

SENATE BILL NO. 340

INTRODUCED BY SEVERSON, CODY, PATTERSON, MCCALLUM,
TVEIT, HOFMAN, FARRELL, HAMMOND, GRADY, E. SMITH,
COMPTON, HIRSCH, LYBECK, BISHOP, HAGER, HARDING,
SCHYE, SWITZER, STORY, GALT, THAYER,
ANDERSON, DEVLIN, CRIPPEN

IN THE SENATE

FEBRUARY 14, 1987 INTRODUCED AND REFERRED TO COMMITTEE
ON TAXATION.

MARCH 9, 1987 COMMITTEE RECOMMEND BILL
DO PASS AS AMENDED. REPORT ADOPTED.

MARCH 10, 1987 PRINTING REPORT.

MARCH 11, 1987 SECOND READING, DO PASS.

MARCH 12, 1987 ENGROSSING REPORT.

MARCH 13, 1987 THIRD READING, PASSED.
AYES, 49; NOES, 1.

TRANSMITTED TO HOUSE.

IN THE HOUSE

MARCH 13, 1987 INTRODUCED AND REFERRED TO COMMITTEE
ON TAXATION.

APRIL 7, 1987 COMMITTEE RECOMMEND BILL BE
CONCURRED IN AS AMENDED. REPORT
ADOPTED.

APRIL 10, 1987 SECOND READING, CONCURRED IN AS
AMENDED.

APRIL 13, 1987 THIRD READING, CONCURRED IN.
AYES, 81; NOES, 15.

RETURNED TO SENATE WITH AMENDMENTS.

IN THE SENATE

APRIL 16, 1987

RECEIVED FROM HOUSE.

SECOND READING, AMENDMENTS NOT
CONCURRED IN.

ON MOTION, CONFERENCE COMMITTEE
REQUESTED AND APPOINTED.

IN THE HOUSE

APRIL 20, 1987

ON MOTION, CONFERENCE COMMITTEE
REQUESTED AND APPOINTED.

IN THE SENATE

APRIL 21, 1987

CONFERENCE COMMITTEE REPORTED.

IN THE HOUSE

APRIL 21, 1987

SECOND READING, CONFERENCE COMMITTEE
REPORT REJECTED.

IN THE SENATE

APRIL 22, 1987

ON MOTION, TAKEN FROM SECOND READING
AND CONFERENCE COMMITTEE DISSOLVED.

ON MOTION, FREE CONFERENCE COMMITTEE
REQUESTED AND APPOINTED.

IN THE HOUSE

APRIL 22, 1987

ON MOTION, FREE CONFERENCE
COMMITTEE REQUESTED AND APPOINTED.

IN THE SENATE

APRIL 22, 1987

FREE CONFERENCE COMMITTEE REPORTED.

ON MOTION, RULES SUSPENDED TO PLACE
BILL ON SECOND READING THIS DAY.

APRIL 22, 1987

SECOND READING, FREE CONFERENCE
COMMITTEE REPORT ADOPTED.

ON MOTION, RULES SUSPENDED TO PLACE
BILL ON THIRD READING THIS DAY.

THIRD READING, FREE CONFERENCE
COMMITTEE REPORT ADOPTED.

IN THE HOUSE

APRIL 22, 1987

FREE CONFERENCE
COMMITTEE REPORT ADOPTED.

IN THE SENATE

APRIL 23, 1987

SENT TO ENROLLING.

1 *Senate* BILL NO. *340*
 2 INTRODUCED BY *Severson Coxy* *Patricia McCallister*
 3 *Frank Holman* *James Hammond* *Grady E. Smith*
 4 *Andrus* *Devin* *Upper*
 5 *Compton* *Heise* *Julie* *Bishop*
 6 *Hoyer* *MacKenzie* *Swize*
 7 A BILL FOR AN ACT ENTITLED: "AN ACT ELIMINATING AD VALOREM
 8 TAXES ON ALL UNPROCESSED AGRICULTURAL PRODUCTS IN FARM
 9 STORAGE, AND ON BEES, POULTRY, LIVESTOCK, AND OTHER ANIMALS,
 10 AND WILDLIFE RAISED IN DOMESTICATION OR IN A CAPTIVE
 11 ENVIRONMENT; CHANGING THE ADDITIONAL TAXES LEVIED ON
 12 LIVESTOCK TO A PER CAPITA TAX ON LIVESTOCK AND POULTRY TO
 13 PAY THE EXPENSE OF ENFORCING THE LIVESTOCK AND POULTRY LAWS;
 14 AMENDING SECTIONS 15-6-136, 15-6-207, 15-8-201, 15-8-706,
 15 15-24-301, 15-24-302, 15-24-921, 15-24-922, 15-24-925,
 16 81-6-101, 81-6-104, 81-6-204, 81-6-209, 81-7-103, 81-7-104,
 17 81-7-202, 81-7-303, 81-7-305, AND 81-8-804, MCA; REPEALING
 18 SECTIONS 15-24-901 THROUGH 15-24-906, 15-24-908 THROUGH
 19 15-24-911, 15-24-923, 15-24-924, 15-24-926, 15-24-931,
 20 15-24-941 THROUGH 15-24-943, AND 81-7-118, MCA; AND
 21 PROVIDING A DELAYED EFFECTIVE DATE."
 22 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:
 23 Section 1. Section 15-6-136, MCA, is amended to read:
 24 "15-6-136. Class six property -- description --
 25 taxable percentage. (1) Class six property includes:
 (a) ~~livestock, poultry, bees, and other species of~~
~~domestic animals and wildlife raised in domestication or a~~

1 ~~captive environment, except for cats, dogs, and other~~
 2 ~~household pets not raised for profit, and the unprocessed~~
 3 ~~products of such animals and wildlife;~~
 4 ~~(b) all unprocessed agricultural products on the farm~~
 5 ~~or in storage except all perishable fruits and vegetables in~~
 6 ~~farm storage and owned by the producer;~~
 7 ~~(c) items of personal property intended for lease in~~
 8 ~~the ordinary course of business, provided each item of~~
 9 ~~personal property satisfies all of the following:~~
 10 ~~(i)(a) the full and true value of the personal~~
 11 ~~property is less than \$5,000;~~
 12 ~~(ii)(b) the personal property is owned by a business~~
 13 ~~whose primary business income is from rental or lease of~~
 14 ~~personal property to individuals wherein no one customer of~~
 15 ~~the business accounts for more than 10% of the total rentals~~
 16 ~~or leases during a calendar year; and~~
 17 ~~(iii)(c) the lease of the personal property is~~
 18 ~~generally on an hourly, daily, or weekly basis.~~
 19 (2) Class six property is taxed at 4% of its market
 20 value."
 21 Section 2. Section 15-6-207, MCA, is amended to read:
 22 "15-6-207. Agricultural exemptions. (1) The following
 23 agricultural products are exempt from taxation:
 24 (a) ~~all unprocessed, perishable fruits and vegetables~~
 25 agricultural products in farm storage and owned by the



1 producer;

2 ~~(b) all nonperishable unprocessed agricultural~~
 3 ~~products, except livestock, held in possession of the~~
 4 ~~original producer for less than 7 months following harvest;~~
 5 ~~(c)(b) except as provided in subsection (d),~~
 6 ~~livestock which have not attained the age of 9 months as of~~
 7 ~~the last day of any month if assessed on the average~~
 8 ~~inventory basis or on March 1 if assessed as provided in~~
 9 ~~15-24-911(i)(a), including cattle, sheep, horses, mules, or~~
 10 ~~swine and other animals and wildlife raised in domestication~~
 11 ~~or in a captive environment, and their unprocessed products;~~
 12 ~~and~~

13 ~~(d)(c) swine which have not attained the age of 3~~
 14 ~~months as of January 1 poultry and the unprocessed products~~
 15 ~~of poultry; and~~

16 (d) bees and the unprocessed product of bees.

17 (2) Any beet digger, beet topper, beet defoliator,
 18 beet thinner, beet cultivator, beet planter, or beet top
 19 saver designed exclusively to plant, cultivate, and harvest
 20 sugar beets is exempt from taxation if such implement has
 21 not been used to plant, cultivate, or harvest sugar beets
 22 for the 2 years immediately preceding the current assessment
 23 date and there are no available sugar beet contracts in the
 24 sugar beet grower's marketing area."

25 Section 3. Section 15-8-201, MCA, is amended to read:

1 "15-8-201. General assessment day. (1) The department
 2 of revenue or its agent must, between January 1 and the
 3 second Monday of July in each year, ascertain the names of
 4 all taxable inhabitants and assess all property subject to
 5 taxation in each county. The department or its agent must
 6 assess property to the person by whom it was owned or
 7 claimed or in whose possession or control it was at midnight
 8 of January 1 next preceding. It must also ascertain and
 9 assess all mobile homes arriving in the county after
 10 midnight of January 1 next preceding. No mistake in the name
 11 of the owner or supposed owner of real property, however,
 12 renders the assessment invalid.

13 (2) The procedure provided by this section may not
 14 apply to:

15 (a) motor vehicles that are required by 15-8-202 to be
 16 assessed on January 1 or upon their anniversary registration
 17 date;

18 (b) automobiles and trucks having a rated capacity of
 19 three-quarters of a ton or less;

20 (c) motor homes and travel trailers subject to a fee
 21 in lieu of property tax;

22 (d) motorcycles and quadricycles;

23 ~~(e) livestock;~~

24 ~~(f)(e) property defined in 61-1-104 as "special mobile~~
 25 ~~equipment" that is subject to assessment for personal~~

1 property taxes on the date that application is made for a
2 special mobile equipment plate; and

3 ~~(g)~~(f) mobile homes held by a distributor or dealer of
4 mobile homes as a part of his stock in trade.

5 (3) Credits must be assessed as provided in
6 15-1-101(1)(d)."

7 Section 4. Section 15-8-706, MCA, is amended to read:

8 "15-8-706. Statement by agent to the department. (1)
9 On the second Monday in July in each year, the agent of the
10 department of revenue in each county must transmit to the
11 department a statement showing:

12 (a) the several kinds of personal property;

13 (b) the average and total value of each kind;

14 (c) the ~~number--of--livestock~~; number of bushels of
15 grain, number of pounds or tons of any article sold by the
16 pound or ton;

17 (d) when practicable, the separate value of each class
18 of land, specifying the classes and the number of acres in
19 each.

20 (2) An agent of the department who purposely or
21 negligently fails to perform his duty under this section or
22 a deputy or member of the agent's staff delegated such duty
23 who purposely or negligently fails to perform such duty is
24 guilty of official misconduct under 45-7-401."

25 Section 5. Section 15-24-301, MCA, is amended to read:

1 "15-24-301. Personal property brought into the state
2 -- assessment -- exceptions -- custom combine equipment. (1)
3 Except as provided in subsections (2) through (6), property
4 in the following cases is subject to taxation and assessment
5 for all taxes levied that year in the county in which it is
6 located:

7 (a) any personal property (~~including~~ excluding
8 livestock and poultry) brought, driven, or coming into this
9 state at any time during the year that is used in the state
10 for hire, compensation, or profit;

11 (b) property whose owner or user is engaged in gainful
12 occupation or business enterprise in the state; or

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

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

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

25 (4) Any motor vehicle not subject to the light vehicle

1 license fee or a fee in lieu of tax brought, driven, or
2 coming into this state by any nonresident person temporarily
3 employed in Montana and used exclusively for transportation
4 of such person is subject to taxation and assessment for
5 taxes as follows:

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

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

12 (c) The quarterly taxes are due the first day of the
13 quarter.

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

21 (6) The provisions of this part do not apply to
22 automobiles and trucks having a rated capacity of
23 three-quarters of a ton or less, motorcycles, or
24 quadricycles. These vehicles are subject to the fee provided
25 for in 61-3-532 or 61-3-541."

1 Section 6. Section 15-24-302, MCA, is amended to read:
2 "15-24-302. Collection procedure. All property
3 mentioned in 15-24-301 is assessed at the same value as
4 property of like kind and character, and the assessment,
5 levy, and collection of the tax are governed by the
6 provisions of 15-8-408; 15-16-111 through 15-16-115;
7 15-16-404; chapter 17, part 9; and 15-24-202; as amended,
8 except:

9 (1) taxation of motor vehicles under 15-24-301(4), to
10 the extent that subsection varies from the general
11 provisions cited above; and

12 (2) ~~livestock taxation governed by 81-7-104 and Title~~
13 ~~81, chapter 7, part 2."~~

14 Section 7. Section 15-24-921, MCA, is amended to read:
15 "15-24-921. ~~Additional~~ Per capita tax levy to pay
16 expense expenses of enforcing stock livestock and poultry
17 laws. (1) In addition to appropriations made for such
18 purposes, a per capita tax is hereby authorized and directed
19 to be levied on all livestock and poultry in this state for
20 the purpose of aiding in the payment of the salaries and all
21 expenses connected with the enforcement of the stock
22 livestock and poultry laws of the state and for the payment
23 of bounties on wild animals as hereinafter specified.

24 (2) As used in this section, "livestock" means cattle,
25 sheep, swine, goats, horses, mules, and asses."

1 Section 8. Section 15-24-922, MCA, is amended to read:

2 "15-24-922. Department Board of livestock to prescribe
3 per capita levy. (1) ~~The department of revenue is hereby~~
4 ~~empowered and it is made its duty to~~ board of livestock
5 shall annually prescribe the per capita levy to be made
6 against livestock and poultry of all classes for the purpose
7 ~~above indicated and the board of livestock has the right to~~
8 ~~recommend to said department the amount of such levy in~~ in
9 15-24-921.

10 (2) The per capita tax levy must be calculated each
11 year to provide not less than 100% or more than 110% of the
12 revenue that was generated by 81-7-104, 81-7-118 (now
13 repealed), and this section in the 1986 taxable year. The
14 calculation shall apply a reasonable factor for nonpayment
15 and late payment of taxes."

16 Section 9. Section 15-24-925, MCA, is amended to read:

17 "15-24-925. Transmission of taxes from county to state
18 treasurer. ~~The~~ Except for the amount withheld under [section
19 10], the taxes levied and the money collected pursuant to
20 ~~the provisions of 15-24-923~~ 15-24-922 shall be transmitted
21 ~~with other taxes for state purposes~~ to the state treasury by
22 the county treasurer of each county, as provided in
23 15-1-504, but not later than July 1 following assessment.
24 The county treasurer shall designate the amount received
25 from the tax levied on poultry, the amount received from the

1 tax levied on sheep, and the amount received from the tax
2 levied on all other livestock and shall specify ~~said the~~ the
3 separate amounts in his report to the state treasurer. Such
4 The money, when received by the state treasurer, shall be
5 placed deposited to the credit of ~~the funds as provided in~~
6 ~~15-24-924~~ the department of livestock."

7 NEW SECTION. Section 10. Collection of tax. (1) On
8 or before January 15 of each year, an owner of poultry or of
9 livestock or his agent shall make and deliver to the county
10 assessor in the county where the owner or agent resides or,
11 if neither resides in the state, in the county where the
12 majority of the owner's poultry or livestock is located a
13 verified statement showing, as of January 1, the number of
14 each kind of poultry or livestock within the state belonging
15 to him or under his charge, with their marks and brands.

16 (2) The county assessor shall compile the poultry and
17 livestock reports received under subsection (1) and forward
18 a summary of the information to the board of livestock on or
19 before February 1 following receipt of the reports.

20 (3) Upon notification of the amount of levy set by the
21 board of livestock under 15-24-922, the county assessor
22 shall send to each owner or agent who filed a report a
23 statement indicating the total amount due under the levy for
24 the year, the fact that payment is to be made to the county
25 treasurer on or before June 1 following assessment of the

1 tax, and the penalties and lien provisions that apply
2 pursuant to [section 11].

3 (4) The county treasurer may withhold 2% of the money
4 received under [section 11] and this section as
5 reimbursement to the county for the collection of the tax on
6 poultry and livestock.

7 NEW SECTION. Section 11. Penalty for failure to file
8 poultry or livestock report -- lien upon real and personal
9 property. (1) If a person who is the owner of poultry or
10 livestock within the state fails to make or have his agent
11 make the report as required in [section 10], the county
12 assessor may, after 10 days' notice to the person who failed
13 to file the report, assess the tax imposed under 15-24-921,
14 based on the assessor's estimate of the number of poultry or
15 livestock owned by the person in the state, and may add a
16 10% penalty.

17 (2) The tax imposed under 15-24-921 is a lien upon
18 both real and personal property of the poultry or livestock
19 owner who fails to pay the tax on or before June 1 following
20 assessment of the tax and is collectable under the tax lien
21 enforcement provisions of Title 15.

22 Section 12. Section 81-6-101, MCA, is amended to read:

23 "81-6-101. Petition for county livestock protective
24 committee -- members -- term. (1) The board of county
25 commissioners must, upon receipt of a petition or petitions

1 to do so, set up a county livestock protective committee of
2 three members. The petition or petitions must be signed by
3 at least 51% of the owners of cattle in the county and such
4 petitioners owning must own at least 55% of the cattle ~~as~~
5 ~~shown-by-the-most-recent-completed-assessment-records-of-the~~
6 ~~county--assessor,--set--up--a--county--livestock--protective~~
7 ~~committee-of-three-members~~ in the county.

8 (2) Members appointed to serve on such committee shall
9 be residents of the county engaged in the business of
10 raising cattle. If there be in the county any organization
11 of cattle growers, the county commissioners shall give
12 preference to names submitted by any such group for
13 appointment to such committee. The term for which said
14 committee members shall be appointed shall be 2 years with
15 two members of the first committee named to serve for 2
16 years, one member to serve for 1 year. Members of such
17 committee shall receive no remuneration or reimbursement for
18 expenses for serving on said committee.

19 (3) By "organization of cattle growers", as used in
20 this section, is meant any group or organization holding
21 regular meetings at least annually, having officers, and
22 composed predominantly of cattle growers resident in the
23 county, with its membership open to cattle growers willing
24 to abide by its governing rules or bylaws, and its general
25 purpose being the promotion of the interests of its members

1 in matters pertaining to the cattle or livestock industry.

2 (4) If owners of sheep in the county desire to come
3 under the provisions of this part in cooperation with owners
4 of cattle, they shall file a like petition to that set out
5 herein for owners of cattle, and in such case at least one
6 member of said livestock protective committee shall be a
7 sheep grower and where the word "cattle" appears in this
8 part, it shall be deemed to comprehend also the word
9 "sheep".

10 (5) Owners of sheep alone may form a county livestock
11 protective committee, in which case the word "cattle" as in
12 this part contained shall be considered as if it were the
13 word "sheep"; and provided further that the levy as provided
14 in 81-6-104 hereof shall, in the case of sheep, not exceed 5
15 cents per head."

16 Section 13. Section 81-6-104, MCA, is amended to read:

17 "81-6-104. Tax levy -- special fund. Said The county
18 livestock protective committee may recommend to the board of
19 county commissioners the levy of a tax in an amount not to
20 exceed 50 cents per head on all assessable cattle in the
21 county on January 1, and the board of county commissioners
22 shall thereupon be empowered to levy such tax, to be
23 collected as other taxes on personal property and when
24 collected to be deposited by the county treasurer in a
25 special fund to be known as the stockmen's special deputy

1 fund, together with any other funds made available from
2 county, state, federal, or private sources for the purposes
3 of this part."

4 Section 14. Section 81-6-204, MCA, is amended to read:

5 "81-6-204. Tax levy -- deposit of proceeds. Said The
6 district cattle protective committee may recommend to the
7 board of county commissioners the levy of a tax in an amount
8 not to exceed 50 cents per head on all assessable cattle in
9 the district on January 1, and the board of county
10 commissioners shall thereupon be empowered to levy such tax,
11 to be collected as other taxes on personal property and when
12 collected to be deposited in the county treasury of one of
13 the counties in the district, to be selected by the district
14 cattle protective committee, in a special fund to be known
15 as the stockmen's special deputy fund, together with any
16 other funds made available from county, state, federal, or
17 private sources for the purposes of this part."

18 Section 15. Section 81-6-209, MCA, is amended to read:

19 "81-6-209. Tax levy -- deposit of proceeds. Said The
20 district cattle protective committee may recommend to the
21 board of county commissioners the levy of a tax in an amount
22 not to exceed 50 cents per head on all assessable cattle in
23 the district on January 1, and the board of county
24 commissioners shall thereupon be empowered to levy such tax,
25 to be collected as other taxes on personal property and when

1 collected to be deposited in the county treasury in a
 2 special fund to be known as the stockmen's special deputy
 3 fund, together with any other funds made available from
 4 county, state, federal, or private sources for the purposes
 5 of this part."

6 Section 16. Section 81-7-103, MCA, is amended to read:

7 "81-7-103. Administration of funds by the department.

8 The department shall administer and expend for predatory
 9 animal extermination and control all money which is made
 10 available to it, including the money ~~from the levy~~ allocated
 11 for this purpose under 81-7-104 and all money which is made
 12 available to the department by appropriations made by the
 13 legislature for predatory animal control by the department.
 14 The department shall expend the funds for predatory animal
 15 control by all effective means responsive to the necessities
 16 of control in various areas of the state, including
 17 employment of hunters, trappers, and other personnel,
 18 procurement of traps, poisons, equipment, and supplies, and
 19 payment of bounties in the discretion of the department at
 20 those times of the year it considers advisable."

21 Section 17. Section 81-7-104, MCA, is amended to read:

22 "81-7-104. ~~levy-for-predator~~ Predator control moneys
 23 -- use of proceeds. (1) The department of ~~revenue shall~~
 24 ~~annually levy an ad valorem tax on all livestock in the~~
 25 ~~state of Montana~~ livestock shall allocate a portion of the

1 money from the levy under 15-24-921 for the purpose of
 2 protecting ~~them~~ livestock and poultry in the state against
 3 destruction, depredation, and injury by wild animals,
 4 whether the livestock is on lands in private ownership, in
 5 the ownership of the state, or in the ownership of the
 6 United States, including open ranges and all lands in or of
 7 the public domain. This protection may be by any means of
 8 effective predatory animal destruction, extermination, and
 9 control, including systematic hunting and trapping and
 10 payment of bounties ~~The tax levy may not exceed in any one~~
 11 ~~year 15 mills on the taxable value of all sheep and 10 mills~~
 12 ~~on the taxable value of other livestock.~~

13 (2) ~~The moneys received from the tax levies shall be~~
 14 ~~transmitted monthly with other taxes for state purposes by~~
 15 ~~the county treasurer of each county to the state treasury.~~
 16 ~~The state treasurer shall place the money in the state~~
 17 ~~special revenue fund with the other moneys as provided in~~
 18 ~~81-7-119. The moneys~~ Money shall thereafter be paid out only
 19 on claims duly and regularly presented to the department of
 20 livestock and approved by the department in accordance with
 21 the law applicable either to claims for bounties or for
 22 other expenditures necessary and proper for predatory animal
 23 control by means and methods other than payment of bounties,
 24 as determined by the department. ~~All the moneys~~ Money
 25 designated for predator control shall be available for the

1 payment of bounty claims and for expenditures for planned,
 2 seasonal, or other campaigns directed or operated by the
 3 department in cooperation with other agencies for the
 4 systematic destruction, extermination, and control of
 5 predatory wild animals, as determined by the department and
 6 its advisory committee. No claims may be approved in excess
 7 of moneys available for such purposes, and no warrants may
 8 be registered against the moneys."

