001 - 7,200</u>	<u>50%</u>
<u>6,001 - 7,000</u>	<u>7,201 - 8,400</u>	<u>60%</u>
<u>7,001 - 8,000</u>	<u>8,401 - 9,600</u>	<u>70%</u>
<u>8,001 - 9,000</u>	<u>9,601 - 10,800</u>	<u>80%</u>
<u>9,001 - 10,000</u>	<u>10,801 - 12,000</u>	<u>90%</u>

(c) Property described in subsection (1)(d) is taxed at one-half the taxable percentage established in subsection (2)(a), or 4.275%."

SECTION 2. SECTION 15-6-142, MCA, IS AMENDED TO READ:

"15-6-142. Class twelve property -- description -- taxable percentage. (1) Class twelve property includes:

(a) a trailer or mobile home used as a residence except when:

(i) held by a distributor or dealer of trailers or mobile homes as his stock in trade; or

(ii) specifically included in another class;

(b) the first \$35,000 or less of the market value of a trailer or mobile home used as a residence and actually occupied for at least 10 months a year as the primary residential dwelling of:

(i) a widow or widower 62 years of age or older who qualifies under the income limitations of (iii) of this subsection;

(ii) a widow or widower of any age with dependent children who qualifies under the income limitations of (iii) of this subsection; or

(iii) a recipient or recipients of retirement or disability benefits whose total income from all sources including otherwise tax-exempt income of all types is not more than ~~\$8,000~~ \$10,000 for a single person or ~~\$10,000~~ \$12,000 for a married couple.

(2) Class twelve property is taxed as follows:

(a) Property described in subsection (1)(a) that is

1 not of the type described in subsection (1)(b) is taxed at  
2 8.55% of its market value.

3 (b) Property described in subsection (1)(b) is taxed  
4 at 8.55% of its market value multiplied by a percentage  
5 figure based on income and determined from the table  
6 established in subsection (2)(b) of 15-6-134."

7 NEW SECTION. Section 3. 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.

11 NEW SECTION. Section 4. Effective date --  
12 applicability. This act is effective on passage and approval  
13 and applies to taxable years beginning after December 31,  
14 1984 1985.

-End-

## 1 HOUSE BILL NO. 869

2 INTRODUCED BY MENAHAN, HARRINGTON, PAVLOVICH,

3 KEENAN, RAPP-SVRCEK, DARKO, KRUEGER

4  
5 A BILL FOR AN ACT ENTITLED: "AN ACT REVISING--THE--INCOME  
6 ~~SCHEMES--ON--WHICH~~ EXTENDING TO ALL LOWER INCOME PROPERTY  
7 OWNERS THE PROPERTY TAX REDUCTIONS ARE BASED FOR WIDOWS AND  
8 WIDOWERS AT LEAST 62 YEARS OF AGE, WIDOWS AND WIDOWERS WITH  
9 DEPENDENT CHILDREN, AND RECIPIENTS OF RETIREMENT OR  
10 DISABILITY BENEFITS; ADJUSTING THE INCOME SCHEDULE FOR SUCH  
11 PROPERTY TAX REDUCTIONS; AMENDING SECTION SECTIONS 15-6-134,  
12 AND 15-6-142, AND 15-6-151, MCA; PROVIDING AN IMMEDIATE  
13 EFFECTIVE DATE AND AN APPLICABILITY DATE."

14  
15 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

16 Section 1. Section 15-6-134, MCA, is amended to read:

17 "15-6-134. Class four property -- description --  
18 taxable percentage. (1) Class four property includes:

19 (a) all land except that specifically included in  
20 another class;

21 (b) all improvements except those specifically  
22 included in another class;

23 (c) the first \$35,000 or less of the market value of  
24 any improvement on real property and appurtenant land not  
25 exceeding 5 acres owned or under contract for deed and

1 actually occupied for at least 10 months a year as the  
2 primary residential dwelling of:

3 ~~(i) a widow or widower 62 years of age or older who~~  
4 ~~qualifies under the income limitations of (iii) of this~~  
5 ~~subsection;~~

6 ~~(ii) a widow or widower of any age with dependent~~  
7 ~~children who qualifies under the income limitations of (iii)~~  
8 ~~of this subsection; or~~

9 ~~(iii) a recipient or recipients of retirement or~~  
10 ~~disability benefits ANY PERSON whose total income from all~~  
11 ~~sources including otherwise tax-exempt income of all types~~  
12 ~~is not more than \$8,000 \$10,000 for a single person or~~  
13 ~~\$10,000 \$12,000 for a married couple;~~

14 (d) all golf courses, including land and improvements  
15 actually and necessarily used for that purpose, that:

16 (i) consist of at least 9 holes and not less than  
17 3,000 lineal yards; and

18 (ii) were used as a golf course on January 1, 1979, and  
19 were owned by a nonprofit Montana corporation.

20 (2) Class four property is taxed as follows:

21 (a) Except as provided in 15-24-1402 or 15-24-1501,  
22 property described in subsections (1)(a) and (1)(b) is taxed  
23 at 8.55% of its market value.

