

HB 494 INTRODUCED BY PATTERSON  
EXEMPT FROM PROPERTY TAX ALL LIVESTOCK LESS THAN 20  
MONTHS OF AGE

1/27 INTRODUCED  
1/27 REFERRED TO TAXATION  
1/27 FISCAL NOTE REQUESTED  
1/28 FISCAL NOTE RECEIVED  
2/06 HEARING  
3/24 TABLED IN COMMITTEE

1 House BILL NO. 494  
2 INTRODUCED BY P. Peterson

3  
4 A BILL FOR AN ACT ENTITLED: "AN ACT EXEMPTING FROM PROPERTY  
5 TAXATION SWINE LESS THAN 6 MONTHS OF AGE AND ALL OTHER  
6 LIVESTOCK LESS THAN 20 MONTHS OF AGE; AMENDING SECTION  
7 15-6-207, MCA; AND PROVIDING AN IMMEDIATE EFFECTIVE DATE AND  
8 A RETROACTIVE APPLICABILITY DATE."

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

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

12 "15-6-207. Agricultural exemptions. (1) The following  
13 agricultural products are exempt from taxation:

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

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

19 (c) except as provided in subsection (1)(d), livestock  
20 which have not attained the age of 9 20 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

24 (d) swine which have not attained the age of 3 6  
25 months as of January 1.

1 (2) Any beet digger, beet topper, beet defoliator,  
2 beet thinner, beet cultivator, beet planter, or beet top  
3 saver designed exclusively to plant, cultivate, and harvest  
4 sugar beets is exempt from taxation if such implement has  
5 not been used to plant, cultivate, or harvest sugar beets  
6 for the 2 years immediately preceding the current assessment  
7 date and there are no available sugar beet contracts in the  
8 sugar beet grower's marketing area."

9 NEW SECTION. Section 2. 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 3. Effective date --  
14 applicability. (1) This act is effective on passage and  
15 approval.

16 (2) This act applies retroactively, within the meaning  
17 of 1-2-109, to taxable years beginning after December 31,  
18 1986.

-End-



-2- INTRODUCED BILL  
HB-494

STATE OF MONTANA - FISCAL NOTE

Form BD-15

In compliance with a written request, there is hereby submitted a Fiscal Note for HB494, as introduced.

DESCRIPTION OF PROPOSED LEGISLATION:

An act exempting from property taxation swine less than 6 months of age and all other livestock less than 20 months of age; providing an immediate effective date and a retroactive applicability date.

ASSUMPTIONS:

1. The taxable value of the state will be \$1,997,193,000 in FY88 and \$2,024,661,000 in FY89 (REAC).
2. The total taxable value of swine and other livestock affected by this bill was \$3,794,917 in tax year 1986, and is assumed to remain constant.
3. Mill levies are 6 mills for universities, and 45 mills for the school foundation program. The average county levy for this type of property is held constant at approximately 179.39 mills.
4. The proposal may have an impact in FY87, but an estimate cannot be made.

FISCAL IMPACT:

Revenue Impact:

	FY88			FY89		
	Current Law	Proposed Law	Difference	Current Law	Proposed Law	Difference
University Levy	11,983,158	11,960,388	( 22,770)	12,147,966	12,125,196	( 22,770)
School Equalization	89,873,685	89,702,914	( 170,771)	91,109,745	90,938,974	( 170,771)
Total	101,856,843	101,663,302	( 193,541)	103,257,711	103,064,170	( 193,541)

Expenditure Impact:

None.

David L. Hunter DATE 1/28/87  
 DAVID L. HUNTER, BUDGET DIRECTOR  
 Office of Budget and Program Planning

John Patterson DATE 28 JAN 87  
 JOHN PATTERSON, PRIMARY SPONSOR

Fiscal Note for HB494, as introduced.

**HB 494**

Fiscal Note Request, HB494, as introduced.

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EFFECT ON LOCAL GOVERNMENT REVENUE:

The proposal is estimated to reduce county and local school district revenues by \$ 680,770 annually. Cities and towns are not expected to be affected by this bill.

TECHNICAL OR MECHANICAL DEFECTS OR CONFLICTS WITH EXISTING LEGISLATION:

The above estimates do not include any adjustments for property considered to be breeding stock. Although these classes may include some animals less than 20 months old, the number is felt to be insignificant.

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