9 Section 18. Section 81-7-202, MCA, is amended to read:

10 "81-7-202. Signers of petition -- time for presenting
 11 -- limitation on bounties -- bounty inspectors. (1) The
 12 petition provided for in 81-7-201 shall be signed by the
 13 owners, agent, or agents of not less than 51% of the
 14 livestock of such county ~~as ascertained from the assessment~~
 15 ~~books of such county~~ and shall recommend to the board of
 16 county commissioners the bounties to be paid on such
 17 predatory animals, which shall not exceed the following:

- 18 (a) on each wolf or mountain lion, \$100;
 19 (b) on each wolf pup or mountain lion kitten, \$20;
 20 (c) on one coyote, \$5;
 21 (d) on each coyote pup, \$2.50.

22 (2) Such petition shall be presented not later than
 23 August 1 of each year, and the board of county commissioners
 24 on determining the sufficiency of such petition shall make
 25 an order granting such petition, which order shall fix the

1 levy for that year and the amount of the bounties to be paid
 2 for the killing of each such predatory animal, which shall
 3 not exceed the amounts recommended in such petition, and
 4 appoint not less than 10 or more than 20 stockowners of such
 5 county to be bounty inspectors under this part, without
 6 compensation, who shall hold their offices for 1 year."

7 Section 19. Section 81-7-303, MCA, is amended to read:

8 "81-7-303. County commissioners permitted to require
 9 per capita license fee on sheep. (1) To defray the expense
 10 of such protection the board of county commissioners of any
 11 county shall have the power to require all owners or persons
 12 in possession of any sheep coming 1 year old or over in the
 13 county on the regular assessment date of each year to pay a
 14 license fee in an amount to be determined by the board on a
 15 per head basis for sheep so owned or possessed by him in the
 16 county. All owners or persons in possession of any sheep
 17 coming 1 year old or over coming into the county after the
 18 regular assessment date ~~and subject to taxation under the~~
 19 ~~provisions of 15-24-301~~ shall also be subject to payment of
 20 the license fee herein prescribed.

21 (2) Upon the order of the board of county
 22 commissioners such license fees may be imposed by the entry
 23 thereof in the name of the licensee upon the property tax
 24 rolls of the county by the county assessor. Said license
 25 fees shall be payable to and collected by the county

1 treasurer, and when so levied, shall be a lien upon the
 2 property, both real and personal, of the licensee. In case
 3 the person against whom said license fee is levied owns no
 4 real estate against which said license fee is or may become
 5 a lien, then said license fee shall be payable immediately
 6 upon its levy and the treasurer shall collect the same in
 7 the manner provided by law for the collection of personal
 8 property taxes which are not a lien upon real estate.

9 (3) When collected, said fees shall be placed by the
 10 treasurer in the predatory animal control fund and the
 11 moneys in said fund shall be expended on order of the board
 12 of county commissioners of the county for predatory animal
 13 control only."

14 Section 20. Section 81-7-305, MCA, is amended to read:

15 "81-7-305. Duty of county commissioners -- petition of
 16 sheep owners -- license fees. (1) In conducting a predatory
 17 animal control program, the board of county commissioners
 18 shall give preference to recommendations for such program
 19 and its incidents as made by organized associations of sheep
 20 growers in the county. Upon petition of the resident owners
 21 of at least 51% of the sheep in the county, ~~as shown by the~~
 22 ~~assessment rolls of the last preceding assessment,~~ which
 23 petition shall be filed with the board of county
 24 commissioners on or before the first Monday in December in
 25 any year, such board shall establish the predatory animal

1 control program and cause said licenses to be secured and
 2 issued and the fees collected for the following year in such
 3 amount as will defray the cost of administering the program
 4 so established. The license fee determined and set by the
 5 board shall remain in full force and effect from year to
 6 year without change, unless there is filed with the board a
 7 petition subscribed by the resident owners of at least 51%
 8 of the sheep in the county, ~~as shown by the assessment rolls~~
 9 ~~of the last assessment~~ ~~preceding the filing of the petition,~~
 10 for termination of the program and repeal of the license
 11 fee, in which event the program shall by order of the board
 12 of county commissioners be disestablished and the license
 13 fee shall not be further levied.

14 (2) If the resident owners of at least 51% of the
 15 sheep in the county either petition for an increase in the
 16 license fee or petition for a decrease in the license fee
 17 then in force, the board of county commissioners shall upon
 18 receipt of any such petition fix a new license fee to
 19 continue from year to year and the program shall thereupon
 20 continue within the limits of the aggregate amount of the
 21 license fee as collected from year to year."

22 Section 21. Section 81-8-804, MCA, is amended to read:

23 "81-8-804. Assessments -- refunds. (1) There is
 24 levied, ~~in addition to the tax on~~ ~~livestock~~ ~~prescribed in~~
 25 ~~Title 15, chapter 24, part 9,~~ a per head tax of 25 cents on

1 each head of cattle that is more than 9 months of age and is
 2 owned or possessed within a county for the support and
 3 maintenance of research into beef production as provided in
 4 this part. The tax shall be paid to the county treasurer of
 5 that county on or before March 1 of each year.

6 (2) The tax required in subsection (1) must be paid
 7 for each head of cattle that is more than 9 months of age
 8 and is brought into the county after March 1 ~~and is subject~~
 9 ~~to taxation and assessment under 15-24-301.~~

10 (3) Each county is entitled to receive \$250 annually
 11 as reimbursement for the administration of this section.

12 (4) A person who has paid the tax required by this
 13 section may obtain a refund of the tax upon submission of a
 14 written request to the department. The application must be
 15 made within 30 days after the payment of the tax and on
 16 forms furnished by the department. The department shall,
 17 upon receipt of a timely and otherwise properly submitted
 18 refund request, refund the tax."

19 NEW SECTION. Section 22. Repealer. Sections 15-24-901
 20 through 15-24-906, 15-24-908 through 15-24-911, 15-24-923,
 21 15-24-924, 15-24-926, 15-24-931, 15-24-941 through
 22 15-24-943, and 81-7-118, MCA, are repealed.

23 NEW SECTION. Section 23. Extension of authority. Any
 24 existing authority of the department of revenue, the
 25 department of livestock, and the board of livestock to make

1 rules on the subject of the provisions of this act is
 2 extended to the provisions of this act.

3 NEW SECTION. Section 24. Effective date. This act is
 4 effective January 1, 1988.

-End-

STATE OF MONTANA - FISCAL NOTE

Form BD-15

In compliance with a written request, there is hereby submitted a Fiscal Note for SB340, as introduced.

DESCRIPTION OF PROPOSED LEGISLATION:

An act eliminating ad valorem taxes on all unprocessed agricultural products in farm storage, and on bees, poultry, livestock, and other animals, and wildlife raised in domestication or in a captive environment; changing the additional taxes levied on livestock to a per capita tax on livestock and poultry to pay the expense of enforcing the livestock and poultry laws; and providing a delayed effective date.

ASSUMPTIONS:

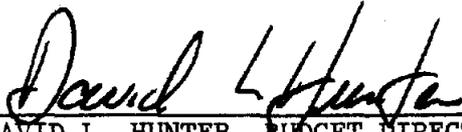
1. The taxable value of the state will be \$1,997,193,000 in FY88 and \$2,024,661,000 in FY89 (REAC).
2. The taxable value of all livestock and unprocessed agricultural products was \$28,947,757 in tax year 1986, and is assumed to remain constant (i.e., there are no adjustments for herd count or prices). The livestock taxable value has been adjusted from the published figure in the Montana Department of Revenue Biennial Report, 1984-1986.
3. The proposed law would become effective January 1, 1988. Therefore the impact in FY88 would be limited to the portion of the taxes paid in April 1988.
4. The university mill levy is 6 mills; the school equalization mill levy is 45 mills; the average statewide mill levy is 240 mills.
5. 23 percent of the personal property taxes on livestock and ag. products for a given tax year are paid in April based on the previous year's levy.
6. The current livestock levy used to fund enforcement of livestock and poultry laws will be replaced by a per capita levy on livestock and poultry. This levy, which totaled \$1,849,733 in 1986, will be administered by the Board of Livestock. Revenue generated from the proposed per capita levy will be at least 100% of the livestock levy.

FISCAL IMPACT:Revenue Impact:

	FY88			FY89		
	Current Law	Proposed Law	Difference	Current Law	Proposed Law	Difference
University Levy	\$ 11,983,158	\$ 11,943,210	(\$ 39,948)	\$ 12,147,966	\$ 11,974,280	(\$ 173,686)
School Equalization	89,873,685	89,574,076	(299,609)	91,109,745	89,807,096	(1,302,649)
TOTAL	\$101,856,843	\$101,517,286	(\$339,557)	\$103,257,711	\$101,781,376	(\$1,476,335)

Effect on Expenditures:

The proposal would produce some cost savings by eliminating the assessment of livestock. These savings would begin in FY88.

 DATE 2/20/87
 DAVID L. HUNTER, BUDGET DIRECTOR
 Office of Budget and Program Planning

 DATE 2/21
 ELMER SEVERSON, PRIMARY SPONSOR

Fiscal Note for SB340, as introduced.

SB 340

Fiscal Note Request, SB340, as introduced.

Form BD-15

Page 2

EFFECT ON COUNTY OR OTHER LOCAL REVENUE OR EXPENDITURES:

The proposal would reduce local property tax revenue by approximately \$1,258,359 in FY88 and \$5,471,126 in FY89 and subsequent fiscal years.

LONG-RANGE EFFECTS OF PROPOSED LEGISLATION:

The proposed legislation could have future impact on the operation of the Department of Livestock as levies administered by the department can currently increase or decrease depending on the number of livestock in the state and their value. This bill could in effect freeze the revenue for the department at the FY87 level. These levies provide approximately 60% of the funding for the department. If there is a need to increase the expenditures of the department to maintain statutory obligations other sources of funding may need to be expanded. (i.e. general fund, license and permit fees, inspection fees, etc.)

SB 340

APPROVED BY COMMITTEE
ON TAXATION

SENATE BILL NO. 340

INTRODUCED BY SEVERSON, CODY, PATTERSON, MCCALLUM,
TVEIT, HOFMAN, FARRELL, HAMMOND, GRADY, E. SMITH,
COMPTON, HIRSCH, LYBECK, BISHOP, HAGER, HARDING,
SCHYE, SWITZER, STORY, GALT, THAYER,
ANDERSON, DEVLIN, CRIPPEN

A BILL FOR AN ACT ENTITLED: "AN ACT ELIMINATING AD VALOREM
TAXES ON ALL UNPROCESSED AGRICULTURAL PRODUCTS IN FARM
STORAGE, AND ON BEES, POULTRY, LIVESTOCK, AND OTHER ANIMALS,
AND WILDLIFE RAISED IN DOMESTICATION OR IN A CAPTIVE
ENVIRONMENT; CHANGING THE ADDITIONAL TAXES LEVIED ON
LIVESTOCK TO A PER CAPITA TAX ON LIVESTOCK AND POULTRY TO
PAY THE EXPENSE OF ENFORCING THE LIVESTOCK AND POULTRY LAWS;
AMENDING SECTIONS 15-6-136, 15-6-207, 15-8-201, 15-8-706,
15-24-301, 15-24-302, 15-24-921, 15-24-922, 15-24-925,
81-6-101, 81-6-104, 81-6-204, 81-6-209, 81-7-103, 81-7-104,
81-7-202, 81-7-303, 81-7-305, AND 81-8-804, MCA; REPEALING
SECTIONS 15-24-901 THROUGH 15-24-906, 15-24-908 THROUGH
15-24-911, 15-24-923, 15-24-924, 15-24-926, 15-24-931,
15-24-941 THROUGH 15-24-943, AND 81-7-118, MCA; AND
PROVIDING A DEBEAED CONTINGENT EFFECTIVE DATE."

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

Section 1. Section 15-6-136, MCA, is amended to read:

"15-6-136. Class six property -- description --
taxable percentage. (1) Class six property includes:
(a) ~~livestock, poultry, bees, and other species of~~
~~domestic animals and wildlife raised in domestication or a~~
~~captive environment, except for cats, dogs, and other~~
~~household pets not raised for profit, and the unprocessed~~
~~products of such animals and wildlife;~~
(b) ~~all unprocessed agricultural products on the farm~~
~~or in storage except all perishable fruits and vegetables in~~
~~farm storage and owned by the producer;~~
(c) items of personal property intended for lease in
the ordinary course of business, provided each item of
personal property satisfies all of the following:
(i)(a) the full and true value of the personal
property is less than \$5,000;
(ii)(b) the personal property is owned by a business
whose primary business income is from rental or lease of
personal property to individuals wherein no one customer of
the business accounts for more than 10% of the total rentals
or leases during a calendar year; and
(iii)(c) the lease of the personal property is
generally on an hourly, daily, or weekly basis.
(2) Class six property is taxed at 4% of its market
value."
Section 2. Section 15-6-207, MCA, is amended to read:



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

3 (a) ~~all unprocessed, perishable fruits and vegetables~~
4 agricultural products in farm storage and owned by the
5 producer;

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

9 ~~(c) (b) except as provided in subsection (d),~~
10 ~~livestock which have not attained the age of 9 months as of~~
11 ~~the last day of any month if assessed on the average~~
12 ~~inventory basis or on March 1 if assessed as provided in~~
13 ~~15-24-911(a), including cattle, sheep, horses, mules, or~~
14 ~~swine and other animals and wildlife raised in domestication~~
15 ~~or in a captive environment, and their unprocessed products;~~
16 and

17 ~~(d) (c) swine which have not attained the age of 3~~
18 ~~months as of January 1 poultry and the unprocessed products~~
19 ~~of poultry; and~~

20 (d) bees and the unprocessed product of bees.

21 (2) Any beet digger, beet topper, beet defoliator,
22 beet thinner, beet cultivator, beet planter, or beet top
23 saver designed exclusively to plant, cultivate, and harvest
24 sugar beets is exempt from taxation if such implement has
25 not been used to plant, cultivate, or harvest sugar beets

1 for the 2 years immediately preceding the current assessment
2 date and there are no available sugar beet contracts in the
3 sugar beet grower's marketing area."

4 Section 3. Section 15-8-201, MCA, is amended to read:

5 "15-8-201. General assessment day. (1) The department
6 of revenue or its agent must, between January 1 and the
7 second Monday of July in each year, ascertain the names of
8 all taxable inhabitants and assess all property subject to
9 taxation in each county. The department or its agent must
10 assess property to the person by whom it was owned or
11 claimed or in whose possession or control it was at midnight
12 of January 1 next preceding. It must also ascertain and
13 assess all mobile homes arriving in the county after
14 midnight of January 1 next preceding. No mistake in the name
15 of the owner or supposed owner of real property, however,
16 renders the assessment invalid.

17 (2) The procedure provided by this section may not
18 apply to:

19 (a) motor vehicles that are required by 15-8-202 to be
20 assessed on January 1 or upon their anniversary registration
21 date;

22 (b) automobiles and trucks having a rated capacity of
23 three-quarters of a ton or less;

24 (c) motor homes and travel trailers subject to a fee
25 in lieu of property tax;

1 (d) motorcycles and quadricycles;
 2 ~~(e) livestock;~~
 3 ~~(f)(e)~~ property defined in 61-1-104 as "special mobile
 4 equipment" that is subject to assessment for personal
 5 property taxes on the date that application is made for a
 6 special mobile equipment plate; and
 7 ~~(g)(f)~~ mobile homes held by a distributor or dealer of
 8 mobile homes as a part of his stock in trade.
 9 (3) Credits must be assessed as provided in
 10 15-1-101(1)(d)."
 11 Section 4. Section 15-8-706, MCA, is amended to read:
 12 "15-8-706. Statement by agent to the department. (1)
 13 On the second Monday in July in each year, the agent of the
 14 department of revenue in each county must transmit to the
 15 department a statement showing:
 16 (a) the several kinds of personal property;
 17 (b) the average and total value of each kind;
 18 (c) the ~~number--of--livestock;~~ ~~number--of-bushels-of~~
 19 ~~grain;~~ number of pounds or tons of any article sold by the
 20 pound or ton;
 21 (d) when practicable, the separate value of each class
 22 of land, specifying the classes and the number of acres in
 23 each.
 24 (2) An agent of the department who purposely or
 25 negligently fails to perform his duty under this section or

1 a deputy or member of the agent's staff delegated such duty
 2 who purposely or negligently fails to perform such duty is
 3 guilty of official misconduct under 45-7-401."

4 Section 5. Section 15-24-301, MCA, is amended to read:
 5 "15-24-301. Personal property brought into the state
 6 -- assessment -- exceptions -- custom combine equipment. (1)
 7 Except as provided in subsections (2) through (6), property
 8 in the following cases is subject to taxation and assessment
 9 for all taxes levied that year in the county in which it is
 10 located:

11 (a) any personal property (~~including~~ ~~excluding~~
 12 livestock and, poultry, AND BEES) brought, driven, or coming
 13 into this state at any time during the year that is used in
 14 the state for hire, compensation, or profit;

15 (b) property whose owner or user is engaged in gainful
 16 occupation or business enterprise in the state; or

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

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

25 (3) Nothing in this section shall be construed to levy

1 a tax against a merchant or dealer within this state on
2 goods, wares, or merchandise brought into the county to
3 replenish the stock of the merchant or dealer.

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

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

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

16 (c) The quarterly taxes are due the first day of the
17 quarter.

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

25 (6) The provisions of this part do not apply to

1 automobiles and trucks having a rated capacity of
2 three-quarters of a ton or less, motorcycles, or
3 quadricycles. These vehicles are subject to the fee provided
4 for in 61-3-532 or 61-3-541."

5 Section 6. Section 15-24-302, MCA, is amended to read:

6 "15-24-302. Collection procedure. All property
7 mentioned in 15-24-301 is assessed at the same value as
8 property of like kind and character, and the assessment,
9 levy, and collection of the tax are governed by the
10 provisions of 15-8-408; 15-16-111 through 15-16-115;
11 15-16-404; chapter 17, part 9; and 15-24-202; as amended,
12 except:

13 (1) taxation of motor vehicles under 15-24-301(4), to
14 the extent that subsection varies from the general
15 provisions cited above; and

16 (2) ~~livestock--taxation-governed-by-81-7-104-and-Title~~
17 ~~81;-chapter-7;-part-2."~~

18 Section 7. Section 15-24-921, MCA, is amended to read:

19 "15-24-921. ~~Additional~~ Per capita tax levy to pay
20 expense expenses of enforcing stock livestock and poultry
21 laws. (1) In addition to appropriations made for such
22 purposes, a per capita tax is hereby authorized and directed
23 to be levied on all livestock and poultry in this state for
24 the purpose of aiding in the payment of the salaries and all
25 expenses connected with the enforcement of the stock

1 livestock and poultry laws of the state and for the payment
2 of bounties on wild animals as hereinafter specified.

3 (2) As used in this section, "livestock" means cattle,
4 sheep, swine, goats, horses, mules, and asses."

5 Section 8. Section 15-24-922, MCA, is amended to read:

6 "15-24-922. Department Board of livestock to prescribe
7 per capita levy. (1) The department-of-revenue-is-hereby
8 empowered-and-it-is-made-its-duty-to board of livestock
9 shall annually prescribe the per capita levy to be made
10 against livestock and poultry of all classes for the purpose
11 above indicated, ~~and the board of livestock has the right to~~
12 ~~recommend to said department the amount of such levy in~~
13 15-24-921.

14 (2) The per capita tax levy must be calculated each
15 year to provide not less than 100% or more than 110% of the
16 revenue that was generated by 81-7-104, 81-7-118 (now
17 repealed), and this section in the 1986 taxable year. The
18 calculation shall apply a reasonable factor for nonpayment
19 and late payment of taxes AND FOR THE COLLECTION OF TAX
20 PURSUANT TO [SECTION 10]."

21 Section 9. Section 15-24-925, MCA, is amended to read:

22 "15-24-925. Transmission of taxes from county to state
23 treasurer. The Except for the amount withheld under [section
24 10], the taxes levied and the money collected pursuant to
25 the provisions of 15-24-923 15-24-922 shall be transmitted

1 ~~with other taxes for state purposes~~ to the state treasury by
2 the county treasurer of each county, as provided in
3 15-1-504, but not later than July 1 following assessment.

4 The county treasurer shall designate the amount received
5 from the tax levied on poultry, the amount received from the
6 tax levied on sheep, and the amount received from the tax
7 levied on all other livestock and shall specify said the
8 separate amounts in his report to the state treasurer. Such
9 The money, when received by the state treasurer, shall be
10 placed deposited to the credit of ~~the funds as provided in~~
11 15-24-924 the department of livestock."

12 NEW SECTION. Section 10. Collection of tax. (1) On
13 or before January 15 of each year, an owner of poultry or of
14 livestock or his agent shall make and deliver to the county
15 ~~assessor in the county where the owner or agent resides or~~
16 ~~if neither resides in the state, in the county where the~~
17 ~~majority of the owner's poultry or livestock is located~~
18 BOARD OF LIVESTOCK a verified statement showing, as of
19 January 1, the number of ~~each kind of~~ poultry or livestock
20 within the state belonging to him or under his charge, with
21 their marks and brands.

22 (2) The ~~county assessor~~ BOARD OF LIVESTOCK shall
23 compile the poultry and livestock reports received under
24 subsection (1) ~~and forward.~~ THE BOARD OF LIVESTOCK SHALL
25 COMPILE a summary of the information ~~to the board of~~

1 livestock on or before February 1 following receipt of the
2 reports.

