HOUSE BILL NO. 35

INTRODUCED BY HARRINGTON

IN THE HOUSE

IN	THE HOUSE
DECEMBER 30, 1988	INTRODUCED AND REFERRED TO COMMITTEE ON TAXATION.
JANUARY 2, 1989	FIRST READING.
FEBRUARY 3, 1989	COMMITTEE RECOMMEND BILL DO PASS AS AMENDED. REPORT ADOPTED.
FEBRUARY 6, 1989	PRINTING REPORT.
	SECOND READING, DO PASS.
FEBRUARY 7, 1989	ENGROSSING REPORT.
FEBRUARY 8, 1989	THIRD READING, PASSED. AYES, 99; NOES, 0.
	TRANSMITTED TO SENATE.
IN	THE SENATE
FEBRUARY 9, 1989	INTRODUCED AND REFERRED TO COMMITTEE ON TAXATION.
	FIRST READING.
MARCH 22, 1989	COMMITTEE RECOMMEND BILL BE CONCURRED IN. REPORT ADOPTED.
MARCH 29, 1989	SECOND READING, CONCURRED IN AS AMENDED.
MARCH 31, 1989	ON MOTION, BILL TAKEN FROM THIRD READING AND PLACED ON SECOND READING THE 73RD LEGISLATIVE DAY.
APRIL 1, 1989	SECOND READING, CONCURRED IN AS AMENDED.

THIRD READING, CONCURRED IN.

APRIL 4, 1989

AYES, 47; NOES, 0.

RETURNED TO HOUSE WITH AMENDMENTS.

IN THE HOUSE

APRIL 6, 1989 RECEIVED FROM SENATE.

SECOND READING, AMENDMENTS CONCURRED IN.

CONCORRED 1.9

APRIL 7, 1989

THIRD READING, AMENDMENTS

CONCURRED IN.

SENT TO ENROLLING.

REPORTED CORRECTLY ENROLLED.

1	HOUSE BILL NO. 35
2	INTRODUCED BY HARRINGTON
3	
4	A BILL FOR AN ACT ENTITLED: "AN ACT GENERALLY REVISING AND
5	CLARIFYING PERSONAL PROPERTY ASSESSMENT AND TAXATION
6	PROVISIONS; CLARIFYING TAXABLE SITUS OF PERSONAL PROPERTY;
7	REVISING PROCEDURES FOR ASSESSING LIVESTOCK; EXEMPTING FROM
8	TAXATION ALL UNPROCESSED AGRICULTURAL PRODUCTS ON FARMS OR
9	IN STORAGE; CLARIFYING PROVISIONS RELATING TO PER CAPITA TAX
10	ON LIVESTOCK; CLARIFYING SWINE VALUATION PROCEDURES;
11	DEFINING "COAL AND ORE HAULERS"; TAXING AT 11% ALL BUSES AND
1 2	TRUCKS HEAVIER THAN THREE-QUARTERS OF A TON; REVISING TAX
13	PAYMENT REQUIREMENTS FOR SPECIAL MOBILE EQUIPMENT; REQUIRING
14	IDENTIFICATION DECALS ON CERTAIN MACHINERY AND EQUIPMENT;
15	AMENDING SECTIONS 15-6-136, 15-6-138 THROUGH 15-6-140,
16	15-6-207, 15-8-408, 15-8-706, 15-24-902 THROUGH 15-24-905,
17	15-24-921, 15-24-922, 15-24-925, 15-24-931, AND 61-3-431,
18	MCA; REPEALING SECTIONS 15-8-401 THROUGH 15-8-407, 15-24-908
19	THROUGH 15-24-911, 15-24-926, AND 15-24-941 THROUGH
20	15-24-943, MCA; AND PROVIDING AN APPLICABILITY DATE."
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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:

