SENATE BILL NO. 382

.

INTRODUCED BY JERGESON

IN THE SENATE

FEBRUARY 19, 1987	INTRODUCED AND REFERRED TO COMMITTEE ON AGRICULTURE, LIVESTOCK & IRRIGATION.
FEBRUARY 23, 1987	COMMITTEE RECOMMEND BILL DO PASS. REPORT ADOPTED.
FEBRUARY 24, 1987	PRINTING REPORT.
	SECOND READING, DO PASS AS AMENDED.
FEBRUARY 25, 1987	ENGROSSING REPORT.
	THIRD READING, PASSED. AYES, 50; NOES, 0.
	TRANSMITTED TO HOUSE.
IN S	THE HOUSE
MARCH 3, 1987	INTRODUCED AND REFERRED TO COMMITTEE ON LOCAL GOVERNMENT.
MARCH 11, 1987	COMMITTEE RECOMMEND BILL BE CONCURRED IN AS AMENDED. REPORT ADOPTED.
MARCH 14, 1987	SECOND READING, CONCURRED IN.
MARCH 16, 1987	THIRD READING, CONCURRED IN. AYES, 94; NOES, 3.
	RETURNED TO SENATE WITH AMENDMENTS.

IN THE SENATE

MARCH 19, 1987

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RECEIVED FROM HOUSE.

SECOND READING, AMENDMENTS CONCURRED IN.

MARCH 20, 1987

THIRD READING, AMENDMENTS CONCURRED IN.

SENT TO ENROLLING.

LC 1290/01

INTRODUCED BY Jugeson 1 2 3

A BILL FOR AN ACT ENTITLED: "AN ACT TO EXEMPT FROM SPECIAL
ASSESSMENTS ALL PROPERTY OWNED BY A NONPROFIT WATER COMPANY,
WATER USERS' ASSOCIATION, IRRIGATION COMPANY, IRRIGATION
DISTRICT, CANAL COMPANY, DITCH COMPANY, RESERVOIR COMPANY,
OR SIMILAR NONPROFIT WATER USER ENTITY; AMENDING SECTION
85-7-2011, MCA; AND PROVIDING AN IMMEDIATE EFFECTIVE DATE
10 AND A RETROACTIVE APPLICABILITY DATE."

11

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

NEW SECTION. Section 1. Water user entities exempt 13 from special assessments. All property owned by a nonprofit 14 water company, water users' association, irrigation company, 15 irrigation district, canal company, ditch company, reservoir 16 company, or similar nonprofit water user entity is exempt 17 from every special assessment imposed by any special 18 improvement district or rural special improvement district. 19 Section 2. Section 85-7-2011, MCA, is amended to read: 20 "85-7-2011. Exemption of irrigation district property. 21 The bonds issued under the provisions of this part, 22 rights-of-way, ditches, flumes, pipelines, dams, water 23 rights, reservoirs, equipment, machinery, motor vehicles, 24 and all other personal property belonging to any irrigation 25



district organized under the laws of Montana and not 1 operating for profit may not be taxed for state, county, or 2 municipal purposes, including special improvement district 3 4 and rural special improvement district purposes." 5 NEW SECTION. Section 3. Codification instruction. Section 1 is intended to be codified as an integral part of 6 Title 7, chapter 12, parts 11, 21 through 23, and 41 through 7 46, and the provisions of those parts apply to section 1. 8

9 <u>NEW SECTION.</u> Section 4. Extension of authority. Any 10 existing authority of the department of revenue to make 11 rules on the subject of the provisions of this act is 12 extended to the provisions of this act.

13 <u>NEW SECTION.</u> Section 5. Effective date -14 applicability. (1) This act is effective on passage and
15 approval.

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

-End-

-2- INTRODUCED BILL 58-382

STATE OF MONTANA - FISCAL NOTE Form BD-15

In compliance with a written request, there is hereby submitted a Fiscal Note for SB382, as introduced.

DESCRIPTION OF PROPOSED LEGISLATION:

An act to exempt from special assessments all property owned by a nonprofit water company, water users' association, irrigation company, irrigation district, canal company, ditch company, reservoir company, or similar nonprofit water user entity; providing an immediate effective date and a retroactive applicability date.

FISCAL IMPACT:

The proposed law would have no impact on state property tax revenue. At the local level, the proposed exemption would shift the burden for the share of special assessments, shouldered by water user entities, to the other property owners in the respective districts.

DATE

DAVID L. HUNTER, BUDGET DIRECTOR Office of Budget and Program Planning

DATE PRIMARY SPONSOR

Fiscal Note for SB382, as introduced.