3 (3) ~~Upon notification of~~ AFTER the amount of levy IS
4 set by the board of livestock under 15-24-922, the county
5 ~~assessor~~ BOARD shall send to each owner or agent who filed
6 a report a statement indicating the total amount due under
7 the levy for the year, the fact that payment is to be made
8 to the county treasurer on or before June 1 following
9 assessment of the tax, and the penalties and lien provisions
10 that apply pursuant to [section 11].

11 (4) The county treasurer may withhold 2% of the money
12 received under [section 11] and this section as
13 reimbursement to the county for the collection of the tax on
14 poultry and livestock.

15 NEW SECTION. Section 11. Penalty for failure to file
16 poultry or livestock report -- lien upon real and personal
17 property. (1) If a person who is the owner of poultry or
18 livestock within the state fails to make or have his agent
19 make the report as required in [section 10], the county
20 ~~assessor~~ BOARD OF LIVESTOCK may, after 10 days' notice to
21 the person who failed to file the report, assess the tax
22 imposed under 15-24-921, based on the ~~assessor's~~ BOARD'S
23 estimate of the number of poultry or livestock owned by the
24 person in the state, and may add a 10% penalty.

25 (2) The tax imposed under 15-24-921 is a lien upon

1 both real and personal property of the poultry or livestock
2 owner who fails to pay the tax on or before June 1 following
3 assessment of the tax and is collectable under the tax lien
4 enforcement provisions of Title 15.

5 Section 12. Section 81-6-101, MCA, is amended to read:

6 "81-6-101. Petition for county livestock protective
7 committee -- members -- term. (1) The board of county
8 commissioners must, upon receipt of a petition or petitions
9 to do so, set up a county livestock protective committee of
10 three members. The petition or petitions must be signed by
11 at least 51% of the owners of cattle in the county and such
12 petitioners owning must own at least 55% of the cattle ~~as~~
13 ~~shown by the most recent completed assessment records of the~~
14 ~~county--assessor,--set-up--a--county--livestock--protective~~
15 ~~committee-of-three-members~~ in the county.

16 (2) Members appointed to serve on such committee shall
17 be residents of the county engaged in the business of
18 raising cattle. If there be in the county any organization
19 of cattle growers, the county commissioners shall give
20 preference to names submitted by any such group for
21 appointment to such committee. The term for which said
22 committee members shall be appointed shall be 2 years with
23 two members of the first committee named to serve for 2
24 years, one member to serve for 1 year. Members of such
25 committee shall receive no remuneration or reimbursement for

1 expenses for serving on said committee.

2 (3) By "organization of cattle growers", as used in
3 this section, is meant any group or organization holding
4 regular meetings at least annually, having officers, and
5 composed predominantly of cattle growers resident in the
6 county, with its membership open to cattle growers willing
7 to abide by its governing rules or bylaws, and its general
8 purpose being the promotion of the interests of its members
9 in matters pertaining to the cattle or livestock industry.

10 (4) If owners of sheep in the county desire to come
11 under the provisions of this part in cooperation with owners
12 of cattle, they shall file a like petition to that set out
13 herein for owners of cattle, and in such case at least one
14 member of said livestock protective committee shall be a
15 sheep grower and where the word "cattle" appears in this
16 part, it shall be deemed to comprehend also the word
17 "sheep".

18 (5) Owners of sheep alone may form a county livestock
19 protective committee, in which case the word "cattle" as in
20 this part contained shall be considered as if it were the
21 word "sheep"; and provided further that the levy as provided
22 in 81-6-104 hereof shall, in the case of sheep, not exceed 5
23 cents per head."

24 Section 13. Section 81-6-104, MCA, is amended to read:

25 "81-6-104. Tax levy -- special fund. Said The county

1 livestock protective committee may recommend to the board of
2 county commissioners the levy of a tax in an amount not to
3 exceed 50 cents per head on all **assessable** cattle in the
4 county on January 1, and the board of county commissioners
5 shall thereupon be empowered to levy such tax, to be
6 collected as other taxes on personal property and when
7 collected to be deposited by the county treasurer in a
8 special fund to be known as the stockmen's special deputy
9 fund, together with any other funds made available from
10 county, state, federal, or private sources for the purposes
11 of this part. THE BOARD OF LIVESTOCK SHALL PROVIDE THE BOARD
12 OF COUNTY COMMISSIONERS OF EACH COUNTY WITH THE NUMBER OF
13 CATTLE IN THE COUNTY ON JANUARY 1 FOR PURPOSES OF LEVYING
14 THE TAX SPECIFIED IN THIS SECTION."

15 Section 14. Section 81-6-204, MCA, is amended to read:

16 "81-6-204. Tax levy -- deposit of proceeds. Said The
17 district cattle protective committee may recommend to the
18 board of county commissioners the levy of a tax in an amount
19 not to exceed 50 cents per head on all **assessable** cattle in
20 the district on January 1, and the board of county
21 commissioners shall thereupon be empowered to levy such tax,
22 to be collected as other taxes on personal property and when
23 collected to be deposited in the county treasury of one of
24 the counties in the district, to be selected by the district
25 cattle protective committee, in a special fund to be known

1 as the stockmen's special deputy fund, together with any
 2 other funds made available from county, state, federal, or
 3 private sources for the purposes of this part. THE BOARD OF
 4 LIVESTOCK SHALL PROVIDE THE BOARD OF COUNTY COMMISSIONERS IN
 5 EACH COUNTY WITH THE NUMBER OF CATTLE IN THE COUNTY ON
 6 JANUARY 1 FOR PURPOSES OF IMPLEMENTING THIS SECTION."

7 Section 15. Section 81-6-209, MCA, is amended to read:

8 "81-6-209. Tax levy -- deposit of proceeds. Said The
 9 district cattle protective committee may recommend to the
 10 board of county commissioners the levy of a tax in an amount
 11 not to exceed 50 cents per head on all ~~assessable~~ cattle in
 12 the district on January 1, and the board of county
 13 commissioners shall thereupon be empowered to levy such tax,
 14 to be collected as other taxes on personal property and when
 15 collected to be deposited in the county treasury in a
 16 special fund to be known as the stockmen's special deputy
 17 fund, together with any other funds made available from
 18 county, state, federal, or private sources for the purposes
 19 of this part. THE BOARD OF LIVESTOCK SHALL PROVIDE THE
 20 BOARD OF COUNTY COMMISSIONERS IN EACH COUNTY WITH THE NUMBER
 21 OF CATTLE IN THE COUNTY ON JANUARY 1 FOR PURPOSES OF
 22 IMPLEMENTING THIS SECTION."

23 Section 16. Section 81-7-103, MCA, is amended to read:

24 "81-7-103. Administration of funds by the department.
 25 The department shall administer and expend for predatory

1 animal extermination and control all money which is made
 2 available to it, including the money ~~from the levy~~ allocated
 3 for this purpose under 81-7-104 and all money which is made
 4 available to the department by appropriations made by the
 5 legislature for predatory animal control by the department.
 6 The department shall expend the funds for predatory animal
 7 control by all effective means responsive to the necessities
 8 of control in various areas of the state, including
 9 employment of hunters, trappers, and other personnel,
 10 procurement of traps, poisons, equipment, and supplies, and
 11 payment of bounties in the discretion of the department at
 12 those times of the year it considers advisable."

13 Section 17. Section 81-7-104, MCA, is amended to read:

14 "81-7-104. ~~Levy--for--predator~~ Predator control moneys
 15 -- use of proceeds. (1) The department of ~~revenue--shall~~
 16 ~~annually--levy--an--ad--valorem--tax--on--all--livestock--in--the~~
 17 state-of-Montana livestock shall allocate a portion of the
 18 money from the levy under 15-24-921 for the purpose of
 19 protecting them livestock and poultry in the state against
 20 destruction, depredation, and injury by wild animals,
 21 whether the livestock is on lands in private ownership, in
 22 the ownership of the state, or in the ownership of the
 23 United States, including open ranges and all lands in or of
 24 the public domain. This protection may be by any means of
 25 effective predatory animal destruction, extermination, and

1 control, including systematic hunting and trapping and
 2 payment of bounties. ~~The tax levy may not exceed in any one~~
 3 ~~year 15 mills on the taxable value of all sheep and 10 mills~~
 4 ~~on the taxable value of other livestock.~~

5 (2) ~~The moneys received from the tax levies shall be~~
 6 ~~transmitted monthly with other taxes for state purposes by~~
 7 ~~the county treasurer of each county to the state treasury.~~
 8 ~~The state treasurer shall place the money in the state~~
 9 ~~special revenue fund with the other moneys as provided in~~
 10 ~~81-7-119. The moneys Money shall thereafter be paid out only~~
 11 on claims duly and regularly presented to the department of
 12 livestock and approved by the department in accordance with
 13 the law applicable either to claims for bounties or for
 14 other expenditures necessary and proper for predatory animal
 15 control by means and methods other than payment of bounties,
 16 as determined by the department. ~~All the moneys Money~~
 17 ~~designated for predator control~~ shall be available for the
 18 payment of bounty claims and for expenditures for planned,
 19 seasonal, or other campaigns directed or operated by the
 20 department in cooperation with other agencies for the
 21 systematic destruction, extermination, and control of
 22 predatory wild animals, as determined by the department and
 23 its advisory committee. No claims may be approved in excess
 24 of moneys available for such purposes, and no warrants may
 25 be registered against the moneys."

1 Section 18. Section 81-7-202, MCA, is amended to read:
 2 "81-7-202. Signers of petition -- time for presenting
 3 -- limitation on bounties -- bounty inspectors. (1) The
 4 petition provided for in 81-7-201 shall be signed by the
 5 owners, agent, or agents of not less than 51% of the
 6 livestock of such county ~~as ascertained from the assessment~~
 7 ~~books of such county~~ and shall recommend to the board of
 8 county commissioners the bounties to be paid on such
 9 predatory animals, which shall not exceed the following:

- 10 (a) on each wolf or mountain lion, \$100;
- 11 (b) on each wolf pup or mountain lion kitten, \$20;
- 12 (c) on one coyote, \$5;
- 13 (d) on each coyote pup, \$2.50.

14 (2) Such petition shall be presented not later than
 15 August 1 of each year, and the board of county commissioners
 16 on determining the sufficiency of such petition shall make
 17 an order granting such petition, which order shall fix the
 18 levy for that year and the amount of the bounties to be paid
 19 for the killing of each such predatory animal, which shall
 20 not exceed the amounts recommended in such petition, and
 21 appoint not less than 10 or more than 20 stockowners of such
 22 county to be bounty inspectors under this part, without
 23 compensation, who shall hold their offices for 1 year."

24 Section 19. Section 81-7-303, MCA, is amended to read:
 25 "81-7-303. County commissioners permitted to require

1 per capita license fee on sheep. (1) To defray the expense
 2 of such protection the board of county commissioners of any
 3 county shall have the power to require all owners or persons
 4 in possession of any sheep ~~coming-1-year-old-or-over~~ in the
 5 county on the regular assessment date of each year to pay a
 6 license fee in an amount to be determined by the board on a
 7 per head basis for sheep so owned or possessed by him in the
 8 county. All owners or persons in possession of any sheep
 9 ~~coming-1-year-old-or-over~~ coming into the county after the
 10 regular assessment date ~~and-subject-to-taxation-under-the~~
 11 ~~provisions-of-15-24-301~~ shall also be subject to payment of
 12 the license fee herein prescribed.

13 (2) Upon the order of the board of county
 14 commissioners such license fees may be imposed by the entry
 15 thereof in the name of the licensee upon the property tax
 16 rolls of the county by the county ~~assessor~~ TREASURER. Said
 17 license fees shall be payable to and collected by the county
 18 treasurer, and when so levied, shall be a lien upon the
 19 property, both real and personal, of the licensee. In case
 20 the person against whom said license fee is levied owns no
 21 real estate against which said license fee is or may become
 22 a lien, then said license fee shall be payable immediately
 23 upon its levy and the treasurer shall collect the same in
 24 the manner provided by law for the collection of personal
 25 property taxes which are not a lien upon real estate.

1 (3) When collected, said fees shall be placed by the
 2 treasurer in the predatory animal control fund and the
 3 moneys in said fund shall be expended on order of the board
 4 of county commissioners of the county for predatory animal
 5 control only."

6 Section 20. Section 81-7-305, MCA, is amended to read:

7 "81-7-305. Duty of county commissioners -- petition of
 8 sheep owners -- license fees. (1) In conducting a predatory
 9 animal control program, the board of county commissioners
 10 shall give preference to recommendations for such program
 11 and its incidents as made by organized associations of sheep
 12 growers in the county. Upon petition of the resident owners
 13 of at least 51% of the sheep in the county, ~~as-shown-by--the~~
 14 ~~assessment--rolls--of--the--last-preceding-assessment,~~ which
 15 petition shall be filed with the board of county
 16 commissioners on or before the first Monday in December in
 17 any year, such board shall establish the predatory animal
 18 control program and cause said licenses to be secured and
 19 issued and the fees collected for the following year in such
 20 amount as will defray the cost of administering the program
 21 so established. The license fee determined and set by the
 22 board shall remain in full force and effect from year to
 23 year without change, unless there is filed with the board a
 24 petition subscribed by the resident owners of at least 51%
 25 of the sheep in the county, ~~as-shown-by-the-assessment-rolls~~

1 ~~of the last assessment preceding the filing of the petition~~
 2 for termination of the program and repeal of the license
 3 fee, in which event the program shall by order of the board
 4 of county commissioners be disestablished and the license
 5 fee shall not be further levied.

6 (2) If the resident owners of at least 51% of the
 7 sheep in the county either petition for an increase in the
 8 license fee or petition for a decrease in the license fee
 9 then in force, the board of county commissioners shall upon
 10 receipt of any such petition fix a new license fee to
 11 continue from year to year and the program shall thereupon
 12 continue within the limits of the aggregate amount of the
 13 license fee as collected from year to year."

14 Section 21. Section 81-8-804, MCA, is amended to read:

15 "81-8-804. Assessments -- refunds. (1) There is
 16 levied ~~in addition to the tax on livestock prescribed in~~
 17 ~~Title 15, Chapter 24, part 9,~~ a per head tax of 25 cents on
 18 each head of cattle that ~~is more than 9 months of age~~ and is
 19 owned or possessed within a county for the support and
 20 maintenance of research into beef production as provided in
 21 this part. The tax shall be paid to the county treasurer of
 22 that county on or before March 1 of each year.

23 (2) The tax required in subsection (1) must be paid
 24 for each head of cattle that ~~is more than 9 months of age~~
 25 and is brought into the county after March 1 ~~and is subject~~

1 ~~to taxation and assessment under 15-24-301.~~

2 (3) Each county is entitled to receive \$250 annually
 3 as reimbursement for the administration of this section.

4 (4) A person who has paid the tax required by this
 5 section may obtain a refund of the tax upon submission of a
 6 written request to the department. The application must be
 7 made within 30 days after the payment of the tax and on
 8 forms furnished by the department. The department shall,
 9 upon receipt of a timely and otherwise properly submitted
 10 refund request, refund the tax."

11 NEW SECTION. Section 22. Repealer. Sections 15-24-901
 12 through 15-24-906, 15-24-908 through 15-24-911, 15-24-923,
 13 15-24-924, 15-24-926, 15-24-931, 15-24-941 through
 14 15-24-943, and 81-7-118, MCA, are repealed.

15 NEW SECTION. Section 23. Extension of authority. Any
 16 existing authority of the department of revenue, the
 17 department of livestock, and the board of livestock to make
 18 rules on the subject of the provisions of this act is
 19 extended to the provisions of this act.

20 NEW SECTION. Section 24. Effective date. This act is
 21 effective ~~January 17, 1988~~ ON PASSAGE AND APPROVAL OF A BILL
 22 PROVIDING REPLACEMENT REVENUE FOR REVENUE DECREASES THAT
 23 RESULT FROM THIS ACT.

-End-

SENATE BILL NO. 340

INTRODUCED BY SEVERSON, CODY, PATTERSON, MCCALLUM,
TVEIT, HOFMAN, FARRELL, HAMMOND, GRADY, E. SMITH,
COMPTON, HIRSCH, LYBECK, BISHOP, HAGER, HARDING,
SCHYE, SWITZER, STORY, GALT, THAYER,
ANDERSON, DEVLIN, CRIPPEN

A BILL FOR AN ACT ENTITLED: "AN ACT ELIMINATING AD VALOREM
TAXES ON ALL UNPROCESSED AGRICULTURAL PRODUCTS IN FARM
STORAGE, AND ON BEES, POULTRY, LIVESTOCK, AND OTHER ANIMALS,
AND WILDLIFE RAISED IN DOMESTICATION OR IN A CAPTIVE
ENVIRONMENT; CHANGING THE ADDITIONAL TAXES LEVIED ON
LIVESTOCK TO A PER CAPITA TAX ON LIVESTOCK AND POULTRY TO
PAY THE EXPENSE OF ENFORCING THE LIVESTOCK AND POULTRY LAWS;
AMENDING SECTIONS 15-6-136, 15-6-207, 15-8-201, 15-8-706,
15-24-301, 15-24-302, 15-24-921, 15-24-922, 15-24-925,
81-6-101, 81-6-104, 81-6-204, 81-6-209, 81-7-103, 81-7-104,
81-7-202, 81-7-303, 81-7-305, AND 81-8-804, MCA; REPEALING
SECTIONS 15-24-901 THROUGH 15-24-906, 15-24-908 THROUGH
15-24-911, 15-24-923, 15-24-924, 15-24-926, 15-24-931,
15-24-941 THROUGH 15-24-943, AND 81-7-118, MCA; AND
PROVIDING A DELAYED CONTINGENT EFFECTIVE DATE."

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

Section 1. Section 15-6-136, MCA, is amended to read:

"15-6-136. Class six property -- description --
taxable percentage. (1) Class six property includes--
(a)--livestock, poultry, bees, and other species of
domestic animals and wildlife raised in domestication or a
captive environment, except for cats, dogs, and other
household pets not raised for profit, and the unprocessed
products of such animals and wildlife;

(b) all unprocessed agricultural products on the farm
or in storage except all perishable fruits and vegetables in
farm storage and owned by the producer;

(c) items of personal property intended for lease in
the ordinary course of business, provided each item of
personal property satisfies all of the following:

(i)(a) the full and true value of the personal
property is less than \$5,000;

(ii)(b) the personal property is owned by a business
whose primary business income is from rental or lease of
personal property to individuals wherein no one customer of
the business accounts for more than 10% of the total rentals
or leases during a calendar year; and

(iii)(c) the lease of the personal property is
generally on an hourly, daily, or weekly basis.

(2) Class six property is taxed at 4% of its market
value."

Section 2. Section 15-6-207, MCA, is amended to read:

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

3 (a) all unprocessed, ~~perishable fruits and vegetables~~
4 agricultural products in farm storage and owned by the
5 producer;

6 ~~fb) all nonperishable unprocessed agricultural~~
7 ~~products, except livestock, held in possession of the~~
8 ~~original producer for less than 7 months following harvest;~~

9 ~~fc) (b) except as provided in subsection (1)(d),~~
10 ~~livestock which have not attained the age of 9 months as of~~
11 ~~the last day of any month if assessed on the average~~
12 ~~inventory basis or on March 1 if assessed as provided in~~
13 ~~15-24-911(a), including cattle, sheep, horses, mules, or~~
14 ~~swine and other animals and wildlife raised in domestication~~
15 ~~or in a captive environment, and their unprocessed products;~~
16 and

17 ~~fd) (c) swine which have not attained the age of 3~~
18 ~~months as of January 1 poultry and the unprocessed products~~
19 ~~of poultry; and~~

20 (d) bees and the unprocessed product of bees.

21 (2) Any beet digger, beet topper, beet defoliator,
22 beet thinner, beet cultivator, beet planter, or beet top
23 saver designed exclusively to plant, cultivate, and harvest
24 sugar beets is exempt from taxation if such implement has
25 not been used to plant, cultivate, or harvest sugar beets

1 for the 2 years immediately preceding the current assessment
2 date and there are no available sugar beet contracts in the
3 sugar beet grower's marketing area."

4 Section 3. Section 15-8-201, MCA, is amended to read:

5 "15-8-201. General assessment day. (1) The department
6 of revenue or its agent must, between January 1 and the
7 second Monday of July in each year, ascertain the names of
8 all taxable inhabitants and assess all property subject to
9 taxation in each county. The department or its agent must
10 assess property to the person by whom it was owned or
11 claimed or in whose possession or control it was at midnight
12 of January 1 next preceding. It must also ascertain and
13 assess all mobile homes arriving in the county after
14 midnight of January 1 next preceding. No mistake in the name
15 of the owner or supposed owner of real property, however,
16 renders the assessment invalid.

17 (2) The procedure provided by this section may not
18 apply to:

19 (a) motor vehicles that are required by 15-8-202 to be
20 assessed on January 1 or upon their anniversary registration
21 date;

22 (b) automobiles and trucks having a rated capacity of
23 three-quarters of a ton or less;

24 (c) motor homes and travel trailers subject to a fee
25 in lieu of property tax;

1 (d) motorcycles and quadricycles;
 2 ~~(e)~~--livestock;
 3 ~~(f)~~(e) property defined in 61-1-104 as "special mobile
 4 equipment" that is subject to assessment for personal
 5 property taxes on the date that application is made for a
 6 special mobile equipment plate; and
 7 ~~(g)~~(f) mobile homes held by a distributor or dealer of
 8 mobile homes as a part of his stock in trade.
 9 (3) Credits must be assessed as provided in
 10 15-1-101(1)(d)."
 11 Section 4. Section 15-8-706, MCA, is amended to read:
 12 "15-8-706. Statement by agent to the department. (1)
 13 On the second Monday in July in each year, the agent of the
 14 department of revenue in each county must transmit to the
 15 department a statement showing:
 16 (a) the several kinds of personal property;
 17 (b) the average and total value of each kind;
 18 (c) the ~~number--of--livestock, number--of--bushels-of~~
 19 ~~grain~~, number of pounds or tons of any article sold by the
 20 pound or ton;
 21 (d) when practicable, the separate value of each class
 22 of land, specifying the classes and the number of acres in
 23 each.
 24 (2) An agent of the department who purposely or
 25 negligently fails to perform his duty under this section or

1 a deputy or member of the agent's staff delegated such duty
 2 who purposely or negligently fails to perform such duty is
 3 guilty of official misconduct under 45-7-401."