1	(a) livestock and other species of domestic animals
2	and wildlife raised in domestication or a captive
3	environment, except for cats, dogs, and other household pets
4	not raised for profit,-and-the-unprocessed-products-ofsuch
5	animals-and-wildlife; and
6	<pre>(b)allunprocessed-agricultural-products-on-the-farm</pre>
7	or-in-storage-except:
8	<pre>fitallperishablefruitsandvegetablesinfarm</pre>
9	storage-and-owned-by-the-producer;-and
10	(ii)-all-producer-held-grain-in-storage;
11	(b) items of personal property intended for lease
12	in the ordinary course of business, provided each item of
13	personal property satisfies all of the following:
14	(i) the full and true value of the personal property
15	is less than \$5,000;
16	(ii) the personal property is owned by a business whose
17	primary business income is from rental or lease of personal
18	property to individuals wherein no one customer of the
19	business accounts for more than 10% of the total rentals or
20	leases during a calendar year; and
21	(iii) the lease of the personal property is generally

on an hourly, daily, or weekly basis.

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value."



INTRODUCED BILL #8 35

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

Section 2. Section 15-6-138, MCA, is amended to read:

2	taxable percentage. (1) Class eight property includes:
3	(a) all agricultural implements and equipment;
4	(b) all mining machinery, fixtures, equipment, tools,
5	and supplies except:
6	(i) those included in class five; and
7	(ii) coal and ore haulers;
8	(c) all manufacturing machinery, fixtures, equipment,
9	tools, and supplies except those included in class five;
10	(d) all trailers, including those prorated under
11	15~24-102, except those subject to taxation under
12	61-3-504(2);
13	(e) all goods and equipment intended for rent or
14	lease, except goods and equipment specifically included and
15	taxed in another class;
16	(f) buses and trucks having a rated capacity of more
17	than 1-1/2-tons three-quarters of a ton, including those
18	prorated under 15-24-102; and
19	(g) all other machinery except that specifically
20	included in another class.
21	(2) Class eight property is taxed at 11% of its market
22	value."
23	Section 3. Section 15-6-139, MCA, is amended to read:
24	"15-6-139. Class nine property description
25	taxable percentage. (1) Class nine property includes:

"15-6-138. Class eight property -- description --

1	<pre>+a}buses-and-trucks-having-a-rated-capacityofmore</pre>
2	than-three-quarters-of-a-ton-but-less-than-or-equal-to-i-1/2
3	tons;
4	<pre>(b)(a) truck toppers weighing more than 300 pounds;</pre>
5	(c)(b) furniture, fixtures, and equipment, except that
6	specifically included in another class, used in commercial
7	establishments as defined in this section;
8	+d+(c) x-ray and medical and dental equipment; and
9	(e)(d) citizens' band radios and mobile telephones.
10	(2) "Commercial establishment" includes any hotel
11	motel; office; petroleum marketing station; or service
12	wholesale, retail, or food-handling business.
13	(3) Class nine property is taxed at 13% of its market
14	value."
15	Section 4. Section 15-6-140, MCA, is amended to read:
16	"15-6-140. Class ten property description
17	taxable percentage. (1) Class ten property includes:
18	(a) radio and television broadcasting and transmitting
19	equipment;
20	(b) cable television systems;
21	(c) coal and ore haulers;
22	(d) theater projectors and sound equipment; and
23	(e) all other property not included in any other class
24	in this part except that property subject to a fee in lie
25	of a property tax.

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(2) As used in this section, "coal and ore haulers" means nonhighway vehicles that exceed 16,000 pounds per axle and that are used to transport coal, ore, or other earthen material in a mining, quarrying, or earthmoving environment.

+2+(3) Class ten property is taxed at 16% of its market value."

Section 5. Section 15-6-207, MCA, is amended to read:

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

- (a) all unprocessed, perishable-fruits-and-vegetables in agricultural products on the farm or in storage and owned by the producer;
- (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;
- (d) except as provided in subsection (1)(e), livestock which have not attained the age of 24 months as of the-last day-of-any-month-if-assessed-on-the-average-inventory-basis or---on---March January 1 if--assessed--as--provided--in 15-24-911(1)(a);
- (e) swine which have not attained the age of 6 monthsas of January 1;
- 24 (f) poultry and the unprocessed products of poultry;
 25 and