58 382

LC 1290/01

APPROVED BY COMMITTEE ON AGRICULTURE LIVESTOCK & IRRIGATION

1		Alrate BILL NO. 382
2	INTRODUCED BY	Jargeron
3		<i>/ </i>

4 A BILL FOR AN ACT ENTITLED: "AN ACT TO EXEMPT FROM SPECIAL 5 ASSESSMENTS ALL PROPERTY OWNED BY A NONPROFIT WATER COMPANY, 6 WATER USERS' ASSOCIATION, IRRIGATION COMPANY, IRRIGATION 7 DISTRICT, CANAL COMPANY, DITCH COMPANY, RESERVOIR COMPANY, 8 OR SIMILAR NONPROFIT WATER USER ENTITY; AMENDING SECTION 9 85-7-2011, MCA; AND PROVIDING AN IMMEDIATE EFFECTIVE DATE 10 AND A RETROACTIVE APPLICABILITY DATE."

11

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

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. Intana Legislative Council

district organized under the laws of Montana and not 1 2 operating for profit may not be taxed for state, county, or municipal purposes, including special improvement district 3 and rural special improvement district purposes," 4 NEW SECTION. Section 3. Codification 5 instruction. Section 1 is intended to be codified as an integral part of 6 Title 7, chapter 12, parts 11, 21 through 23, and 41 through 7 46, and the provisions of those parts apply to section 1. 8 NEW SECTION. Section 4. Extension of authority. Any 9 existing authority of the department of revenue to make 10 rules on the subject of the provisions of this act is 11 extended to the provisions of this act. 12 13 NEW SECTION. Section 5. Effective date applicability. (1) This act is effective on passage and 14 15 approval.

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

-End-

SECOND READING -2-50-382

SB 0382/02

SB 0382/02

SENATE BILL NO. 382 INTRODUCED BY JERGESON

A BILL FOR AN ACT ENTITLED: "AN ACT TO EXEMPT FROM SPECIAL
ASSESSMENTS ALL PROPERTY OWNED BY A NONPROFIT WATER COMPANY,
WATER USERS' ASSOCIATION, IRRIGATION COMPANY, IRRIGATION
DISTRICT, CANAL COMPANY, DITCH COMPANY, RESERVOIR COMPANY,
OR SIMILAR NONPROFIT WATER USER ENTITY; AMENDING SECTION
85-7-2011, MCA; AND PROVIDING AN IMMEDIATE EFFECTIVE DATE
AND A RETROACTIVE APPLICABILITY DATE."

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

13 NEW SECTION. Section 1. Water user entities exempt 14 from special assessments. All property owned by a nonprofit 15 water company, water users' association, irrigation company, irrigation district, canal company, ditch company, reservoir 16 17 company, or similar nonprofit water user entity is exempt from every special assessment imposed by any special 18 19 improvement OR MAINTENANCE district or--rural--special improvement-district CREATED UNDER TITLE 7, CHAPTER 12. 20

Section 2. Section 85-7-2011, MCA, is amended to read:
 "85-7-2011. Exemption of irrigation district property.
 The bonds issued under the provisions of this part,
 rights-of-way, ditches, flumes, pipelines, dams, water
 rights, reservoirs, equipment, machinery, motor vehicles,

1 and all other personal property belonging to any irrigation district organized under the laws of Montana and not 2 operating for profit may not be taxed for state, county, or 2 municipal purposesy_including-special--improvement--district 4 and--rural-special-improvement-district-purposes AND MAY NOT 5 BE ASSESSED COSTS FOR ANY IMPROVEMENT OR MAINTENANCE 6 7 DISTRICT CREATED UNDER TITLE 7, CHAPTER 12." 8 NEW SECTION. Section 3. Codification instruction. Section 1 is intended to be codified as an integral part of 9 Title 7, chapter 12, parts 11, 21 through-23,-and, 41, AND 10 43 through 46, and the provisions of those parts apply to 11 section 1. 12 13 NEW SECTION. Section 4. Extension of authority. Any

14 existing authority of the department of revenue to make 15 rules on the subject of the provisions of this act is 16 extended to the provisions of this act.

<u>NEW SECTION.</u> Section 5. Effective date - applicability. (1) This act is effective on passage and
 approval.

20 (2) This act applies retroactively, within the meaning
21 of 1-2-109, to taxable years beginning after December 31,
22 1986.