4 Section 5. Section 15-24-301, MCA, is amended to read:
 5 "15-24-301. Personal property brought into the state
 6 -- assessment -- exceptions -- custom combine equipment. (1)
 7 Except as provided in subsections (2) through (6), property
 8 in the following cases is subject to taxation and assessment
 9 for all taxes levied that year in the county in which it is
 10 located:

11 (a) any personal property (including excluding
 12 livestock and, poultry, AND BEES) brought, driven, or coming
 13 into this state at any time during the year that is used in
 14 the state for hire, compensation, or profit;

15 (b) property whose owner or user is engaged in gainful
 16 occupation or business enterprise in the state; or

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

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

25 (3) Nothing in this section shall be construed to levy

1 a tax against a merchant or dealer within this state on
2 goods, wares, or merchandise brought into the county to
3 replenish the stock of the merchant or dealer.

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

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

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

16 (c) The quarterly taxes are due the first day of the
17 quarter.

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

25 (6) The provisions of this part do not apply to

1 automobiles and trucks having a rated capacity of
2 three-quarters of a ton or less, motorcycles, or
3 quadricycles. These vehicles are subject to the fee provided
4 for in 61-3-532 or 61-3-541."

5 Section 6. Section 15-24-302, MCA, is amended to read:
6 "15-24-302. Collection procedure. All property
7 mentioned in 15-24-301 is assessed at the same value as
8 property of like kind and character, and the assessment,
9 levy, and collection of the tax are governed by the
10 provisions of 15-8-408; 15-16-111 through 15-16-115;
11 15-16-404; chapter 17, part 9; and 15-24-202; as amended,
12 except:

13 ~~{1}~~ taxation of motor vehicles under 15-24-301(4), to
14 the extent that subsection varies from the general
15 provisions cited above; and

16 ~~{2}--livestock--taxation-governed-by-81-7-104-and-Title~~
17 ~~81,-chapter-7,-part-2."~~

18 Section 7. Section 15-24-921, MCA, is amended to read:

19 "15-24-921. Additional Per capita tax levy to pay
20 expense expenses of enforcing stock livestock and poultry
21 laws. {1} In addition to appropriations made for such
22 purposes, a per capita tax is hereby authorized and directed
23 to be levied on all livestock and poultry in this state for
24 the purpose of aiding in the payment of the salaries and all
25 expenses connected with the enforcement of the stock

1 livestock and poultry laws of the state and for the payment
2 of bounties on wild animals as hereinafter specified.

3 (2) As used in this section, "livestock" means cattle,
4 sheep, swine, goats, horses, mules, and asses."

5 Section 8. Section 15-24-922, MCA, is amended to read:
6 "15-24-922. Department Board of livestock to prescribe
7 per capita levy. (1) ~~The department of revenue is hereby~~
8 ~~empowered and it is made its duty to~~ board of livestock
9 shall annually prescribe the per capita levy to be made
10 against livestock and poultry of all classes for the purpose
11 ~~above indicated, and the board of livestock has the right to~~
12 ~~recommend to said department the amount of such levy in~~
13 15-24-921.

14 (2) The per capita tax levy must be calculated each
15 year to provide not less than 100% or more than 110% of the
16 revenue that was generated by 81-7-104, 81-7-118 (now
17 repealed), and this section in the 1986 taxable year. The
18, calculation shall apply a reasonable factor for nonpayment
19 and late payment of taxes AND FOR THE COLLECTION OF TAX
20 PURSUANT TO [SECTION 10]."

21 Section 9. Section 15-24-925, MCA, is amended to read:
22 "15-24-925. Transmission of taxes from county to state
23 treasurer. ~~The~~ Except for the amount withheld under [section
24 10], the taxes levied and the money collected pursuant to
25 the provisions of 15-24-923 15-24-922 shall be transmitted

1 ~~with other taxes for state purposes~~ to the state treasury by
2 the county treasurer of each county, as provided in
3 15-1-504, but not later than July 1 following assessment.
4 The county treasurer shall designate the amount received
5 from the tax levied on poultry, the amount received from the
6 tax levied on sheep, and the amount received from the tax
7 levied on all other livestock and shall specify ~~said the~~
8 separate amounts in his report to the state treasurer. ~~Such~~
9 ~~The~~ money, when received by the state treasurer, shall be
10 ~~placed deposited~~ to the credit of ~~the funds as provided in~~
11 15-24-924 the department of livestock."

12 NEW SECTION. Section 10. Collection of tax. (1) On
13 or before January 15 of each year, an owner of poultry or of
14 livestock or his agent shall make and deliver to the county
15 ~~assessor in the county where the owner or agent resides or,~~
16 ~~if neither resides in the state, in the county where the~~
17 ~~majority of the owner's poultry or livestock is located~~
18 BOARD OF LIVESTOCK a verified statement showing, as of
19 January 1, the number of ~~each kind of~~ poultry or livestock
20 within the state belonging to him or under his charge, with
21 their marks and brands.

22 (2) The ~~county assessor~~ BOARD OF LIVESTOCK shall
23 compile the poultry and livestock reports received under
24 subsection (1) ~~and forward.~~ THE BOARD OF LIVESTOCK SHALL
25 COMPILE a summary of the information ~~to the board of~~

1 livestock on or before February 1 following receipt of the
2 reports.

3 (3) Upon-notification-of AFTER the amount of levy IS
4 set by the board of livestock under 15-24-922, the county
5 assessor BOARD shall send to each owner or agent who filed
6 a report a statement indicating the total amount due under
7 the levy for the year, the fact that payment is to be made
8 to the county treasurer on or before June 1 following
9 assessment of the tax, and the penalties and lien provisions
10 that apply pursuant to [section 11].

11 (4) The county treasurer may withhold 2% of the money
12 received under [section 11] and this section as
13 reimbursement to the county for the collection of the tax on
14 poultry and livestock.

15 NEW SECTION. Section 11. Penalty for failure to file
16 poultry or livestock report -- lien upon real and personal
17 property. (1) If a person who is the owner of poultry or
18 livestock within the state fails to make or have his agent
19 make the report as required in [section 10], the county
20 assessor BOARD OF LIVESTOCK may, after 10 days' notice to
21 the person who failed to file the report, assess the tax
22 imposed under 15-24-921, based on the assessor's BOARD'S
23 estimate of the number of poultry or livestock owned by the
24 person in the state, and may add a 10% penalty.

25 (2) The tax imposed under 15-24-921 is a lien upon

1 both real and personal property of the poultry or livestock
2 owner who fails to pay the tax on or before June 1 following
3 assessment of the tax and is collectable under the tax lien
4 enforcement provisions of Title 15.

5 Section 12. Section 81-6-101, MCA, is amended to read:
6 "81-6-101. Petition for county livestock protective
7 committee -- members -- term. (1) The board of county
8 commissioners must, upon receipt of a petition or petitions
9 to do so, set up a county livestock protective committee of
10 three members. The petition or petitions must be signed by
11 at least 51% of the owners of cattle in the county and such
12 petitioners owning must own at least 55% of the cattle as
13 shown-by-the-most-recent-completed-assessment-records-of-the
14 county--assessor,--set--up--a--county--livestock--protective
15 committee-of-three-members in the county.

16 (2) Members appointed to serve on such committee shall
17 be residents of the county engaged in the business of
18 raising cattle. If there be in the county any organization
19 of cattle growers, the county commissioners shall give
20 preference to names submitted by any such group for
21 appointment to such committee. The term for which said
22 committee members shall be appointed shall be 2 years with
23 two members of the first committee named to serve for 2
24 years, one member to serve for 1 year. Members of such
25 committee shall receive no remuneration or reimbursement for

1 expenses for serving on said committee.

2 (3) By "organization of cattle growers", as used in
3 this section, is meant any group or organization holding
4 regular meetings at least annually, having officers, and
5 composed predominantly of cattle growers resident in the
6 county, with its membership open to cattle growers willing
7 to abide by its governing rules or bylaws, and its general
8 purpose being the promotion of the interests of its members
9 in matters pertaining to the cattle or livestock industry.

10 (4) If owners of sheep in the county desire to come
11 under the provisions of this part in cooperation with owners
12 of cattle, they shall file a like petition to that set out
13 herein for owners of cattle, and in such case at least one
14 member of said livestock protective committee shall be a
15 sheep grower and where the word "cattle" appears in this
16 part, it shall be deemed to comprehend also the word
17 "sheep".

18 (5) Owners of sheep alone may form a county livestock
19 protective committee, in which case the word "cattle" as in
20 this part contained shall be considered as if it were the
21 word "sheep"; and provided further that the levy as provided
22 in 81-6-104 hereof shall, in the case of sheep, not exceed 5
23 cents per head."

24 Section 13. Section 81-6-104, MCA, is amended to read:

25 "81-6-104. Tax levy -- special fund. Said The county

1 livestock protective committee may recommend to the board of
2 county commissioners the levy of a tax in an amount not to
3 exceed 50 cents per head on all assessable cattle in the
4 county on January 1, and the board of county commissioners
5 shall thereupon be empowered to levy such tax, to be
6 collected as other taxes on personal property and when
7 collected to be deposited by the county treasurer in a
8 special fund to be known as the stockmen's special deputy
9 fund, together with any other funds made available from
10 county, state, federal, or private sources for the purposes
11 of this part. THE BOARD OF LIVESTOCK SHALL PROVIDE THE BOARD
12 OF COUNTY COMMISSIONERS OF EACH COUNTY WITH THE NUMBER OF
13 CATTLE IN THE COUNTY ON JANUARY 1 FOR PURPOSES OF LEVYING
14 THE TAX SPECIFIED IN THIS SECTION."

15 Section 14. Section 81-6-204, MCA, is amended to read:

16 "81-6-204. Tax levy -- deposit of proceeds. Said The
17 district cattle protective committee may recommend to the
18 board of county commissioners the levy of a tax in an amount
19 not to exceed 50 cents per head on all assessable cattle in
20 the district on January 1, and the board of county
21 commissioners shall thereupon be empowered to levy such tax,
22 to be collected as other taxes on personal property and when
23 collected to be deposited in the county treasury of one of
24 the counties in the district, to be selected by the district
25 cattle protective committee, in a special fund to be known

1 as the stockmen's special deputy fund, together with any
 2 other funds made available from county, state, federal, or
 3 private sources for the purposes of this part. THE BOARD OF
 4 LIVESTOCK SHALL PROVIDE THE BOARD OF COUNTY COMMISSIONERS IN
 5 EACH COUNTY WITH THE NUMBER OF CATTLE IN THE COUNTY ON
 6 JANUARY 1 FOR PURPOSES OF IMPLEMENTING THIS SECTION."

7 Section 15. Section 81-6-209, MCA, is amended to read:

8 "81-6-209. Tax levy -- deposit of proceeds. Said The
 9 district cattle protective committee may recommend to the
 10 board of county commissioners the levy of a tax in an amount
 11 not to exceed 50 cents per head on all assessable cattle in
 12 the district on January 1, and the board of county
 13 commissioners shall thereupon be empowered to levy such tax,
 14 to be collected as other taxes on personal property and when
 15 collected to be deposited in the county treasury in a
 16 special fund to be known as the stockmen's special deputy
 17 fund, together with any other funds made available from
 18 county, state, federal, or private sources for the purposes
 19 of this part. THE BOARD OF LIVESTOCK SHALL PROVIDE THE
 20 BOARD OF COUNTY COMMISSIONERS IN EACH COUNTY WITH THE NUMBER
 21 OF CATTLE IN THE COUNTY ON JANUARY 1 FOR PURPOSES OF
 22 IMPLEMENTING THIS SECTION."

23 Section 16. Section 81-7-103, MCA, is amended to read:

24 "81-7-103. Administration of funds by the department.
 25 The department shall administer and expend for predatory

1 animal extermination and control all money which is made
 2 available to it, including the money ~~from the levy~~ allocated
 3 for this purpose under 81-7-104 and all money which is made
 4 available to the department by appropriations made by the
 5 legislature for predatory animal control by the department.
 6 The department shall expend the funds for predatory animal
 7 control by all effective means responsive to the necessities
 8 of control in various areas of the state, including
 9 employment of hunters, trappers, and other personnel,
 10 procurement of traps, poisons, equipment, and supplies, and
 11 payment of bounties in the discretion of the department at
 12 those times of the year it considers advisable."

13 Section 17. Section 81-7-104, MCA, is amended to read:

14 "81-7-104. ~~levy--for--predator~~ Predator control moneys
 15 -- use of proceeds. (1) The department of ~~revenue--shall~~
 16 ~~annually--levy--an--ad--valorem--tax--on--all--livestock--in--the~~
 17 state-of-Montana livestock shall allocate a portion of the
 18 money from the levy under 15-24-921 for the purpose of
 19 protecting them livestock and poultry in the state against
 20 destruction, depredation, and injury by wild animals,
 21 whether the livestock is on lands in private ownership, in
 22 the ownership of the state, or in the ownership of the
 23 United States, including open ranges and all lands in or of
 24 the public domain. This protection may be by any means of
 25 effective predatory animal destruction, extermination, and

1 control, including systematic hunting and trapping and
 2 payment of bounties. ~~The tax levy may not exceed in any one~~
 3 ~~year 15 mills on the taxable value of all sheep and 10 mills~~
 4 ~~on the taxable value of other livestock.~~

5 (2) ~~The moneys received from the tax levies shall be~~
 6 ~~transmitted monthly with other taxes for state purposes by~~
 7 ~~the county treasurer of each county to the state treasury.~~
 8 ~~The state treasurer shall place the money in the state~~
 9 ~~special revenue fund with the other moneys as provided in~~
 10 ~~81-7-119. The moneys Money shall thereafter be paid out only~~
 11 on claims duly and regularly presented to the department of
 12 livestock and approved by the department in accordance with
 13 the law applicable either to claims for bounties or for
 14 other expenditures necessary and proper for predatory animal
 15 control by means and methods other than payment of bounties,
 16 as determined by the department. ~~All the moneys Money~~
 17 ~~designated for predator control shall be available for the~~
 18 payment of bounty claims and for expenditures for planned,
 19 seasonal, or other campaigns directed or operated by the
 20 department in cooperation with other agencies for the
 21 systematic destruction, extermination, and control of
 22 predatory wild animals, as determined by the department and
 23 its advisory committee. No claims may be approved in excess
 24 of moneys available for such purposes, and no warrants may
 25 be registered against the moneys."

1 Section 18. Section 81-7-202, MCA, is amended to read:
 2 "81-7-202. Signers of petition -- time for presenting
 3 -- limitation on bounties -- bounty inspectors. (1) The
 4 petition provided for in 81-7-201 shall be signed by the
 5 owners, agent, or agents of not less than 51% of the
 6 livestock of such county ~~as ascertained from the assessment~~
 7 ~~books of such county~~ and shall recommend to the board of
 8 county commissioners the bounties to be paid on such
 9 predatory animals, which shall not exceed the following:

- 10 (a) on each wolf or mountain lion, \$100;
- 11 (b) on each wolf pup or mountain lion kitten, \$20;
- 12 (c) on one coyote, \$5;
- 13 (d) on each coyote pup, \$2.50.

14 (2) Such petition shall be presented not later than
 15 August 1 of each year, and the board of county commissioners
 16 on determining the sufficiency of such petition shall make
 17 an order granting such petition, which order shall fix the
 18 levy for that year and the amount of the bounties to be paid
 19 for the killing of each such predatory animal, which shall
 20 not exceed the amounts recommended in such petition, and
 21 appoint not less than 10 or more than 20 stockowners of such
 22 county to be bounty inspectors under this part, without
 23 compensation, who shall hold their offices for 1 year."

24 Section 19. Section 81-7-303, MCA, is amended to read:
 25 "81-7-303. County commissioners permitted to require

1 per capita license fee on sheep. (1) To defray the expense
 2 of such protection the board of county commissioners of any
 3 county shall have the power to require all owners or persons
 4 in possession of any sheep ~~coming-1-year-old-or-over~~ in the
 5 county on the regular assessment date of each year to pay a
 6 license fee in an amount to be determined by the board on a
 7 per head basis for sheep so owned or possessed by him in the
 8 county. All owners or persons in possession of any sheep
 9 ~~coming-1-year-old-or-over~~ coming into the county after the
 10 regular assessment date ~~and-subject-to-taxation-under-the~~
 11 ~~provisions-of-15-24-301~~ shall also be subject to payment of
 12 the license fee herein prescribed.

13 (2) Upon the order of the board of county
 14 commissioners such license fees may be imposed by the entry
 15 thereof in the name of the licensee upon the property tax
 16 rolls of the county by the county assessor TREASURER. Said
 17 license fees shall be payable to and collected by the county
 18 treasurer, and when so levied, shall be a lien upon the
 19 property, both real and personal, of the licensee. In case
 20 the person against whom said license fee is levied owns no
 21 real estate against which said license fee is or may become
 22 a lien, then said license fee shall be payable immediately
 23 upon its levy and the treasurer shall collect the same in
 24 the manner provided by law for the collection of personal
 25 property taxes which are not a lien upon real estate.

1 (3) When collected, said fees shall be placed by the
 2 treasurer in the predatory animal control fund and the
 3 moneys in said fund shall be expended on order of the board
 4 of county commissioners of the county for predatory animal
 5 control only."

6 Section 20. Section 81-7-305, MCA, is amended to read:
 7 "81-7-305. Duty of county commissioners -- petition of
 8 sheep owners -- license fees. (1) In conducting a predatory
 9 animal control program, the board of county commissioners
 10 shall give preference to recommendations for such program
 11 and its incidents as made by organized associations of sheep
 12 growers in the county. Upon petition of the resident owners
 13 of at least 51% of the sheep in the county, ~~as-shown-by--the~~
 14 ~~assessment--rolls--of--the--last-preceding-assessment,~~ which
 15 petition shall be filed with the board of county
 16 commissioners on or before the first Monday in December in
 17 any year, such board shall establish the predatory animal
 18 control program and cause said licenses to be secured and
 19 issued and the fees collected for the following year in such
 20 amount as will defray the cost of administering the program
 21 so established. The license fee determined and set by the
 22 board shall remain in full force and effect from year to
 23 year without change, unless there is filed with the board a
 24 petition subscribed by the resident owners of at least 51%
 25 of the sheep in the county, ~~as-shown-by-the-assessment-rolls~~

1 ~~of the last assessment preceding the filing of the petition,~~
 2 for termination of the program and repeal of the license
 3 fee, in which event the program shall by order of the board
 4 of county commissioners be disestablished and the license
 5 fee shall not be further levied.

6 (2) If the resident owners of at least 51% of the
 7 sheep in the county either petition for an increase in the
 8 license fee or petition for a decrease in the license fee
 9 then in force, the board of county commissioners shall upon
 10 receipt of any such petition fix a new license fee to
 11 continue from year to year and the program shall thereupon
 12 continue within the limits of the aggregate amount of the
 13 license fee as collected from year to year."

14 Section 21. Section 81-8-804, MCA, is amended to read:

15 "81-8-804. Assessments -- refunds. (1) There is
 16 levied, ~~in addition to the tax on livestock prescribed in~~
 17 ~~Title 15, Chapter 24, Part 9,~~ a per head tax of 25 cents on
 18 each head of cattle that ~~is more than 9 months of age and~~ is
 19 owned or possessed within a county for the support and
 20 maintenance of research into beef production as provided in
 21 this part. The tax shall be paid to the county treasurer of
 22 that county on or before March 1 of each year.

23 (2) The tax required in subsection (1) must be paid
 24 for each head of cattle that ~~is more than 9 months of age~~
 25 and is brought into the county after March 1 ~~and is subject~~

1 ~~to taxation and assessment under 15-24-301.~~

2 (3) Each county is entitled to receive \$250 annually
 3 as reimbursement for the administration of this section.

4 (4) A person who has paid the tax required by this
 5 section may obtain a refund of the tax upon submission of a
 6 written request to the department. The application must be
 7 made within 30 days after the payment of the tax and on
 8 forms furnished by the department. The department shall,
 9 upon receipt of a timely and otherwise properly submitted
 10 refund request, refund the tax."

11 NEW SECTION. Section 22. Repealer. Sections 15-24-901
 12 through 15-24-906, 15-24-908 through 15-24-911, 15-24-923,
 13 15-24-924, 15-24-926, 15-24-931, 15-24-941 through
 14 15-24-943, and 81-7-118, MCA, are repealed.

15 NEW SECTION. Section 23. Extension of authority. Any
 16 existing authority of the department of revenue, the
 17 department of livestock, and the board of livestock to make
 18 rules on the subject of the provisions of this act is
 19 extended to the provisions of this act.

20 NEW SECTION. Section 24. Effective date. This act is
 21 effective ~~January 1, 1988~~ ON PASSAGE AND APPROVAL OF A BILL
 22 PROVIDING REPLACEMENT REVENUE FOR REVENUE DECREASES THAT
 23 RESULT FROM THIS ACT.

-End-

STATE OF MONTANA - FISCAL NOTE

Form BD-15

In compliance with a written request, there is hereby submitted a Fiscal Note for SB340, Third Reading Copy With House Amendments.

DESCRIPTION OF PROPOSED LEGISLATION:

An act eliminating ad valorem taxes on all unprocessed agricultural products in farm storage, and on bees, poultry, livestock, and other animals, and wildlife raised in domestication or in a captive environment; changing the additional taxes levied on livestock to a per capita tax on livestock and poultry to pay the expense of enforcing the livestock and poultry laws; and providing a delayed effective date.

ASSUMPTIONS:

1. The taxable value of the state will be \$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. The taxable value of producer-held grain in storage remains constant at the 1986 level of \$6,147,888.
4. Mill levies are 6 mills for universities, and 45 mills for the school foundation program. The average county levy for swine and other livestock is held constant at approximately 179.39 mills. The weighted average local government levy for producer-held grain remains constant at the 1986 level of 164.78.
5. The livestock portion of the proposal may have an impact in FY88, but an estimate cannot be made. (Applies to tax years after January 1, 1988).

FISCAL IMPACT:Revenue Impact:

Livestock FY88 - No estimate possible.

	<u>Current Law</u>	<u>FY89 Proposed Law</u>	<u>Difference</u>
University Levy	\$ 12,147,966	\$ 12,125,196	(\$ 22,770)
<u>School Equalization</u>	91,109,745	90,938,974	(170,771)
TOTAL	\$103,257,711	\$103,064,170	(\$ 193,541)

Producer-Held Grain

FY88 - No impact.