24 (b) Property described in subsection (1)(c) is taxed  
25 at 8.55% of its market value multiplied by a percentage

1 figure based on income and determined from the following  
 2 table:

Income	Income	Percentage
Single Person	Married Couple	Multiplier
\$0-----\$1,000	\$0-----\$1,000	0%
1,001-----2,000	1,001-----2,000	10%
2,001-----2,700	2,001-----3,000	20%
2,701-----3,600	3,001-----4,000	30%
3,601-----4,400	4,001-----5,000	40%
4,401-----5,200	5,001-----6,000	50%
5,201-----6,000	6,001-----7,000	60%
6,001-----6,800	7,001-----8,000	70%
6,801-----7,600	8,001-----9,000	80%
7,601-----8,000	9,001-----10,000	90%
<u>\$0 - \$1,000</u>	<u>\$0 - \$1,200</u>	<u>0%</u>
<u>1,001 - 2,000</u>	<u>1,201 - 2,400</u>	<u>10%</u>
<u>2,001 - 3,000</u>	<u>2,401 - 3,600</u>	<u>20%</u>
<u>3,001 - 4,000</u>	<u>3,601 - 4,800</u>	<u>30%</u>
<u>4,001 - 5,000</u>	<u>4,801 - 6,000</u>	<u>40%</u>
<u>5,001 - 6,000</u>	<u>6,001 - 7,200</u>	<u>50%</u>
<u>6,001 - 7,000</u>	<u>7,201 - 8,400</u>	<u>60%</u>
<u>7,001 - 8,000</u>	<u>8,401 - 9,600</u>	<u>70%</u>
<u>8,001 - 9,000</u>	<u>9,601 - 10,800</u>	<u>80%</u>
<u>9,001 - 10,000</u>	<u>10,801 - 12,000</u>	<u>90%</u>

25 (c) Property described in subsection (1)(d) is taxed

1 at one-half the taxable percentage established in subsection  
 2 (2)(a), or 4.275%."

3 SECTION 2. SECTION 15-6-142, MCA, IS AMENDED TO READ:

4 "15-6-142. Class twelve property -- description --  
 5 taxable percentage. (1) Class twelve property includes:

6 (a) a trailer or mobile home used as a residence  
 7 except when:

8 (i) held by a distributor or dealer of trailers or  
 9 mobile homes as his stock in trade; or

10 (ii) specifically included in another class;

11 (b) the first \$35,000 or less of the market value of a  
 12 trailer or mobile home used as a residence and actually  
 13 occupied for at least 10 months a year as the primary  
 14 residential dwelling of:

15 (i) ~~a widow or widower 62 years of age or older who~~  
 16 ~~qualifies under the income limitations of (iii) of this~~  
 17 ~~subsection;~~

18 (ii) ~~a widow or widower of any age with dependent~~  
 19 ~~children who qualifies under the income limitations of (iii)~~  
 20 ~~of this subsection; or~~

21 (iii) ~~a recipient or recipients of retirement or~~  
 22 ~~disability benefits~~ ANY PERSON whose total income from all  
 23 sources including otherwise tax-exempt income of all types  
 24 is not more than \$8,000 \$10,000 for a single person or  
 25 \$10,000 \$12,000 for a married couple.



1 (2) Class twelve property is taxed as follows:  
 2 (a) Property described in subsection (1)(a) that is  
 3 not of the type described in subsection (1)(b) is taxed at  
 4 8.55% of its market value.  
 5 (b) Property described in subsection (1)(b) is taxed  
 6 at 8.55% of its market value multiplied by a percentage  
 7 figure based on income and determined from the table  
 8 established in subsection (2)(b) of 15-6-134."  
 9 SECTION 3. SECTION 15-6-151, MCA, IS AMENDED TO READ:  
 10 "15-6-151. Application for certain class four  
 11 classifications. (1) A person applying for classification of  
 12 property described in subsection (1)(c) of 15-6-134 shall  
 13 make an affidavit to the department of revenue, on a form  
 14 provided by the department without cost, stating:  
 15 (a) his income;  
 16 ~~(b)--his-retirement-benefits;~~  
 17 ~~(c)--his-marital-status;~~  
 18 ~~(d)~~(b) the fact that he maintains the land and  
 19 improvements as his primary residential dwelling, where  
 20 applicable; and  
 21 ~~(e)~~(c) such other information as is relevant to the  
 22 applicant's eligibility.  
 23 (2) This application must be made before March 1 of  
 24 the year after the applicant becomes eligible. The  
 25 application remains in effect in subsequent years unless

1 there is a change in the applicant's eligibility. The  
 2 taxpayer shall inform the department of any change in  
 3 eligibility. The department may inquire by mail whether any  
 4 change in eligibility has taken place and may require a new  
 5 statement of eligibility at any time it considers necessary.  
 6 (3) The affidavit is sufficient if the applicant signs  
 7 a statement affirming the correctness of the information  
 8 supplied, whether or not the statement is signed before a  
 9 person authorized to administer oaths, and mails the  
 10 application and statement to the department of revenue.  
 11 This signed statement shall be treated as a statement under  
 12 oath or equivalent affirmation for the purposes of 45-7-202,  
 13 relating to the criminal offense of false swearing."  
 14 NEW SECTION. Section 4. Extension of authority. Any  
 15 existing authority of the department of revenue to make  
 16 rules on the subject of the provisions of this act is  
 17 extended to the provisions of this act.  
 18 NEW SECTION. Section 5. Effective date --  
 19 applicability. This act is effective on passage and approval  
 20 and applies to taxable years beginning after December 31,  
 21 1984 1985.

-End-