-End-

-2-

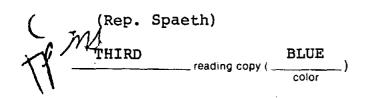


SB 382 THIRD READING

STANDING COMMITTEE REPORT

HOUSE		• •	March	11	19
Mr. Speaker: We, the con	nmittee on	LOCAL	GOVERNMENT		
eport		SB 382	2		
] do pass] do not pass		oncurred in ot concurred in	Down	⊠ as an □ stater	nended ment of intent attached
		1	Rep. Norm W	allin	Chairman
	" FAIN" ine 14.	equipmen			
3. Page 1, 1 Strike: "irr		crict,"			
4. Page 1, 1: Strike: "is" Insert: "are					
effecti	This act do	of bonded	indebtednes f the bonds	ss incurn s were i:	red before the ssued on

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SB 0382/03

1	SENATE BILL NO. 382	1 ·	The bonds iss
2	INTRODUCED BY JERGESON	2	rights-of-way,
3		3	rights, reservo
4	A BILL FOR AN ACT ENTITLED: "AN ACT TO EXEMPT FROM SPECIAL	4	and all other pe
5	ASSESSMENTS ALL CERTAIN PROPERTY OWNED BY A NONPROFIT WATER	5	district organi
6	COMPANY, WATER USERS' ASSOCIATION, IRRIGATION COMPANY,	6	operating for pr
7	IRRIGATION DISTRICT, CANAL COMPANY, DITCH COMPANY, RESERVOIR	7	municipal purpo
8	COMPANY, OR SIMILAR NONPROFIT WATER USER ENTITY; AMENDING	8	and-rural-specia
9	SECTION 85-7-2011, MCA; AND PROVIDING AN IMMEDIATE EFFECTIVE	9	BE ASSESSED C
10	DATE AND A RETROACTIVE APPLICABILITY DATE."	10	DISTRICT CREATED
11		11	NEW SECTION
12	BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:	12	Section 1 is in
13	NEW SECTION. Section 1. Water user entities exempt	13	Title 7, chapter
14	from special assessments. All RIGHTS-OF-WAY, DITCHES,	14	43 through 46,
15	FLUMES, PIPELINES, DAMS, WATER RIGHTS, RESERVOIRS,	15	section 1.
16	EQUIPMENT, MACHINERY, MOTOR VEHICLES, AND OTHER PERSONAL	16	NEW SECTION
17	property owned by a nonprofit water company, water users'	17	existing author
18	association, irrigation company, irrigation-district, canal	18	rules on the sub
19	company, ditch company, reservoir company, or similar	19	extended to the
20	nonprofit water user entity is ARE exempt from every special	20	NEW SECTION
21	assessment imposed by any speciał improvement OR MAINTENANCE	21	applicability. (
22	district or-rural-special-improvement-district CREATED UNDER	22	approval.
23	TITLE 7, CHAPTER 12.	23	(2) This a
24	Section 2. Section 85-7-2011, MCA, is amended to read:	24	of 1-2-109, to
25	"85-7-2011. Exemption of irrigation district property.	25	1986.

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1.	The bonds issued under the provisions of this part,
2	rights-of-way, ditches, flumes, pipelines, dams, water
3	rights, reservoirs, equipment, machinery, motor vehicles,
4	and all other personal property belonging to any irrigation
5	district organized under the laws of Montana and not
6	operating for profit may not be taxed for state, county, or
7	municipal purposes 7including-special-improvement-district
8	and-rural-special-improvement-district-purposes AND MAY NOT
9	BE ASSESSED COSTS FOR ANY IMPROVEMENT OR MAINTENANCE
10	DISTRICT CREATED UNDER TITLE 7, CHAPTER 12."
11	NEW SECTION. Section 3. Codification instruction.
12	Section 1 is intended to be codified as an integral part of
13	Title 7, chapter 12, parts 11, 21 through-23,-and, 41, AND
14	$\underline{43}$ through 46, and the provisions of those parts apply to
15	section 1.
16	NEW SECTION. Section 4. Extension of authority. Any
17	existing authority of the department of revenue 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 5, Effective date
21	applicability. (1) This act is effective on passage and
22	approval.
23	(2) This act applies retroactively, within the meaning
24	of 1-2-109, to taxable years beginning after December 31,

-2-

SB 382

REFERENCE BILL

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SB 382

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1	(3) THIS ACT DOES NOT APPLY TO ANY SPECIAL ASSESSMENTS
2	FOR THE REPAYMENT OF BONDED INDEBTEDNESS INCURRED BEFORE THE
3	EFFECTIVE DATE OF THIS ACT IF THE BONDS WERE ISSUED ON
4	REPRESENTATIONS THAT THE PROPERTY EXEMPTED FROM SPECIAL
5	ASSESSMENTS BY THIS ACT WOULD BE LIABLE FOR REPAYMENT OF THE
6	BONDED INDEBTEDNESS.
	-End-