	<u>Current Law</u>	<u>FY89 Proposed Law</u>	<u>Difference</u>
University Levy	\$ 12,147,966	\$ 12,111,079	(\$ 36,887)
<u>School Equalization</u>	91,109,745	90,833,090	(276,655)
TOTAL	\$103,257,711	\$102,944,169	(\$ 313,542)


 DATE 4/8/87
 DAVID L. HUNTER, BUDGET DIRECTOR
 Office of Budget and Program Planning

DATE _____
 ELMER SEVERSON, PRIMARY SPONSOR

Fiscal Note for SB340, Third Reading Copy With House Amendments.

SB 340 #2

Total Impact:

FY88 - No estimate possible.

	<u>Current Law</u>	<u>FY89 Proposed Law</u>	<u>Difference</u>
University Levy	\$ 12,147,966	\$ 12,088,309	(\$ 59,657)
<u>School Equalization</u>	91,109,745	90,662,319	(447,426)
TOTAL	\$103,257,711	\$102,750,628	(\$ 507,083)

EFFECT ON LOCAL GOVERNMENT REVENUE:

Livestock: The proposal is estimated to reduce county and local school district revenues by \$680,770 in FY89. Cities and towns are not expected to be affected by this bill.

Producer-Held Grain: Local government revenues would be reduced \$1,013,049 in FY89. Counties that would be impacted more significantly by exempting this property would include the following: Choteau, Daniels, Dawson, Hill, McCone, Pondera and Valley.

TECHNICAL OR MECHANICAL DEFECTS OR CONFLICTS WITH EXISTING LEGISLATION:

Livestock: 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.

SENATE BILL NO. 340

INTRODUCED BY SEVERSON, CODY, PATTERSON, MCCALLUM,
TVEIT, HOFMAN, FARRELL, HAMMOND, GRADY, E. SMITH,
COMPTON, HIRSCH, LYBECK, BISHOP, HAGER, HARDING,
SCHYE, SWITZER, STORY, GALT, THAYER,
ANDERSON, DEVLIN, CRIPPEN

A BILL FOR AN ACT ENTITLED: "AN ACT ~~ELIMINATING AD VALOREM~~
~~TAXES ON ALL UNPROCESSED AGRICULTURAL PRODUCTS IN FARM~~
EXEMPTING FROM PROPERTY TAXATION PRODUCER-HELD GRAIN IN
STORAGE, AND ON BEES, POULTRY, LIVESTOCK, AND OTHER ANIMALS,
AND WILDLIFE RAISED IN DOMESTICATION OR IN A CAPTIVE
ENVIRONMENT LESS THAN 20 MONTHS OF AGE, AND SWINE LESS THAN
6 MONTHS OF AGE; CHANGING THE ADDITIONAL TAXES LEVIED ON
LIVESTOCK TO A PER CAPITA TAX ON LIVESTOCK ~~AND POULTRY~~ TO
PAY THE EXPENSE OF ENFORCING THE LIVESTOCK ~~AND POULTRY~~ LAWS;
AMENDING SECTIONS 15-6-136, 15-6-207, ~~15-8-201, 15-8-706,~~
~~15-24-301, 15-24-302,~~ 15-24-921, 15-24-922, 15-24-925,
81-6-101, 81-6-104, 81-6-204, 81-6-209, 81-7-103, AND
81-7-104, ~~81-7-202, 81-7-303, 81-7-305, AND 81-8-004,~~ MCA;
REPEALING SECTIONS ~~15-24-901 THROUGH 15-24-906,~~ ~~15-24-908~~
~~THROUGH 15-24-911,~~ 15-24-923, AND 15-24-924, ~~15-24-926,~~
~~15-24-931, 15-24-941 THROUGH 15-24-943, AND 81-7-118,~~ MCA;
AND PROVIDING A ~~DELAYED~~ CONTINGENT DELAYED EFFECTIVE DATE."

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

Section 1. Section 15-6-136, MCA, is amended to read:
"15-6-136. Class six property -- description --
taxable percentage. (1) Class six property includes:
(a) ~~livestock, poultry, bees, and other species of~~
~~domestic animals and wildlife raised in domestication or a~~
~~captive environment, except for cats, dogs, and other~~
~~household pets not raised for profit, and the unprocessed~~
~~products of such animals and wildlife;~~

(b) ~~all unprocessed agricultural products on the farm~~
~~or in storage except all perishable fruits and vegetables in~~
~~farm storage and owned by the producer;~~

(A) LIVESTOCK, POULTRY, BEES, AND OTHER SPECIES OF
DOMESTIC ANIMALS AND WILDLIFE RAISED IN DOMESTICATION OR A
CAPTIVE ENVIRONMENT, EXCEPT FOR CATS, DOGS, AND OTHER
HOUSEHOLD PETS NOT RAISED FOR PROFIT, AND THE UNPROCESSED
PRODUCTS OF SUCH ANIMALS AND WILDLIFE;

(B) ALL UNPROCESSED AGRICULTURAL PRODUCTS ON THE FARM
OR IN STORAGE EXCEPT:

(I) ALL PERISHABLE FRUITS AND VEGETABLES IN FARM
STORAGE AND OWNED BY THE PRODUCER; AND

(II) ALL PRODUCER-HELD GRAIN IN STORAGE;

(c) (C) items of personal property intended for lease
in the ordinary course of business, provided each item of
personal property satisfies all of the following:

1 ~~(i)(a)(I)~~ the full and true value of the personal
2 property is less than \$5,000;

3 ~~(ii)(b)(II)~~ the personal property is owned by a
4 business whose primary business income is from rental or
5 lease of personal property to individuals wherein no one
6 customer of the business accounts for more than 10% of the
7 total rentals or leases during a calendar year; and

8 ~~(iii)(c)(III)~~ the lease of the personal property is
9 generally on an hourly, daily, or weekly basis.

10 (2) Class six property is taxed at 4% of its market
11 value."

12 Section 2. Section 15-6-207, MCA, is amended to read:

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

15 (a) ~~all unprocessed, perishable fruits and vegetables~~
16 agricultural products, PERISHABLE FRUITS AND VEGETABLES in
17 farm storage and owned by the producer;

18 (B) ALL PRODUCER-HELD GRAIN IN STORAGE;

19 (C) ALL NONPERISHABLE, UNPROCESSED AGRICULTURAL
20 PRODUCTS, EXCEPT LIVESTOCK, HELD IN POSSESSION OF THE
21 ORIGINAL PRODUCER FOR LESS THAN 7 MONTHS FOLLOWING HARVEST;

22 ~~(b) all nonperishable unprocessed agricultural~~
23 ~~products, except livestock, held in possession of the~~
24 ~~original producer for less than 7 months following harvest;~~

25 ~~(c)(b)(D) except as provided in subsection (i)(d);~~

1 EXCEPT AS PROVIDED IN SUBSECTION (1)(E), livestock which
2 have not attained the age of 9 months as of the last day of
3 any month if assessed on the average inventory basis or on
4 March if assessed as provided in 15-24-911(i)(a);
5 including cattle, sheep, horses, mules, or swine and other
6 animals and wildlife raised in domestication or in a captive
7 environment, and their unprocessed products; and WHICH HAVE
8 NOT ATTAINED THE AGE OF 20 MONTHS AS OF THE LAST DAY OF ANY
9 MONTH IF ASSESSED ON THE AVERAGE INVENTORY BASIS OR ON MARCH
10 1 IF ASSESSED AS PROVIDED IN 15-24-911(1)(A); AND

11 ~~(d)(c)(E) swine which have not attained the age of 3~~
12 ~~months as of January 1 poultry and the unprocessed products~~
13 ~~of poultry; and~~

14 ~~(d) bees and the unprocessed product of bees~~ SWINE
15 WHICH HAVE NOT ATTAINED THE AGE OF 6 MONTHS AS OF JANUARY 1.

16 (2) Any beet digger, beet topper, beet defoliator,
17 beet thinner, beet cultivator, beet planter, or beet top
18 saver designed exclusively to plant, cultivate, and harvest
19 sugar beets is exempt from taxation if such implement has
20 not been used to plant, cultivate, or harvest sugar beets
21 for the 2 years immediately preceding the current assessment
22 date and there are no available sugar beet contracts in the
23 sugar beet grower's marketing area."

24 Section 3, Section 15-8-201, MCA, is amended to read:
25 "15-8-201. General assessment day. (1) The department

1 of--revenue--or--its--agent--must,--between-January-1-and-the
 2 second-Monday-of-July-in-each-year,--ascertain-the--names--of
 3 all--taxable--inhabitants-and-assess-all-property-subject-to
 4 taxation-in-each-county. The-department-or--its--agent--must
 5 assess--property--to--the--person--by--whom--it-was-owned-or
 6 claimed-or-in-whose-possession-or-control-it-was-at-midnight
 7 of-January-1-next-preceding. It--must--also--ascertain--and
 8 assess--all--mobile--homes--arriving--in--the--county--after
 9 midnight-of-January-1-next-preceding. No-mistake-in-the-name
 10 of-the-owner-or-supposed-owner-of--real--property,--however,
 11 renders-the-assessment-invalid;

12 (2)--The--procedure--provided--by--this-section-may-not
 13 apply-to:

14 (a)--motor-vehicles-that-are-required-by-15-8-202-to-be
 15 assessed-on-January-1-or-upon-their-anniversary-registration
 16 date;

17 (b)--automobiles-and-trucks-having-a-rated-capacity--of
 18 three-quarters-of-a-ton-or-less;

19 (c)--motor--homes--and-travel-trailers-subject-to-a-fee
 20 in-lieu-of-property-tax;

21 (d)--motorcycles-and-quadracycles;

22 (e)--livestock;

23 (f)(e)--property-defined-in-61-1-104-as-"special-mobile
 24 equipment"--that--is--subject--to--assessment--for--personal
 25 property--taxes--on--the--date--that--application-is-made-for-a

1 special-mobile-equipment-plate,--and

2 (g)(f)--mobile-homes-held-by-a-distributor-or-dealer-of
 3 mobile-homes-as-a-part-of-his-stock-in-trade;

4 (3)--Credits--must--be--assessed--as--provided--in
 5 15-1-101(i)(d)."

6 Section-4,--Section--15-8-706,--MCA,--is-amended-to-read:

7 "15-8-706. Statement-by-agent-to-the-department,--(1)

8 On--the-second-Monday-in-July-in-each-year,--the-agent-of-the
 9 department-of-revenue-in-each-county-must--transmit--to--the
 10 department-a-statement-showing:

11 (a)--the-several-kinds-of-personal-property;

12 (b)--the-average-and-total-value-of-each-kind;

13 (c)--the--number--of--livestock,--number--of-bushels-of
 14 grain,--number-of-pounds-or-tons-of-any-article-sold--by--the
 15 pound-or-ton;

16 (d)--when-practicable,--the-separate-value-of-each-class
 17 of--land,--specifying-the-classes-and-the-number-of-acres-in
 18 each;

19 (2)--An--agent--of--the--department--who--purposefully--or
 20 negligently--fails-to-perform-his-duty-under-this-section-or
 21 a-deputy-or-member-of-the-agent's-staff-delegated-such--duty
 22 who--purposefully--or-negligently-fails-to-perform-such-duty-is
 23 guilty-of-official-misconduct-under-45-7-401."

24 Section-5,--Section-15-24-301,--MCA,--is-amended-to-read:

25 "15-24-301. Personal-property-brought-into--the--state

1 ~~assessment exceptions custom combine equipment.~~
2 ~~(1) Except as provided in subsections (2) through (6),~~
3 ~~property in the following cases is subject to taxation and~~
4 ~~assessment for all taxes levied that year in the county in~~
5 ~~which it is located:~~
6 ~~(a) any personal property (including excluding~~
7 ~~livestock and poultry AND BEES) brought, driven, or coming~~
8 ~~into this state at any time during the year that is used in~~
9 ~~the state for hire, compensation, or profit;~~
10 ~~(b) property whose owner or user is engaged in gainful~~
11 ~~occupation or business enterprise in the state; or~~
12 ~~(c) property which comes to rest and becomes a part of~~
13 ~~the general property of the state.~~
14 ~~(2) The taxes on this property are levied in the same~~
15 ~~manner and to the same extent, except as otherwise provided,~~
16 ~~as though the property had been in the county on the regular~~
17 ~~assessment date, provided that the property has not been~~
18 ~~regularly assessed for the year in some other county of the~~
19 ~~state.~~
20 ~~(3) Nothing in this section shall be construed to levy~~
21 ~~a tax against a merchant or dealer within this state on~~
22 ~~goods, wares, or merchandise brought into the county to~~
23 ~~replenish the stock of the merchant or dealer.~~
24 ~~(4) Any motor vehicle not subject to the light vehicle~~
25 ~~license fee or a fee in lieu of tax brought, driven, or~~

1 coming into this state by any nonresident person temporarily
2 employed in Montana and used exclusively for transportation
3 of such person is subject to taxation and assessment for
4 taxes as follows:
5 (a) The motor vehicle is taxed by the county in which
6 it is located.
7 (b) One-fourth of the annual tax liability of the
8 motor vehicle must be paid for each quarter or portion of a
9 quarter of the year that the motor vehicle is located in
10 Montana.
11 (c) The quarterly taxes are due the first day of the
12 quarter.
13 (5) Agricultural harvesting machinery classified under
14 class eight, licensed in other states, and operated on the
15 lands of persons other than the owner of the machinery under
16 contracts for hire shall be subject to a fee in lieu of
17 taxation of \$35 per machine for the calendar year in which
18 the fee is collected. The machines shall be subject to
19 taxation under class eight only if they are sold in Montana.
20 (6) The provisions of this part do not apply to
21 automobiles and trucks having a rated capacity of
22 three-quarters of a ton or less, motorcycles, or
23 quadricycles. These vehicles are subject to the fee provided
24 for in 61-3-532 or 61-3-541.⁴
25 Section 6, Section 15-24-302, MCA, is amended to read:

1 ~~"15-24-302:--Collection---procedure,---All---property~~
 2 ~~mentioned-in-15-24-301-is-assessed-at-the-same-value-as~~
 3 ~~property--of--like--kind--and-character,--and-the-assessment,~~
 4 ~~levy,--and--collection--of--the--tax--are--governed--by--the~~
 5 ~~provisions---of---15-8-400;---15-16-111--through--15-16-115;~~
 6 ~~15-16-404,--chapter-17,--part-9,--and--15-24-202,--as--amended,~~
 7 ~~except:~~

8 ~~{1}--taxation--of--motor-vehicles-under-15-24-301{4};~~ to
 9 ~~the--extent--that--subsection--varies---from---the---general~~
 10 ~~provisions-cited-above,--and~~

11 ~~{2}--livestock--taxation-governed-by-81-7-104-and-Title~~
 12 ~~81,--chapter-7,--part-2."~~

13 Section 3. Section 15-24-921, MCA, is amended to read:

14 "15-24-921. Additional Per capita tax levy to pay
 15 expense expenses of enforcing stock livestock and poultry
 16 laws. (1) In addition to appropriations made for such
 17 purposes, a per capita tax is hereby authorized and directed
 18 to be levied BY THE COUNTY ASSESSOR on all livestock and
 19 poultry in (EXCEPT SWINE) 9 MONTHS OF AGE OR OLDER AND ON
 20 ALL SWINE 3 MONTHS OF AGE OR OLDER IN EACH COUNTY OF this
 21 state for the purpose of aiding in the payment of the
 22 salaries and all expenses connected with the enforcement of
 23 the stock livestock and--poultry laws of the state and for
 24 the payment of bounties on wild animals as hereinafter
 25 specified.

1 (2) As used in this section, "livestock" means cattle,
 2 sheep, swine, goats, horses, mules, and asses."

3 Section 4. Section 15-24-922, MCA, is amended to read:

4 "15-24-922. Department Board of livestock to prescribe
 5 per capita levy. (1) The department of--revenue--is--hereby
 6 empowered--and--it--is--made--its-duty-to board of livestock
 7 shall annually prescribe the AMOUNT OF THE per capita levy
 8 to be made against livestock and-poultry of all classes for
 9 the purpose above indicated, and the board of livestock--has
 10 the right to recommend to said department the amount of such
 11 levy in 15-24-921.

12 (2) The per capita tax levy must be calculated each
 13 year to provide not less-than-100% or more than 110% of the
 14 AVERAGE ANNUAL revenue that was generated IN THE 3 PREVIOUS
 15 YEARS, BEGINNING WITH REVENUE GENERATED by 81-7-104,
 16 81-7-110--(now--repealed), and this section in the 1986
 17 taxable year YEARS 1985, 1986, AND 1987. The calculation
 18 shall apply a reasonable factor for nonpayment and late
 19 payment of taxes AND FOR THE COLLECTION OF TAX PURSUANT TO
 20 {SECTION 10}."

21 Section 5. Section 15-24-925, MCA, is amended to read:

22 "15-24-925. Transmission of taxes from county to state
 23 treasurer. ~~The Except-for-the-amount-withheld-under-(section~~
 24 ~~10)--the THE taxes levied and the money collected pursuant~~
 25 ~~to the provisions of 15-24-923 15-24-922 shall be~~

1 transmitted with other taxes for state purposes to the state
 2 treasury by the county treasurer of each county, as provided
 3 in 15-1-504, but not later than July 1 following assessment.
 4 The county treasurer shall designate the amount received
 5 from the tax levied on poultry, the amount received from the
 6 tax levied on sheep, and the amount received from the tax
 7 levied on all other livestock and shall specify said the
 8 separate amounts in his report to the state treasurer. Such
 9 The money, when received by the state treasurer, shall be
 10 placed deposited to the credit of the funds as provided in
 11 15-24-924 the department of livestock."

12 NEW SECTION: Section 10. Collection of tax: (1) On
 13 or before January 15 of each year, an owner of poultry or of
 14 livestock or his agent shall make and deliver to the county
 15 assessor in the county where the owner or agent resides or,
 16 if neither resides in the state, in the county where the
 17 majority of the owner's poultry or livestock is located
 18 BOARD OF LIVESTOCK a verified statement showing, as of
 19 January 1, the number of each kind of poultry or livestock
 20 within the state belonging to him or under his charge, with
 21 their marks and brands:

22 (2) The county assessor BOARD OF LIVESTOCK shall
 23 compile the poultry and livestock reports received under
 24 subsection (1) and forward, THE BOARD OF LIVESTOCK SHALL
 25 COMPILE a summary of the information to the board of

1 livestock on or before February 1 following receipt of the
 2 reports:

3 (3) Upon notification of AFTER the amount of levy is
 4 set by the board of livestock under 15-24-922, the county
 5 assessor BOARD shall send to each owner or agent who filed
 6 a report a statement indicating the total amount due under
 7 the levy for the year, the fact that payment is to be made
 8 to the county treasurer on or before June 1 following
 9 assessment of the tax, and the penalties and lien provisions
 10 that apply pursuant to {section ii}:

11 (4) The county treasurer may withhold 2% of the money
 12 received under {section ii} and this section as
 13 reimbursement to the county for the collection of the tax on
 14 poultry and livestock:

15 NEW SECTION: Section 11. Penalty for failure to file
 16 poultry or livestock report: a lien upon real and personal
 17 property: (1) If a person who is the owner of poultry or
 18 livestock within the state fails to make or have his agent
 19 make the report as required in {section 10}, the county
 20 assessor BOARD OF LIVESTOCK may, after 10 days' notice to
 21 the person who failed to file the report, assess the tax
 22 imposed under 15-24-921, based on the assessor's BOARD'S
 23 estimate of the number of poultry or livestock owned by the
 24 person in the state, and may add a 10% penalty:

25 (2) The tax imposed under 15-24-921 is a lien upon

~~both real and personal property of the poultry or livestock owner who fails to pay the tax on or before June 1 following assessment of the tax and is collectable under the tax lien enforcement provisions of Title 15.~~

Section 6. Section 81-6-101, MCA, is amended to read:

"81-6-101. Petition for county livestock protective committee -- members -- term. (1) The board of county commissioners must, upon receipt of a petition or petitions to do so, set up a county livestock protective committee of three members. The petition or petitions must be signed by at least 51% of the owners of cattle in the county and such petitioners owning must own at least 55% of the cattle as shown by the most recent completed assessment records of the county assessor, set up a county livestock protective committee of three members in the county.

(2) Members appointed to serve on such committee shall be residents of the county engaged in the business of raising cattle. If there be in the county any organization of cattle growers, the county commissioners shall give preference to names submitted by any such group for appointment to such committee. The term for which said committee members shall be appointed shall be 2 years with two members of the first committee named to serve for 2 years, one member to serve for 1 year. Members of such committee shall receive no remuneration or reimbursement for

expenses for serving on said committee.

(3) By "organization of cattle growers", as used in this section, is meant any group or organization holding regular meetings at least annually, having officers, and composed predominantly of cattle growers resident in the county, with its membership open to cattle growers willing to abide by its governing rules or bylaws, and its general purpose being the promotion of the interests of its members in matters pertaining to the cattle or livestock industry.

(4) If owners of sheep in the county desire to come under the provisions of this part in cooperation with owners of cattle, they shall file a like petition to that set out herein for owners of cattle, and in such case at least one member of said livestock protective committee shall be a sheep grower and where the word "cattle" appears in this part, it shall be deemed to comprehend also the word "sheep".

(5) Owners of sheep alone may form a county livestock protective committee, in which case the word "cattle" as in this part contained shall be considered as if it were the word "sheep"; and provided further that the levy as provided in 81-6-104 hereof shall, in the case of sheep, not exceed 5 cents per head."

Section 7. Section 81-6-104, MCA, is amended to read:

"81-6-104. Tax levy -- special fund. Said The county

1 livestock protective committee may recommend to the board of
 2 county commissioners the levy of a tax in an amount not to
 3 exceed 50 cents per head on all assessable cattle 9 MONTHS
 4 OF AGE OR OLDER in the county on January 1, and the board
 5 of county commissioners shall thereupon be empowered to levy
 6 such tax, to be collected as other taxes on personal
 7 property and when collected to be deposited by the county
 8 treasurer in a special fund to be known as the stockmen's
 9 special deputy fund, together with any other funds made
 10 available from county, state, federal, or private sources
 11 for the purposes of this part. THE BOARD OF LIVESTOCK SHALL
 12 PROVIDE THE BOARD OF COUNTY COMMISSIONERS OF EACH COUNTY
 13 WITH THE NUMBER OF CATTLE IN THE COUNTY ON JANUARY 1 FOR
 14 PURPOSES OF LEVYING THE TAX SPECIFIED IN THIS SECTION."

15 Section 8. Section 81-6-204, MCA, is amended to read:

16 "81-6-204. Tax levy -- deposit of proceeds. Said The
 17 district cattle protective committee may recommend to the
 18 board of county commissioners the levy of a tax in an amount
 19 not to exceed 50 cents per head on all assessable cattle 9
 20 MONTHS OF AGE OR OLDER in the district on January 1, and the
 21 board of county commissioners shall thereupon be empowered
 22 to levy such tax, to be collected as other taxes on personal
 23 property and when collected to be deposited in the county
 24 treasury of one of the counties in the district, to be
 25 selected by the district cattle protective committee, in a

1 special fund to be known as the stockmen's special deputy
 2 fund, together with any other funds made available from
 3 county, state, federal, or private sources for the purposes
 4 of this part. THE BOARD OF LIVESTOCK SHALL PROVIDE THE
 5 BOARD OF COUNTY COMMISSIONERS IN EACH COUNTY WITH THE NUMBER
 6 OF CATTLE IN THE COUNTY ON JANUARY 1 FOR PURPOSES OF
 7 IMPLEMENTING THIS SECTION."

8 Section 9. Section 81-6-209, MCA, is amended to read:

9 "81-6-209. Tax levy -- deposit of proceeds. Said The
 10 district cattle protective committee may recommend to the
 11 board of county commissioners the levy of a tax in an amount
 12 not to exceed 50 cents per head on all assessable cattle 9
 13 MONTHS OF AGE OR OLDER in the district on January 1, and the
 14 board of county commissioners shall thereupon be empowered
 15 to levy such tax, to be collected as other taxes on personal
 16 property and when collected to be deposited in the county
 17 treasury in a special fund to be known as the stockmen's
 18 special deputy fund, together with any other funds made
 19 available from county, state, federal, or private sources
 20 for the purposes of this part. THE BOARD OF LIVESTOCK SHALL
 21 PROVIDE THE BOARD OF COUNTY COMMISSIONERS IN EACH COUNTY
 22 WITH THE NUMBER OF CATTLE IN THE COUNTY ON JANUARY 1 FOR
 23 PURPOSES OF IMPLEMENTING THIS SECTION."

24 Section 10. Section 81-7-103, MCA, is amended to read:

25 "81-7-103. Administration of funds by the department.

1 The department shall administer and expend for predatory
 2 animal extermination and control all money which is made
 3 available to it, including the money ~~from the levy allocated~~
 4 for this purpose under 81-7-104 and all money which is made
 5 available to the department by appropriations made by the
 6 legislature for predatory animal control by the department.
 7 The department shall expend the funds for predatory animal
 8 control by all effective means responsive to the necessities
 9 of control in various areas of the state, including
 10 employment of hunters, trappers, and other personnel,
 11 procurement of traps, poisons, equipment, and supplies, and
 12 payment of bounties in the discretion of the department at
 13 those times of the year it considers advisable."

14 Section 11. Section 81-7-104, MCA, is amended to read:
 15 "81-7-104. ~~Levy for predator~~ Predator control moneys
 16 -- use of proceeds. (1) The department of ~~revenue shall~~
 17 ~~annually levy an ad valorem tax on all livestock in the~~
 18 ~~state of Montana~~ livestock shall allocate a portion of the
 19 money from the levy under 15-24-921 for the purpose of
 20 protecting them livestock and poultry in the state against
 21 destruction, depredation, and injury by wild animals,
 22 whether the livestock is on lands in private ownership, in
 23 the ownership of the state, or in the ownership of the
 24 United States, including open ranges and all lands in or of
 25 the public domain. This protection may be by any means of

1 effective predatory animal destruction, extermination, and
 2 control, including systematic hunting and trapping and
 3 payment of bounties. ~~The tax levy may not exceed in any one~~
 4 ~~year 15 mills on the taxable value of all sheep and 10 mills~~
 5 ~~on the taxable value of other livestock.~~

6 (2) ~~The moneys received from the tax levies shall be~~
 7 ~~transmitted monthly with other taxes for state purposes by~~
 8 ~~the county treasurer of each county to the state treasury.~~
 9 ~~The state treasurer shall place the money in the state~~
 10 ~~special revenue fund with the other moneys as provided in~~
 11 ~~81-7-119.~~ Money shall thereafter be paid out only
 12 on claims duly and regularly presented to the department of
 13 livestock and approved by the department in accordance with
 14 the law applicable either to claims for bounties or for
 15 other expenditures necessary and proper for predatory animal
 16 control by means and methods other than payment of bounties,
 17 as determined by the department. ~~All the moneys~~ Money
 18 designated for predator control shall be available for the
 19 payment of bounty claims and for expenditures for planned,
 20 seasonal, or other campaigns directed or operated by the
 21 department in cooperation with other agencies for the
 22 systematic destruction, extermination, and control of
 23 predatory wild animals, as determined by the department and
 24 its advisory committee. No claims may be approved in excess
 25 of moneys available for such purposes, and no warrants may

1 be registered against the moneys."

2 Section 18, Section 81-7-202, MCA, is amended to read:

3 "81-7-202. Signers of petition time for presenting
4 limitation on bounties bounty inspectors (1) The
5 petition provided for in 81-7-201 shall be signed by the
6 owners, agent, or agents of not less than 51% of the
7 livestock of such county as ascertained from the assessment
8 books of such county and shall recommend to the board of
9 county commissioners the bounties to be paid for such
10 predatory animals, which shall not exceed the following:

11 (a) on each wolf or mountain lion, \$100;

12 (b) on each wolf pup or mountain lion kitten, \$20;

13 (c) on one coyote, \$5;

14 (d) on each coyote pup, \$2.50;

15 (2) Such petition shall be presented not later than
16 August 1 of each year, and the board of county commissioners
17 on determining the sufficiency of such petition shall make
18 an order granting such petition, which order shall fix the
19 levy for that year and the amount of the bounties to be paid
20 for the killing of each such predatory animal, which shall
21 not exceed the amounts recommended in such petition, and
22 appoint not less than 10 or more than 20 stockowners of such
23 county to be bounty inspectors under this part, without
24 compensation, who shall hold their offices for 1 year."

25 Section 19, Section 81-7-303, MCA, is amended to read:

1 "81-7-303. County commissioners permitted to require
2 per capita license fee on sheep; (1) To defray the expense
3 of such protection the board of county commissioners of any
4 county shall have the power to require all owners or persons
5 in possession of any sheep coming 1 year old or over in the
6 county on the regular assessment date of each year to pay a
7 license fee in an amount to be determined by the board on a
8 per head basis for sheep so owned or possessed by him in the
9 county. All owners or persons in possession of any sheep
10 coming 1 year old or over coming into the county after the
11 regular assessment date and subject to taxation under the
12 provisions of 15-24-301 shall also be subject to payment of
13 the license fee herein prescribed:

14 (2) Upon the order of the board of county
15 commissioners such license fees may be imposed by the entry
16 thereof in the name of the licensee upon the property tax
17 rolls of the county by the county assessor TREASURER. Said
18 license fees shall be payable to and collected by the county
19 treasurer, and when so levied, shall be a lien upon the
20 property, both real and personal, of the licensee. In case
21 the person against whom said license fee is levied owns no
22 real estate against which said license fee is or may become
23 a lien, then said license fee shall be payable immediately
24 upon its levy and the treasurer shall collect the same in
25 the manner provided by law for the collection of personal

1 property taxes which are not a lien upon real estate.

2 {3}--When--collected,--said--fees--shall--be--placed--by--the
3 treasurer--in--the--predatory--animal--control--fund--and--the
4 moneys--in--said--fund--shall--be--expended--on--order--of--the--board
5 of--county--commissioners--of--the--county--for--predatory--animal
6 control--only."

7 Section 20.--Section 81-7-305, MCA, is amended to read:

8 "81-7-305.--Duty of county commissioners---petition of
9 sheep owners---license fees.--(1) in conducting a predatory
10 animal--control--program,--the--board--of--county--commissioners
11 shall--give--preference--to--recommendations--for--such--program
12 and--its--incidents--as--made--by--organized--associations--of--sheep
13 growers--in--the--county.--Upon--petition--of--the--resident--owners
14 of--at--least--51%--of--the--sheep--in--the--county,--as--shown--by--the
15 assessment--rolls--of--the--last--preceding--assessment,--which
16 petition--shall--be--filed--with--the--board--of--county
17 commissioners--on--or--before--the--first--Monday--in--December--in
18 any--year,--such--board--shall--establish--the--predatory--animal
19 control--program--and--cause--said--licenses--to--be--secured--and
20 issued--and--the--fees--collected--for--the--following--year--in--such
21 amount--as--will--defray--the--cost--of--administering--the--program
22 so--established.--The--license--fee--determined--and--set--by--the
23 board--shall--remain--in--full--force--and--effect--from--year--to
24 year--without--change,--unless--there--is--filed--with--the--board--a
25 petition--subscribed--by--the--resident--owners--of--at--least--51%

1 of--the--sheep--in--the--county,--as--shown--by--the--assessment--rolls
2 of--the--last--assessment--preceding--the--filing--of--the--petition,
3 for--termination--of--the--program--and--repeal--of--the--license
4 fee,--in--which--event--the--program--shall--by--order--of--the--board
5 of--county--commissioners--be--disestablished--and--the--license
6 fee--shall--not--be--further--levied.

7 {2}--If--the--resident--owners--of--at--least--51%--of--the
8 sheep--in--the--county--either--petition--for--an--increase--in--the
9 license--fee--or--petition--for--a--decrease--in--the--license--fee
10 then--in--force,--the--board--of--county--commissioners--shall--upon
11 receipt--of--any--such--petition--fix--a--new--license--fee--to
12 continue--from--year--to--year--and--the--program--shall--thereupon
13 continue--within--the--limits--of--the--aggregate--amount--of--the
14 license--fee--as--collected--from--year--to--year."

15 Section 21.--Section 81-8-804, MCA, is amended to read:

16 "81-8-804.--Assessments-----refunds.--(1) There--is
17 levied,--in--addition--to--the--tax--on--livestock--prescribed--in
18 Title--15,--chapter--24,--part--9, a--per--head--tax--of--25--cents--on
19 each--head--of--cattle--that--is--more--than--9--months--of--age--and--is
20 owned--or--possessed--within--a--county--for--the--support--and
21 maintenance--of--research--into--beef--production--as--provided--in
22 this--part.--The--tax--shall--be--paid--to--the--county--treasurer--of
23 that--county--on--or--before--March--1--of--each--year.

24 {2}--The--tax--required--in--subsection--(1) must--be--paid
25 for--each--head--of--cattle--that--is--more--than--9--months--of--age

1 and is brought into the county after March 1 and is subject
 2 to taxation and assessment under 15-24-301.

3 (3) Each county is entitled to receive \$250 annually
 4 as reimbursement for the administration of this section.

5 (4) A person who has paid the tax required by this
 6 section may obtain a refund of the tax upon submission of a
 7 written request to the department. The application must be
 8 made within 30 days after the payment of the tax and on
 9 forms furnished by the department. The department shall
 10 upon receipt of a timely and otherwise properly submitted
 11 refund request, refund the tax."

12 NEW SECTION. Section 12. Repealer. Sections 15-24-901
 13 through 15-24-906, 15-24-908 through 15-24-911, 15-24-923,
 14 AND 15-24-924, 15-24-926, 15-24-931, 15-24-941 through
 15 15-24-943, and 01-7-110, MCA, are repealed.

16 NEW SECTION. Section 13. Extension of authority. Any
 17 existing authority of the department of revenue, the
 18 department of livestock, and the board of livestock to make
 19 rules on the subject of the provisions of this act is
 20 extended to the provisions of this act.

21 NEW SECTION. Section 14. Effective date. This act is
 22 effective January 1, 1988 ~~ON-PASSAGE-AND-APPROVAL-OF-A-BILL~~
 23 ~~PROVIDING-REPLACEMENT-REVENUE-FOR-REVENUE-DECREASES-THAT~~
 24 ~~RESULT-FROM-THIS-ACT~~ JANUARY 1, 1988.

-End-

CONFERENCE COMMITTEE REPORT

Report No. 1

Page 2 of 2
SB 340

April 17, 1987

MR. PRESIDENT

We, your Joint Conference Committee on

Senate Bill 340

met and considered (1) House Taxation Committee Amendments to the third

reading copy, dated April 7, 1987, and

(2) House Committee of the Whole Amendments to the House

Taxation Committee Amendments and to the third reading copy, dated

April 10, 1987.

We recommend as follows:

That Senate Bill No. 340, reference copy, be amended as indicated in the instructions.

And that this Conference Committee report be adopted.

FOR THE SENATE

Edward J. Severson
Severson

Tom Hager
Hager

Lee Hirsch
Hirsch

ADOPT REJECT

FOR THE HOUSE

Leon Switzer
Switzer

Francie Koehnke
Koehnke

John Patterson
Patterson

INSTRUCTIONS:

19

1. Title, line 10.
Strike: line 10 in its entirety
Insert: "ELIMINATING AD VALOREM TAXES ON ALL UNPROCESSED AGRICULTURAL PRODUCTS IN FARM"
2. Title, line 11.
Following: "POULTRY"
Insert: "AND ON BEES, POULTRY,"
3. Title, lines 13 and 14.
Strike: "LESS" on line 13 through "AGE" on line 14
Insert: ", AND OTHER ANIMALS, AND WILDLIFE RAISED IN DOMESTICATION OR IN A CAPTIVE ENVIRONMENT"
4. Title, line 15.
Following: "POULTRY"
Insert: "AND POULTRY"
5. Title, line 16.
Following: "POULTRY"
Insert: "AND POULTRY"
6. Title, line 18.
Following: "~~15-24-302,~~"
Insert: "15-8-201, 15-8-706, 15-24-301, 15-24-302,"
7. Title, line 19.
Strike: "AND"
8. Title, line 20.
Following: "~~81-8-804,~~"
Insert: "81-7-202, 81-7-303, 81-7-305, AND 81-8-804,"
9. Title, line 22.
Following: "~~15-24-911,~~"
Insert: "15-24-901 THROUGH 15-24-906, 15-24-908 THROUGH 15-24-911,"
Strike: "AND"
Insert: ", "
10. Title, line 23.
Following: "~~81-7-118,~~"
Insert: "15-24-926, 15-24-931, 15-24-941 THROUGH 15-24-943, AND 81-7-118,"
11. Page 2, line 4.
Strike: "1"

CONTINUED

12. Page 2, lines 13 through 22.
Strike: lines 13 through 22 in their entirety
13. Page 2, line 23.
Strike: "(C)"
14. Page 3, line 1.
Strike: "(I)"
Insert: "(a)"
15. Page 3, line 3.
Strike: "(II)"
Insert: "(b)"
16. Page 3, line 8.
Strike: "(III)"
Insert: "(c)"
17. Page 3, line 16.
Strike: ", PERISHABLE" through "VEGETABLES"
Insert: "agricultural products"
18. Page 3, lines 18 through 21.
Strike: subsections (b) and (c) in their entirety
19. Page 3, line 25.
Strike: "(D)"
Insert: "(b)"
20. Page 4, line 1.
Strike: "EXCEPT" through "L"
21. Page 4, lines 7 through 10.
Strike: "WHICH" on line 7 through "AND" on line 10
Insert: ", including cattle, sheep, horses, mules, or swine and other animals and wildlife raised in domestication or in a captive environment, and their unprocessed products;"
22. Page 4, line 11.
Strike: "(E)"
Insert: "(c)"
23. Page 4, lines 14 and 15.
Strike: "SWINE" on line 14 through "1" on line 15
Insert: "poultry and the unprocessed products of poultry; and
(d) bees and the unprocessed product of bees"
24. Page 9.
Following: line 12
Insert: "Section 3. Section 15-8-201, MCA, is amended to read:

CONTINUED

"15-8-201. General assessment day. (1) The department of revenue or its agent must, between January 1 and the second Monday of July in each year, ascertain the names of all taxable inhabitants and assess all property subject to taxation in each county. The department or its agent must assess property to the person by whom it was owned or claimed or in whose possession or control it was at midnight of January 1 next preceding. It must also ascertain and assess all mobile homes arriving in the county after midnight of January 1 next preceding. No mistake in the name of the owner or supposed owner of real property, however, renders the assessment invalid.

(2) The procedure provided by this section may not apply to:

(a) motor vehicles that are required by 15-8-202 to be assessed on January 1 or upon their anniversary registration date;

(b) automobiles and trucks having a rated capacity of three-quarters of a ton or less;

(c) motor homes and travel trailers subject to a fee in lieu of property tax;

(d) motorcycles and quadricycles;

~~(e) livestock;~~

~~(f)~~ (e) property defined in 61-1-104 as "special mobile equipment" that is subject to assessment for personal property taxes on the date that application is made for a special mobile equipment plate; and

~~(g)~~ (f) mobile homes held by a distributor or dealer of mobile homes as a part of his stock in trade.

(3) Credits must be assessed as provided in 15-1-101(1)(d)."

Section 4. Section 15-8-706, MCA, is amended to read:

"15-8-706. Statement by agent to the department. (1) On the second Monday in July in each year, the agent of the department of revenue in each county must transmit to the department a statement showing:

(a) the several kinds of personal property;

(b) the average and total value of each kind;

(c) the ~~number of livestock, number of bushels of grain,~~ number of pounds or tons of any article sold by the pound or ton;

(d) when practicable, the separate value of each class of land, specifying the classes and the number of acres in each.

(2) An agent of the department who purposely or negligently fails to perform his duty under this section or a deputy or member of the agent's staff delegated such duty who purposely or negligently fails to perform such duty is guilty of official misconduct under 45-7-401."

Section 5. Section 15-24-301, MCA, is amended to

CONTINUED

read:

"15-24-301. Personal property brought into the state -- 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~~ excluding livestock ~~and, poultry, and bees~~) 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 or a fee in lieu of tax 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 quarter.

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

(6) The provisions of this part do not apply to automobiles and trucks having a rated capacity of three-quarters of a ton or less, motorcycles, or quadricycles. These vehicles are subject to the fee provided

CONTINUED

for in 61-3-532 or 61-3-541."

Section 6. Section 15-24-302, MCA, is amended to read:

"15-24-302. Collection procedure. All property mentioned in 15-24-301 is assessed at the same value as property of like kind and character, and the assessment, levy, and collection of the tax are governed by the provisions of 15-8-408; 15-16-111 through 15-16-115; 15-16-404; chapter 17, part 9; and 15-24-202; as amended, except:-

~~(1) taxation of motor vehicles under 15-24-301(4), to the extent that subsection varies from the general provisions cited above; and~~

~~(2) --livestock taxation governed by 81-7-104 and Title 81, chapter 7, part 2."~~

Renumber: subsequent sections

25. Page 9, line 15.

Following: "poultry"

Insert: "and poultry"

26. Page 9, lines 19 and 20.

Strike: "(EXCEPT" on line 19 through "OLDER" on line 20

Insert: "and poultry"

27. Page 9, line 23.

Following: "poultry"

Insert: "and poultry"

28. Page 10, line 16.

Following: "~~repeated,~~"

Insert: ", 81-7-118 (now repealed),"

29. Page 11, line 6.

Following: "on"

Insert: "poultry, the amount received from the tax levied on"

30. Page 15, lines 3 and 4.

Strike: "9" on line 3 through "OLDER" on line 4

31. Page 15, lines 19 and 20.

Strike: "9" on line 19 through "OLDER" on line 20.

32. Page 16, lines 12 and 13.

Strike: "9" on line 12 through "OLDER" on line 13

33. Page 17, line 20.

Following: "poultry"

Insert: "and poultry"

CONTINUED

34. Page 23.
Following: line 11

Insert: "Section 16. Section 81-7-202, MCA, is amended to read:

"81-7-202. Signers of petition -- time for presenting -- limitation on bounties -- bounty inspectors. (1) The petition provided for in 81-7-201 shall be signed by the owners, agent, or agents of not less than 51% of the livestock of such county ~~as ascertained from the assessment books of such county~~ and shall recommend to the board of county commissioners the bounties to be paid on such predatory animals, which shall not exceed the following:

- (a) on each wolf or mountain lion, \$100;
- (b) on each wolf pup or mountain lion kitten, \$20;
- (c) on one coyote, \$5;
- (d) on each coyote pup, \$2.50.

(2) Such petition shall be presented not later than August 1 of each year, and the board of county commissioners on determining the sufficiency of such petition shall make an order granting such petition, which order shall fix the levy for that year and the amount of the bounties to be paid for the killing of each such predatory animal, which shall not exceed the amounts recommended in such petition, and appoint not less than 10 or more than 20 stockowners of such county to be bounty inspectors under this part, without compensation, who shall hold their offices for 1 year."

Section 17. Section 81-7-303, MCA, is amended to read:

"81-7-303. County commissioners permitted to require per capita license fee on sheep. (1) To defray the expense of such protection the board of county commissioners of any county shall have the power to require all owners or persons in possession of any sheep ~~coming 1-year-old-or-over~~ in the county on the regular assessment date of each year to pay a license fee in an amount to be determined by the board on a per head basis for sheep so owned or possessed by him in the county. All owners or persons in possession of any sheep ~~coming 1-year-old-or-over~~ coming into the county after the regular assessment date ~~and subject to taxation under the provisions of 15-24-301~~ shall also be subject to payment of the license fee herein prescribed.

(2) Upon the order of the board of county commissioners such license fees may be imposed by the entry thereof in the name of the licensee upon the property tax rolls of the county by the county ~~assessor~~ treasurer. Said license fees shall be payable to and collected by the county treasurer, and when so levied, shall be a lien upon the property, both real and personal, of the licensee. In case the person against whom said license fee is levied owns no real estate against which said license fee is or may become

CONTINUED

a lien, then said license fee shall be payable immediately upon its levy and the treasurer shall collect the same in the manner provided by law for the collection of personal property taxes which are not a lien upon real estate.

(3) When collected, said fees shall be placed by the treasurer in the predatory animal control fund and the moneys in said fund shall be expended on order of the board of county commissioners of the county for predatory animal control only."

Section 18. Section 81-7-305, MCA, is amended to read:

"81-7-305. Duty of county commissioners -- petition of sheep owners -- license fees. (1) In conducting a predatory animal control program, the board of county commissioners shall give preference to recommendations for such program and its incidents as made by organized associations of sheep growers in the county. Upon petition of the resident owners of at least 51% of the sheep in the county, ~~as shown by the assessment rolls of the last preceding assessment~~, which petition shall be filed with the board of county commissioners on or before the first Monday in December in any year, such board shall establish the predatory animal control program and cause said licenses to be secured and issued and the fees collected for the following year in such amount as will defray the cost of administering the program so established. The license fee determined and set by the board shall remain in full force and effect from year to year without change, unless there is filed with the board a petition subscribed by the resident owners of at least 51% of the sheep in the county, ~~as shown by the assessment rolls of the last assessment preceding the filing of the petition~~, for termination of the program and repeal of the license fee, in which event the program shall by order of the board of county commissioners be disestablished and the license fee shall not be further levied.

(2) If the resident owners of at least 51% of the sheep in the county either petition for an increase in the license fee or petition for a decrease in the license fee then in force, the board of county commissioners shall upon receipt of any such petition fix a new license fee to continue from year to year and the program shall thereupon continue within the limits of the aggregate amount of the license fee as collected from year to year."

Section 19. Section 81-8-804, MCA, is amended to read:

"81-8-804. Assessments -- refunds. (1) There is levied, ~~in addition to the tax on livestock prescribed in Title 15, Chapter 24, part 9,~~ a per head tax of 25 cents on each head of cattle that ~~is more than 9 months of age and is~~ owned or possessed within a county for the support and maintenance of research into beef production as provided in

CONTINUED

this part. The tax shall be paid to the county treasurer of that county on or before March 1 of each year.

(2) The tax required in subsection (1) must be paid for each head of cattle that ~~is more than 9 months of age and~~ is brought into the county after March 1 ~~and is subject to taxation and assessment under 15-24-301.~~

(3) Each county is entitled to receive \$250 annually as reimbursement for the administration of this section.

(4) A person who has paid the tax required by this section may obtain a refund of the tax upon submission of a written request to the department. The application must be made within 30 days after the payment of the tax and on forms furnished by the department. The department shall, upon receipt of a timely and otherwise properly submitted refund request, refund the tax."

Renumber: subsequent sections

35. Page 23, line 13.

Following: "~~15-24-911~~7"

Insert: "15-24-901 through 15-24-906, 15-24-908 through 15-24-911,"

36. Page 23, line 14.

Strike: "AND"

Insert: ", "

37. Page 23, line 15.

Following: "~~81-7-118~~,"

Insert: "15-24-926, 15-24-931, 15-24-941 through 15-24-943, and 81-7-118,"

CONFERENCE COMMITTEE REPORT

Report No. 2 One

April 22, 1987

April 22, 1987

MR. PRESIDENT

We, your Free Conference Committee on

Senate Bill No. 340

met and considered House Taxation Committee amendments to the third

reading copy dated April 7, 1987, and

House Committee of the Whole amendments to the third

reading copy dated April 10, 1987

We recommend as follows:

That Senate Bill No. 340, reference copy, be amended as indicated in the instructions

And that this Conference Committee report be adopted.

FOR THE SENATE

Edward Severson
Severson
Tom Hager
Hager
Les Hirsch
Hirsch

ADOPT REJECT

FOR THE HOUSE

Dean Switzer
Switzer
John Patterson
Patterson
Fred Koehnke
Koehnke

Instructions:

1. Title, line 11.
Following: "~~POULTRY~~,"
Insert: "BEES, POULTRY,"
2. Title, line 13.
Strike: "20"
Insert: "24"
3. Title, line 15.
Following: "~~POULTRY~~"
Insert: ", POULTRY, AND BEES"
4. Title, line 16.
Following: "~~POULTRY~~"
Insert: ", POULTRY, AND BEE"
5. Page 2, line 13.
Strike: ", POULTRY, BEES,"
6. Page 4, line 8.
Strike: "20"
Insert: "24"
7. Page 4, line 10.
Strike: "AND"
8. Page 4, line 15.
Following: "JANUARY 1"
Insert: ";
(f) poultry and the unprocessed products of poultry; and
(g) bees and the unprocessed product of bees"
9. Page 9, line 18.
Strike: "livestock"
Insert: "poultry and bees,"
10. Page 9, line 19.
Strike: "(EXCEPT SWINE) 9 MONTHS OF AGE OR OLDER AND ON"

CONTINUED

April 22, 19. 87

11. Page 9, line 20.

Following: "OLDER"

Insert: ", and all other livestock 9 months of age or older"

12. Page 10, line 2.

Following: "swine,"

Insert: "poultry, bees,"

13. Page 10, line 20.

Following: "~~SECTION-10~~"

Insert: "and for reimbursement to the counties pursuant to
15-24-925 for collection of the levy"

14. Page 10, line 22.

Strike: "Transmission"

Insert: "Reimbursement to county--transmission"

15. Page 10, line 24.

Strike: "THE"

Insert: "(1) The county treasurer may withhold 2% of the money
received under 15-24-921 as reimbursement to the county for
the collection of the levy on livestock.

(2) Except for the amount withheld under subsection
(1), the"

APRIL 7 19 87

Mr. Speaker: We, the committee on HOUSE TAXATION

report SENATE BILL NO. 340

do pass be concurred in as amended
 do not pass be not concurred in statement of intent attached

Be amended as follows:

Ramirez
Representative Jack Ramirez, Chairman

1. Title, lines 8 and 9
Following: "ACT" on line 8
Strike: remainder of line 8 through line 9 in its entirety
Insert: "EXEMPTING FROM PROPERTY TAXATION PRODUCER-HELD GRAIN IN"
2. Title, line 10
Following: "STORAGE,"
Strike: "AND ON BEES, POULTRY,"
Following: "LIVESTOCK"
Strike: remainder of line 10 through "LAWS" on line 14
Insert: "LESS THAN 20 MONTHS OF AGE, AND SWINE LESS THAN 6 MONTHS OF AGE"
3. Title, line 15
Following: "15-6-136"
Strike: ", "
Insert: "AND"
Following: "15-6-207,"
Strike: remainder of line 15 through "81-7-118," on line 21
4. Title, line 22
Strike: "CONTINGENT"
Insert: "DELAYED"
5. Page 2, line 2.
Following: "+"
Insert: "."
6. Page 2, line 11.
Following: line 10
Insert: "(a) livestock, poultry, bees, and other species of domestic animals and wildlife raised in domestication or a captive environment, except for cats, dogs, and other household pets not raised for profit, and the unprocessed products of such animals and wildlife;
(b) all unprocessed agricultural products on the farm or in storage except:
(i) all perishable fruits and vegetables in farm

April 7 19 87

storage and owned by the producer; and
(ii) all producer-held grain in storage;"

7. Page 2, line 11.
Following: "+e)"
Insert: "(c)"
8. Page 2, line 14
Strike: "(a)"
Insert: "(i)"
9. Page 2, line 16.
Strike: "(b)"
Insert: "(ii)"
10. Page 2, line 21.
Strike: "(C)"
Insert: "(iii)"
11. Page 3, line 4.
Strike: "agricultural products"
Insert: "perishable fruits and vegetables"
12. Page 3, line 6.
Following: line 5
Insert: "(b) all producer-held grain in storage;"
(c) all nonperishable unprocessed agricultural products, except livestock, held in possession of the original producer for less than 7 months following harvest;"
Renumber: subsequent subsections
13. Page 3, line 9.
Following: "(b)"
Insert: "except as provided in subsection (1) (e),"
14. Page 3, line 13.
Following: "+a)"
Strike: remainder of line 13 through line 15 in its entirety
Insert: "which have not attained the age of 20 months as of the last day of any month if assessed on the average inventory basis or on March 1 if assessed as provided in 15-24-911(1(a); and"

April 7 19 87

15. Page 3, lines 18 through 20.
Following: "~~January-1~~"
Strike: remainder of line 18 through "of bees" on line 20
Insert: "swine which have not attained the age of 6 months
as of January 1"
16. Page 4, line 4 through page 22, line 14
Strike: sections 3 through 22 in their entirety
Renumber: subsequent sections
17. Page 22, lines 16 and 17
Following: "revenue" on line 16
Strike: remainder of line 16 through "board of livestock"
on line 17
18. Page 22, lines 21 through 23
Following: "~~1988~~" on line 21
Strike: remainder of line 21 through "~~act~~" on line 23
Insert: "January 1, 1988"

CARRIED BY REP. PATTERSON

RAMIREZ
Rep. Jack Ramirez Chairman
Chairman.

HOUSE

4-10-87
DATE
9:00
TIME

SB 340
Page 2 of 3

MR CHAIRMAN I MOVE TO AMEND SB 340

3rd reading copy (blue) as follows.
Color

PASSED

AMENDING THE HOUSE TAXATION STANDING COMMITTEE REPORT
DATED APRIL 7, 1987, WHICH AMENDED SENATE BILL NO. 340.

1. Instruction No. 2, line 5.
Following: "through"
Strike: "'LAWS" on line 14"
Insert: "'ENVIRONMENT" on line 12"

2. Instruction No. 3.
Strike: lines 2, 3, and 4
Following: "through" on line 6
Strike: "'81-7-118," on line 21"
Insert: "'15-24-302," on line 16"

3. Instruction No. 16, line 1.
Following: "through"
Strike: "page 22, line 14"
Insert: "page 8, line 17"
Following: "through" on line 2
Strike: "22"
Insert: "6"

4. Instruction No. 17.
Strike: Instruction No. 17 in its entirety

AMENDMENTS TO SENATE BILL NO. 340

5. Title, line 13.
Strike: "AND POULTRY"

6. Title, line 14.
Strike: "AND POULTRY"

7. Title, line 17.
Following: "81-7-103"
Strike: ", "
Insert: "AND"

8. Title, line 18.
Strike: "81-7-202," through "81-8-804,"

CONTINUED

Devlin
Rep. Devlin

ADOPT
REJECT

9. Title, line 19.
Following: "SECTIONS"
Strike: "15-24-901" through "15-24-911," on line 20

10. Title, lines 20 and 21.
Following: "15-24-923"
Strike: ", "
Insert: "AND"
Strike: "15-24-926," through "81-7-118," on line 21

11. Page 8, line 20.
Strike: "and poultry"

12. Page 8, line 23.
Following: "levied"
Insert: "by the county assessor"
Strike: "and poultry in"
Insert: "(except swine) 9 months of age or older and on all swine 3 months of age or older in each county of"

13. Page 9, line 1.
Strike: "and poultry"

14. Page 9, line 9.
Following: "prescribe the"
Insert: "amount of the"

15. Page 9, line 10.
Strike: "and poultry"

16. Page 9, line 15.
Strike: "less than 100% or"
Following: "the"
Insert: "average annual"

17. Page 9, line 16.
Following: "generated"
Insert: "in the 3 previous years, beginning with revenue generated"
Following: "81-7-104"
Strike: ", 81-7-118 (now repealed),"

18. Page 9, line 17.
Strike: "1986"
Strike: "year"
Insert: "years 1985, 1986, and 1987"

19. Page 9, lines 19 and 20.
Following: "taxes" on line 19
Strike: remainder of line 19 through "10]" on line 20

CONTINUED

(235)

SB 340
Page 3 of 3

20. Page 9, lines 23 and 24.
Following: "the"
Strike: remainder of line 23 through "the" on line 24
Insert: "The"
21. Page 10, lines 5 and 6.
Following: "on" on line 5
Strike: remainder of line 5 through "on" on line 6
22. Page 10, lines 12 through page 12, line 4.
Strike: sections 10 and 11 in their entirety
Renumber: subsequent sections
23. Page 14, line 3.
Following: "cattle"
Insert: "9 months of age or older"
24. Page 14, lines 11 through line 14.
Following: "part." on line 11
Strike: remainder of line 11 through line 14
25. Page 14, line 19.
Following: "cattle"
Insert: "9 months of age or older"
26. Page 15, lines 3 through line 6.
Following: "part." on line 3
Strike: remainder of line 3 through line 6
27. Page 15, line 11.
Following: "cattle"
Insert: "9 months of age or older"
28. Page 15, lines 19 through line 22.
Following: "part." on line 19
Strike: remainder of line 19 through line 22
29. Page 16, line 19.
Strike: "and poultry"
30. Page 18, line 1 through page 22, line 10.
Strike: sections 18 through 21 in their entirety
Renumber: subsequent sections
31. Page 22, lines 11 and 12.
Following: "Sections"
Strike: Remainder of line 11 through "15-24-911," on line 12
Following: "15-24-923"
Strike: ", "
Insert: "and"
32. Page 22, lines 13 and 14.
Following: "15-24-924,"
Strike: remainder of line 13 through "81-7-118,"

SENATE BILL NO. 340

INTRODUCED BY SEVERSON, CODY, PATTERSON, MCCALLUM, TVEIT, HOFMAN, FARRELL, HAMMOND, GRADY, E. SMITH, COMPTON, HIRSCH, LYBECK, BISHOP, HAGER, HARDING, SCHYE, SWITZER, STORY, GALT, THAYER, ANDERSON, DEVLIN, CRIPPEN

A BILL FOR AN ACT ENTITLED: "AN ACT ELIMINATING AB-VAEOREM TAXES--ON--ALL--UNPROCESSED--AGRICULTURAL--PRODUCTS--IN-FARM EXEMPTING FROM PROPERTY TAXATION PRODUCER-HELD GRAIN IN STORAGE, AND--ON--BEES, POULTRY, BEES, POULTRY, LIVESTOCK--AND OTHER--ANIMALS,--AND--WILDLIFE--RAISED--IN--DOMESTICATION--OR--IN--A CAPTIVE--ENVIRONMENT LESS THAN 20 24 MONTHS OF AGE, AND SWINE LESS THAN 6 MONTHS OF AGE; CHANGING THE ADDITIONAL TAXES LEVIED ON LIVESTOCK TO A PER CAPITA TAX ON LIVESTOCK AND POULTRY, POULTRY, AND BEES TO PAY THE EXPENSE OF ENFORCING THE LIVESTOCK AND--POULTRY, POULTRY, AND BEE LAWS; AMENDING SECTIONS 15-6-136, 15-6-207, 15-8-201, 15-8-706, 15-24-301, 15-24-302, 15-24-921, 15-24-922, 15-24-925, 81-6-101, 81-6-104, 81-6-204, 81-6-209, 81-7-103, AND 81-7-104, 81-7-202, 81-7-303, 81-7-305, AND 81-8-004, MCA; REPEALING SECTIONS 15-24-901--THROUGH--15-24-906,--15-24-908--THROUGH 15-24-911, 15-24-923, AND 15-24-924, 15-24-926, 15-24-931, 15-24-941--THROUGH--15-24-943,--AND--81-7-118, MCA; AND PROVIDING A BELAYED CONTINGENT DELAYED EFFECTIVE DATE."

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA: Section 1. Section 15-6-136, MCA, is amended to read: "15-6-136. Class six property -- description -- taxable percentage. (1) Class six property includes: (a) livestock, poultry, bees, and other species of domestic animals and wildlife raised in domestication or a captive environment, except for cats, dogs, and other household pets not raised for profit, and the unprocessed products of such animals and wildlife; (b) all unprocessed agricultural products on the farm or in storage except all perishable fruits and vegetables in farm storage and owned by the producer; (A) LIVESTOCK, POULTRY, BEES, AND OTHER SPECIES OF DOMESTIC ANIMALS AND WILDLIFE RAISED IN DOMESTICATION OR A CAPTIVE ENVIRONMENT, EXCEPT FOR CATS, DOGS, AND OTHER HOUSEHOLD PETS NOT RAISED FOR PROFIT, AND THE UNPROCESSED PRODUCTS OF SUCH ANIMALS AND WILDLIFE; (B) ALL UNPROCESSED AGRICULTURAL PRODUCTS ON THE FARM OR IN STORAGE EXCEPT: (I) ALL PERISHABLE FRUITS AND VEGETABLES IN FARM STORAGE AND OWNED BY THE PRODUCER; AND (II) ALL PRODUCER-HELD GRAIN IN STORAGE; (c) (C) items of personal property intended for lease in the ordinary course of business, provided each item of



1 personal property satisfies all of the following:

2 ~~(i)(a)~~(I) the full and true value of the personal
3 property is less than \$5,000;

4 ~~(ii)(b)~~(II) the personal property is owned by a
5 business whose primary business income is from rental or
6 lease of personal property to individuals wherein no one
7 customer of the business accounts for more than 10% of the
8 total rentals or leases during a calendar year; and

9 ~~(iii)(c)~~(III) the lease of the personal property is
10 generally on an hourly, daily, or weekly basis.

11 (2) Class six property is taxed at 4% of its market
12 value."

13 Section 2. Section 15-6-207, MCA, is amended to read:

14 "15-6-207. Agricultural exemptions. (1) The following
15 agricultural products are exempt from taxation:

16 (a) ~~all unprocessed, perishable fruits and vegetables~~
17 agricultural products, PERISHABLE FRUITS AND VEGETABLES in
18 farm storage and owned by the producer;

19 (B) ALL PRODUCER-HELD GRAIN IN STORAGE;

20 (C) ALL NONPERISHABLE, UNPROCESSED AGRICULTURAL
21 PRODUCTS, EXCEPT LIVESTOCK, HELD IN POSSESSION OF THE
22 ORIGINAL PRODUCER FOR LESS THAN 7 MONTHS FOLLOWING HARVEST;

23 ~~(b) all nonperishable unprocessed agricultural~~
24 ~~products except livestock held in possession of the~~
25 ~~original producer for less than 7 months following harvest;~~

1 ~~(c)(b)~~(D) ~~except as provided in subsection (i)(d);~~
2 EXCEPT AS PROVIDED IN SUBSECTION (1)(E), livestock which
3 have not attained the age of 9 months as of the last day of
4 any month if assessed on the average inventory basis or on
5 March 1 if assessed as provided in 15-24-911(i)(a);
6 including cattle, sheep, horses, mules, or swine and other
7 animals and wildlife raised in domestication or in a captive
8 environment, and their unprocessed products; and WHICH HAVE
9 NOT ATTAINED THE AGE OF 20 24 MONTHS AS OF THE LAST DAY OF
10 ANY MONTH IF ASSESSED ON THE AVERAGE INVENTORY BASIS OR ON
11 MARCH 1 IF ASSESSED AS PROVIDED IN 15-24-911(1)(A); AND

12 ~~(d)(c)~~(E) ~~swine which have not attained the age of 3~~
13 ~~months as of January 1 poultry and the unprocessed products~~
14 ~~of poultry; and~~

15 ~~(d) bees and the unprocessed product of bees~~ SWINE
16 WHICH HAVE NOT ATTAINED THE AGE OF 6 MONTHS AS OF JANUARY 1;

17 (F) POULTRY AND THE UNPROCESSED PRODUCTS OF POULTRY;

18 AND

19 (G) BEEES AND THE UNPROCESSED PRODUCT OF BEEES.

20 (2) Any beet digger, beet topper, beet defoliator,
21 beet thinner, beet cultivator, beet planter, or beet top
22 saver designed exclusively to plant, cultivate, and harvest
23 sugar beets is exempt from taxation if such implement has
24 not been used to plant, cultivate, or harvest sugar beets
25 for the 2 years immediately preceding the current assessment

1 date and there are no available sugar beet contracts in the
2 sugar beet grower's marketing area."

3 Section 3, Section 15-8-201, MCA, is amended to read:

4 "15-8-201. General assessment day. (1) The department
5 of revenue or its agent must, between January 1 and the
6 second Monday of July in each year, ascertain the names of
7 all taxable inhabitants and assess all property subject to
8 taxation in each county. The department or its agent must
9 assess property to the person by whom it was owned or
10 claimed or in whose possession or control it was at midnight
11 of January 1 next preceding. It must also ascertain and
12 assess all mobile homes arriving in the county after
13 midnight of January 1 next preceding. No mistake in the name
14 of the owner or supposed owner of real property, however,
15 renders the assessment invalid.

16 (2) The procedure provided by this section may not
17 apply to:

18 (a) motor vehicles that are required by 15-8-202 to be
19 assessed on January 1 or upon their anniversary registration
20 date;

21 (b) automobiles and trucks having a rated capacity of
22 three-quarters of a ton or less;

23 (c) motor homes and travel trailers subject to a fee
24 in lieu of property tax;

25 (d) motorcycles and quadricycles;

1 (e) livestock;

2 (f) ~~(e)~~ property defined in 61-1-104 as "special mobile
3 equipment" that is subject to assessment for personal
4 property taxes on the date that application is made for a
5 special mobile equipment plate; and

6 (g) ~~(f)~~ mobile homes held by a distributor or dealer of
7 mobile homes as a part of his stock in trade;

8 (3) Credits must be assessed as provided in
9 15-1-101(1)(d)."

10 Section 4, Section 15-8-706, MCA, is amended to read:

11 "15-8-706. Statement by agent to the department. (1)
12 On the second Monday in July in each year, the agent of the
13 department of revenue in each county must transmit to the
14 department a statement showing:

15 (a) the several kinds of personal property;

16 (b) the average and total value of each kind;

17 (c) the number of livestock, number of bushels of
18 grain, number of pounds or tons of any article sold by the
19 pound or ton;

20 (d) when practicable, the separate value of each class
21 of land, specifying the classes and the number of acres in
22 each;

23 (2) An agent of the department who purposely or
24 negligently fails to perform his duty under this section or
25 a deputy or member of the agent's staff delegated such duty

1 who--purposefully--or--negligently--fails--to--perform--such--duty--is
2 guilty--of--official--misconduct--under--45-7-401."#

3 Section-5;--Section-15-24-301;--MCA;--is--amended--to--read:
4 "#15-24-301;--Personal--property--brought--into--the--state
5 ---assessment-----exceptions-----custom--combine--equipment;
6 (1)--Except--as--provided--in--subsections--(2)--through--(6);
7 property--in--the--following--cases--is--subject--to--taxation--and
8 assessment--for--all--taxes--levied--that--year--in--the--county--in
9 which--it--is--located;

10 (a)--any--personal--property--(including excluding
11 livestock and poultry; AND BEES)--brought;--driven;--or--coming
12 into--this--state--at--any--time--during--the--year--that--is--used--in
13 the--state--for--hire;--compensation;--or--profit;

14 (b)--property--whose--owner--or--user--is--engaged--in--gainful
15 occupation--or--business--enterprise--in--the--state;--or

16 (c)--property--which--comes--to--rest--and--becomes--a--part--of
17 the--general--property--of--the--state;

18 (2)--The--taxes--on--this--property--are--levied--in--the--same
19 manner--and--to--the--same--extent;--except--as--otherwise--provided;
20 as--though--the--property--had--been--in--the--county--on--the--regular
21 assessment--date;--provided--that--the--property--has--not--been
22 regularly--assessed--for--the--year--in--some--other--county--of--the
23 state;

24 (3)--Nothing--in--this--section--shall--be--construed--to--levy
25 a--tax--against--a--merchant--or--dealer--within--this--state--on

1 goods;--wares;--or--merchandise--brought--into--the--county--to
2 replenish--the--stock--of--the--merchant--or--dealer;

3 (4)--Any--motor--vehicle--not--subject--to--the--light--vehicle
4 license--fee--or--a--fee--in--lieu--of--tax--brought;--driven;--or
5 coming--into--this--state--by--any--nonresident--person--temporarily
6 employed--in--Montana--and--used--exclusively--for--transportation
7 of--such--person--is--subject--to--taxation--and--assessment--for
8 taxes--as--follows:

9 (a)--The--motor--vehicle--is--taxed--by--the--county--in--which
10 it--is--located;

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

15 (c)--The--quarterly--taxes--are--due--the--first--day--of--the
16 quarter;

17 (5)--Agricultural--harvesting--machinery--classified--under
18 class--eight;--licensed--in--other--states;--and--operated--on--the
19 lands--of--persons--other--than--the--owner--of--the--machinery--under
20 contracts--for--hire--shall--be--subject--to--a--fee--in--lieu--of
21 taxation--of--\$35--per--machine--for--the--calendar--year--in--which
22 the--fee--is--collected;--The--machines--shall--be--subject--to
23 taxation--under--class--eight--only--if--they--are--sold--in--Montana;

24 (6)--The--provisions--of--this--part--do--not--apply--to
25 automobiles--and--trucks--having--a--rated--capacity--of

1 three-quarters--of--a--ton--or--less,--motorcycles,--or
 2 quadricycles. These vehicles are subject to the fee provided
 3 for in 61-3-532 or 61-3-541."

4 Section 6. Section 15-24-302, MCA, is amended to read:
 5 "15-24-302. Collection--procedure. All--property
 6 mentioned in 15-24-301 is assessed--at--the--same--value--as
 7 property--of--like--kind--and--character, and the assessment,
 8 levy, and collection of the tax are governed by the
 9 provisions--of--15-8-408, 15-16-111 through 15-16-115,
 10 15-16-404, chapter 17, part 9, and 15-24-202, as amended,
 11 except:

12 (1) taxation of motor vehicles under 15-24-301(4) to
 13 the extent that subsection varies--from--the--general
 14 provisions cited above; and

15 (2) livestock taxation governed by 81-7-104 and Title
 16 81, chapter 7, part 2."

17 Section 3. Section 15-24-921, MCA, is amended to read:
 18 "15-24-921. Additional per capita tax levy to pay
 19 expense expenses of enforcing stock livestock and poultry
 20 laws. (1) In addition to appropriations made for such
 21 purposes, a per capita tax is hereby authorized and directed
 22 to be levied BY THE COUNTY ASSESSOR on all livestock POULTRY
 23 AND BEES, and poultry in (EXCEPT SWINE) 9 MONTHS OF AGE OR
 24 OLDER AND ON ALL SWINE 3 MONTHS OF AGE OR OLDER, AND ALL
 25 OTHER LIVESTOCK 9 MONTHS OF AGE OR OLDER IN EACH COUNTY OF

1 this state for the purpose of aiding in the payment of the
 2 salaries and all expenses connected with the enforcement of
 3 the stock livestock and poultry laws of the state and for
 4 the payment of bounties on wild animals as hereinafter
 5 specified.

6 (2) As used in this section, "livestock" means cattle,
 7 sheep, swine, POULTRY, BEES, goats, horses, mules, and
 8 asses."

9 Section 4. Section 15-24-922, MCA, is amended to read:
 10 "15-24-922. Department Board of livestock to prescribe
 11 per capita levy. (1) The department of revenue is hereby
 12 empowered and it is made its duty to board of livestock
 13 shall annually prescribe the AMOUNT OF THE per capita levy
 14 to be made against livestock and poultry of all classes for
 15 the purpose above indicated, and the board of livestock has
 16 the right to recommend to said department the amount of such
 17 levy in 15-24-921.

18 (2) The per capita tax levy must be calculated each
 19 year to provide not less than 100% or more than 110% of the
 20 AVERAGE ANNUAL revenue that was generated IN THE 3 PREVIOUS
 21 YEARS, BEGINNING WITH REVENUE GENERATED by 81-7-104,
 22 81-7-110 (now repealed), and this section in the 1986
 23 taxable year YEARS 1985, 1986, AND 1987. The calculation
 24 shall apply a reasonable factor for nonpayment and late
 25 payment of taxes AND FOR THE COLLECTION OF TAX PURSUANT TO

~~{SECTION 10}~~ AND FOR REIMBURSEMENT TO THE COUNTIES PURSUANT TO 15-24-925 FOR COLLECTION OF THE LEVY."

Section 5. Section 15-24-925, MCA, is amended to read:

"15-24-925. ~~Transmission~~ REIMBURSEMENT TO COUNTY -- TRANSMISSION of taxes from county to state treasurer. ~~The~~ Except--for--the--amount--withheld--under--{section-10};--the THE (1) THE COUNTY TREASURER MAY WITHHOLD 2% OF THE MONEY RECEIVED UNDER 15-24-921 AS REIMBURSEMENT TO THE COUNTY FOR THE COLLECTION OF THE LEVY ON LIVESTOCK.

(2) EXCEPT FOR THE AMOUNT WITHHELD UNDER SUBSECTION (1), THE taxes levied and the money collected pursuant to the provisions of ~~15-24-923~~ 15-24-922 shall be transmitted with other taxes for state purposes to the state treasury by the county treasurer of each county, as provided in 15-1-504, but not later than July 1 following assessment. The county treasurer shall designate the amount received from the tax levied on ~~poultry~~, the amount received from the tax levied on sheep, and the amount received from the tax levied on all other livestock and shall specify said the separate amounts in his report to the state treasurer. Such The money, when received by the state treasurer, shall be placed deposited to the credit of the funds as provided in ~~15-24-924~~ the department of livestock."

NEW SECTION:--Section 10.--Collection--of--tax:--(1)--On or before January 15 of each year, an owner of poultry or of

livestock or his agent shall make and deliver to the county assessor in the county where the owner or agent resides or, if neither resides in the state, in the county where the majority of the owner's poultry or livestock is located BOARD OF LIVESTOCK a verified statement showing, as of January 1, the number of each kind of poultry or livestock within the state belonging to him or under his charge, with their marks and brands.

(2) The county assessor BOARD OF LIVESTOCK shall compile the poultry and livestock reports received under subsection (1) and forward THE BOARD OF LIVESTOCK SHALL COMPILE a summary of the information to the board of livestock on or before February 1 following receipt of the reports.

(3) Upon notification of AFTER the amount of levy is set by the board of livestock under 15-24-922, the county assessor BOARD shall send to each owner or agent who filed a report a statement indicating the total amount due under the levy for the year, the fact that payment is to be made to the county treasurer on or before June 1 following assessment of the tax, and the penalties and lien provisions that apply pursuant to {section 11}.

(4) The county treasurer may withhold 2% of the money received under {section 11} and this section as reimbursement to the county for the collection of the tax on

1 poultry-and-livestock;
 2 NEW SECTION;--Section 11,--Penalty-for-failure-to--file
 3 poultry--or--livestock-report---lien-upon-real-and-personal
 4 property;--(1)--if-a-person-who-is-the-owner-of--poultry--or
 5 livestock--within--the-state-fails-to-make-or-have-his-agent
 6 make-the-report-as-required--in--[section-10]--the county
 7 assessor BOARD--OF--LIVESTOCK may, after 10 days' notice to
 8 the person who failed to file the report, assess the tax
 9 imposed under 15-24-921, based on the assessor's BOARD'S
 10 estimate of the number of poultry or livestock owned by the
 11 person in the state, and may add a 10% penalty.
 12 (2)--The tax imposed under 15-24-921 is a lien upon
 13 both real and personal property of the poultry or livestock
 14 owner who fails to pay the tax on or before June 1 following
 15 assessment of the tax and is collectable under the tax lien
 16 enforcement provisions of Title 15.
 17 Section 6. Section 81-6-101, MCA, is amended to read:
 18 "81-6-101. Petition for county livestock protective
 19 committee -- members -- term. (1) The board of county
 20 commissioners must, upon receipt of a petition or petitions
 21 to do so, set up a county livestock protective committee of
 22 three members. The petition or petitions must be signed by
 23 at least 51% of the owners of cattle in the county and such
 24 petitioners owning must own at least 55% of the cattle as
 25 shown by the most recent completed assessment records of the

1 county assessor, set up a county livestock protective
 2 committee of three members in the county.
 3 (2) Members appointed to serve on such committee shall
 4 be residents of the county engaged in the business of
 5 raising cattle. If there be in the county any organization
 6 of cattle growers, the county commissioners shall give
 7 preference to names submitted by any such group for
 8 appointment to such committee. The term for which said
 9 committee members shall be appointed shall be 2 years with
 10 two members of the first committee named to serve for 2
 11 years, one member to serve for 1 year. Members of such
 12 committee shall receive no remuneration or reimbursement for
 13 expenses for serving on said committee.
 14 (3) By "organization of cattle growers", as used in
 15 this section, is meant any group or organization holding
 16 regular meetings at least annually, having officers, and
 17 composed predominantly of cattle growers resident in the
 18 county, with its membership open to cattle growers willing
 19 to abide by its governing rules or bylaws, and its general
 20 purpose being the promotion of the interests of its members
 21 in matters pertaining to the cattle or livestock industry.
 22 (4) If owners of sheep in the county desire to come
 23 under the provisions of this part in cooperation with owners
 24 of cattle, they shall file a like petition to that set out
 25 herein for owners of cattle, and in such case at least one

1 member of said livestock protective committee shall be a
 2 sheep grower and where the word "cattle" appears in this
 3 part, it shall be deemed to comprehend also the word
 4 "sheep".

5 (5) Owners of sheep alone may form a county livestock
 6 protective committee, in which case the word "cattle" as in
 7 this part contained shall be considered as if it were the
 8 word "sheep"; and provided further that the levy as provided
 9 in 81-6-104 hereof shall, in the case of sheep, not exceed 5
 10 cents per head."

11 Section 7. Section 81-6-104, MCA, is amended to read:

12 "81-6-104. Tax levy -- special fund. Said The county
 13 livestock protective committee may recommend to the board of
 14 county commissioners the levy of a tax in an amount not to
 15 exceed 50 cents per head on all assessable cattle 9 MONTHS
 16 OF AGE OR OLDER in the county on January 1, and the board
 17 of county commissioners shall thereupon be empowered to levy
 18 such tax, to be collected as other taxes on personal
 19 property and when collected to be deposited by the county
 20 treasurer in a special fund to be known as the stockmen's
 21 special deputy fund, together with any other funds made
 22 available from county, state, federal, or private sources
 23 for the purposes of this part. THE BOARD OF LIVESTOCK SHALL
 24 PROVIDE THE BOARD OF COUNTY COMMISSIONERS OF EACH COUNTY
 25 WITH THE NUMBER OF CATTLE IN THE COUNTY ON JANUARY 1 FOR

1 PURPOSES OF LEVYING THE TAX SPECIFIED IN THIS SECTION."

2 Section 8. Section 81-6-204, MCA, is amended to read:

3 "81-6-204. Tax levy -- deposit of proceeds. Said The
 4 district cattle protective committee may recommend to the
 5 board of county commissioners the levy of a tax in an amount
 6 not to exceed 50 cents per head on all assessable cattle 9
 7 MONTHS OF AGE OR OLDER in the district on January 1, and the
 8 board of county commissioners shall thereupon be empowered
 9 to levy such tax, to be collected as other taxes on personal
 10 property and when collected to be deposited in the county
 11 treasury of one of the counties in the district, to be
 12 selected by the district cattle protective committee, in a
 13 special fund to be known as the stockmen's special deputy
 14 fund, together with any other funds made available from
 15 county, state, federal, or private sources for the purposes
 16 of this part. THE BOARD OF LIVESTOCK SHALL PROVIDE THE
 17 BOARD OF COUNTY COMMISSIONERS IN EACH COUNTY WITH THE NUMBER
 18 OF CATTLE IN THE COUNTY ON JANUARY 1 FOR PURPOSES OF
 19 IMPLEMENTING THIS SECTION."

20 Section 9. Section 81-6-209, MCA, is amended to read:

21 "81-6-209. Tax levy -- deposit of proceeds. Said The
 22 district cattle protective committee may recommend to the
 23 board of county commissioners the levy of a tax in an amount
 24 not to exceed 50 cents per head on all assessable cattle 9
 25 MONTHS OF AGE OR OLDER in the district on January 1, and the

1 board of county commissioners shall thereupon be empowered
 2 to levy such tax, to be collected as other taxes on personal
 3 property and when collected to be deposited in the county
 4 treasury in a special fund to be known as the stockmen's
 5 special deputy fund, together with any other funds made
 6 available from county, state, federal, or private sources
 7 for the purposes of this part. ~~THE BOARD OF LIVESTOCK SHALL~~
 8 ~~PROVIDE--THE--BOARD--OF--COUNTY--COMMISSIONERS--IN--EACH--COUNTY~~
 9 ~~WITH--THE--NUMBER--OF--CATTLE--IN--THE--COUNTY--ON--JANUARY--1--FOR~~
 10 ~~PURPOSES--OF--IMPLEMENTING--THIS--SECTION--"~~

11 Section 10. Section 81-7-103, MCA, is amended to read:

12 "81-7-103. Administration of funds by the department.
 13 The department shall administer and expend for predatory
 14 animal extermination and control all money which is made
 15 available to it, including the money ~~from the levy~~ allocated
 16 for this purpose under 81-7-104 and all money which is made
 17 available to the department by appropriations made by the
 18 legislature for predatory animal control by the department.
 19 The department shall expend the funds for predatory animal
 20 control by all effective means responsive to the necessities
 21 of control in various areas of the state, including
 22 employment of hunters, trappers, and other personnel,
 23 procurement of traps, poisons, equipment, and supplies, and
 24 payment of bounties in the discretion of the department at
 25 those times of the year it considers advisable."

1 Section 11. Section 81-7-104, MCA, is amended to read:

2 "81-7-104. ~~Levy for predator~~ Predator control moneys
 3 -- use of proceeds. (1) The department of ~~revenue shall~~
 4 ~~annually levy an ad valorem tax on all livestock in the~~
 5 ~~state of Montana~~ livestock shall allocate a portion of the
 6 money from the levy under 15-24-921 for the purpose of
 7 protecting them livestock and poultry in the state against
 8 destruction, depredation, and injury by wild animals,
 9 whether the livestock is on lands in private ownership, in
 10 the ownership of the state, or in the ownership of the
 11 United States, including open ranges and all lands in or of
 12 the public domain. This protection may be by any means of
 13 effective predatory animal destruction, extermination, and
 14 control, including systematic hunting and trapping and
 15 payment of bounties. ~~The tax levy may not exceed in any one~~
 16 ~~year 15 mills on the taxable value of all sheep and 10 mills~~
 17 ~~on the taxable value of other livestock.~~

18 (2) ~~The moneys received from the tax levies shall be~~
 19 ~~transmitted monthly with other taxes for state purposes by~~
 20 ~~the county treasurer of each county to the state treasury.~~
 21 ~~The state treasurer shall place the money in the state~~
 22 ~~special revenue fund with the other moneys as provided in~~
 23 ~~81-7-119. The moneys~~ Money shall thereafter be paid out only
 24 on claims duly and regularly presented to the department of
 25 livestock and approved by the department in accordance with

1 the law applicable either to claims for bounties or for
 2 other expenditures necessary and proper for predatory animal
 3 control by means and methods other than payment of bounties,
 4 as determined by the department. ~~All the moneys~~ Money
 5 designated for predator control shall be available for the
 6 payment of bounty claims and for expenditures for planned,
 7 seasonal, or other campaigns directed or operated by the
 8 department in cooperation with other agencies for the
 9 systematic destruction, extermination, and control of
 10 predatory wild animals, as determined by the department and
 11 its advisory committee. No claims may be approved in excess
 12 of moneys available for such purposes, and no warrants may
 13 be registered against the moneys."

14 Section 18:--Section 81-7-202, MCA, is amended to read:

15 "81-7-202. Signers of petition---time for presenting
 16 ---limitation on bounties----bounty inspectors,--(1)--The
 17 petition--provided--for--in--81-7-201 shall be signed by the
 18 owners, agent, or agents of not less than 51% of the
 19 livestock of such county as ascertained from the assessment
 20 books of such county and shall recommend to the board of
 21 county commissioners the bounties to be paid on such
 22 predatory animals, which shall not exceed the following:

- 23 (a) on each wolf or mountain lion, \$100;
- 24 (b) on each wolf pup or mountain lion kitten, \$20;
- 25 (c) on one coyote, \$5;

1 (d) on each coyote pup, \$250;
 2 (2) Such petition shall be presented not later than
 3 August 1 of each year, and the board of county commissioners
 4 on determining the sufficiency of such petition shall make
 5 an order granting such petition, which order shall fix the
 6 levy for that year and the amount of the bounties to be paid
 7 for the killing of each such predatory animal, which shall
 8 not exceed the amounts recommended in such petition, and
 9 appoint not less than 10 or more than 20 stockowners of such
 10 county to be bounty inspectors under this part, without
 11 compensation, who shall hold their offices for 1 year."

12 Section 19:--Section 81-7-303, MCA, is amended to read:

13 "81-7-303. County commissioners permitted to require
 14 per capita license fee on sheep. (1) To defray the expense
 15 of such protection the board of county commissioners of any
 16 county shall have the power to require all owners or persons
 17 in possession of any sheep coming 1 year old or over in the
 18 county on the regular assessment date of each year to pay a
 19 license fee in an amount to be determined by the board on a
 20 per head basis for sheep so owned or possessed by him in the
 21 county. All owners or persons in possession of any sheep
 22 coming 1 year old or over coming into the county after the
 23 regular assessment date and subject to taxation under the
 24 provisions of 15-24-301 shall also be subject to payment of
 25 the license fee herein prescribed.

1 (2) Upon the order of the board of county
 2 commissioners such license fees may be imposed by the entry
 3 thereof in the name of the licensee upon the property tax
 4 rolls of the county by the county assessor TREASURER. Said
 5 license fees shall be payable to and collected by the county
 6 treasurer, and when so levied, shall be a lien upon the
 7 property, both real and personal, of the licensee, in case
 8 the person against whom said license fee is levied owns no
 9 real estate against which said license fee is or may become
 10 a lien, then said license fee shall be payable immediately
 11 upon its levy and the treasurer shall collect the same in
 12 the manner provided by law for the collection of personal
 13 property taxes which are not a lien upon real estate.

14 (3) When collected, said fees shall be placed by the
 15 treasurer in the predatory animal control fund and the
 16 moneys in said fund shall be expended on order of the board
 17 of county commissioners of the county for predatory animal
 18 control only."

19 Section 20, Section 81-7-305, MCA, is amended to read:

20 "81-7-305. Duty of county commissioners. -- petition of
 21 sheep owners. -- license fees. -- (1) In conducting a predatory
 22 animal control program, the board of county commissioners
 23 shall give preference to recommendations for such program
 24 and its incidents as made by organized associations of sheep
 25 growers in the county. Upon petition of the resident owners

1 of at least 51% of the sheep in the county, as shown by the
 2 assessment rolls of the last preceding assessment, which
 3 petition shall be filed with the board of county
 4 commissioners on or before the first Monday in December in
 5 any year, such board shall establish the predatory animal
 6 control program and cause said licenses to be secured and
 7 issued and the fees collected for the following year in such
 8 amount as will defray the cost of administering the program
 9 so established. The license fee determined and set by the
 10 board shall remain in full force and effect from year to
 11 year without change, unless there is filed with the board a
 12 petition subscribed by the resident owners of at least 51%
 13 of the sheep in the county, as shown by the assessment rolls
 14 of the last assessment preceding the filing of the petition,
 15 for termination of the program and repeal of the license
 16 fee, in which event the program shall by order of the board
 17 of county commissioners be disestablished and the license
 18 fee shall not be further levied.

19 (2) If the resident owners of at least 51% of the
 20 sheep in the county either petition for an increase in the
 21 license fee or petition for a decrease in the license fee
 22 then in force, the board of county commissioners shall upon
 23 receipt of any such petition fix a new license fee to
 24 continue from year to year and the program shall thereupon
 25 continue within the limits of the aggregate amount of the

license fee as collected from year to year."

Section 21, Section 81-8-804, MCA, is amended to read:

"81-8-804--Assessments-----refunds,---(1)--There--is
levied, in addition to the tax on livestock prescribed in
Title 15, Chapter 24, Part 9, a per head tax of 25 cents on
each head of cattle that is more than 9 months of age and is
owned or possessed within a county for the support and
maintenance of research into beef production as provided in
this part. The tax shall be paid to the county treasurer of
that county on or before March 1 of each year.

(2)--The--tax--required--in--subsection--(1)--must--be--paid
for each head of cattle that is more than 9 months of age
and is brought into the county after March 1 and is subject
to taxation and assessment under 15-24-301.

(3)--Each--county--is--entitled--to--receive--\$250--annually
as reimbursement for the administration of this section.

(4)--A--person--who--has--paid--the--tax--required--by--this
section may obtain a refund of the tax upon submission of a
written request to the department. The application must be
made within 30 days after the payment of the tax and on
forms furnished by the department. The department shall
upon receipt of a timely and otherwise properly submitted
refund request, refund the tax."

NEW SECTION. Section 12. Repealer. Sections 15-24-901
through 15-24-906, 15-24-908 through 15-24-911, 15-24-923,

AND 15-24-924, 15-24-926, 15-24-931, 15-24-941 through
15-24-943 and 81-7-118, MCA, are repealed.

NEW SECTION. Section 13. Extension of authority. Any
existing authority of the department of revenue, the
department of livestock, and the board of livestock to make
rules on the subject of the provisions of this act is
extended to the provisions of this act.

NEW SECTION. Section 14. Effective date. This act is
effective January 1, 1988 ON-PASSAGE-AND-APPROVAL-OF-A-BILL
PROVIDING-REPLACEMENT-REVENUE-FOR-REVENUE-DECREASES-THAT
RESULT-FROM-THIS-ACT JANUARY 1, 1988.

-End-