- (g) bees and the unprocessed product of bees.
- 2 (2) Any beet digger, beet topper, beet defoliator,
 3 beet thinner, beet cultivator, beet planter, or beet top
 4 saver designed exclusively to plant, cultivate, and harvest
 5 sugar beets is exempt from taxation if such implement has
 6 not been used to plant, cultivate, or harvest sugar beets
 7 for the 2 years immediately preceding the current assessment
 8 date and there are no available sugar beet contracts in the
 9 sugar beet grower's marketing area."
 - Section 6. Section 15-8-408, MCA, is amended to read:

 "15-8-408. Personal property. Personal property which
 was-in-the-state--and subject to taxation on--danuary--i--of
 any--year or a fee in lieu of tax in the state shall be
 taxable wherever-and-whenever-found-in--any--county--in--the
 state in the taxing jurisdiction where it is located on
 January 1, whether or not the same be is owned, claimed, or
 possessed by the person, as defined in 15-1-102, owning,
 claiming, or possessing it on January 1 or--not;--provided
 that--in-case-the-same-property-is-assessed-in-more-than-one
 county;-the-county-first--making--the--assessment--shall--be
 entitled-to-collect-the-taxes."
 - Section 7. 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:

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- 2 (a) the several kinds of personal property;
 - (b) the average and total value of each kind;
 - (c) the number of livestock7--number--of-bushels-of grain7 and 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 quilty of official misconduct under 45-7-401."
- 15 Section 8. Section 15-24-902, MCA, is amended to read: 16 *15-24-902. bivestock----where-assessed Assessment of 17 livestock. bivestock--belonging--to-a-permanent-resident-of 18 the-state-must-not-be-listed-or-assessed-while-such-stock-is in-transit-or-until-it--arrives--in--the--county--where--the 19 person--owning--the--same--resides--and--must--be-listed-and 20 21 assessed-in-such-county--ff-such-livestock-runs-at-large--in 22 a--county-other-than-the-one-in-which-such-owner-resides;-it 23 must-be-listed-and-assessed-in-such-county: The department 24 of revenue or its agent shall assess all nonexempt livestock

- 1 year. The livestock must be assessed to the person by whom
 2 they were owned or claimed or in whose possession or control
 3 they were at midnight of January 1 in that year."
- Section 9. Section 15-24-903, MCA, is amended to read: "15-24-903. Duty of owner to assist in assessment. (1) 6 The owner of livestock, as defined in 15-24-901, or his agent, at the time of assessment shall make and deliver to the department of revenue or its agent in the county or counties where his livestock were located since--the--last 10 assessment -- date on January 1, a written statement, under oath, showing the different kinds of his livestock within 11 12 the county or counties belonging to him or under his charge. 13 with their marks and brands, and showing the times during 14 that-period-that-his-livestock-were--within--the--county--or 15 counties.
- 16 (2) As used in this section, "agent" means any person,
 17 persons, company, or corporation, including a feedlot
 18 operator or owner of grazing land, who has charge of
 19 livestock on the assessment date."
- 20 **Section 10.** Section 15-24-904, MCA, is amended to read:
- 22 "15-24-904. Penalty for violation of law. If any 23 person, persons, company, or corporation who is the owner or 24 has in charge any livestock within this state fails to make 25 the statement or statements as provided in 15-24-903, the

in each county where they are located on January 1 of each

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county assessor may, after 10 days' notice to the person who failed to file the report, increase the <u>following year's</u> assessment by 10% as a penalty."

Section 11. Section 15-24-905, MCA, is amended to read:

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*15-24-905. Livestock brought into state -- notice to department of revenue or its agent ---time-for-payment. (1) The owner or the agent, manager, or foreman of any person, corporation, or association bringing livestock into this state after January 1 shall immediately after said livestock crosses cross the state line forward to the department of revenue or its agent in the county into which the livestock is are moved a registered or certified letter, which letter shall contain the name of the owner of such livestock, the number thereof, the brand thereon, and the ages of the same, together with the time and place at which said livestock was were brought across the state line, provided that the department of livestock at least once each month furnish from its own records to the department of revenue or its agent in the county into which such livestock is are moved a list of the number and kind of livestock so moved, together with the name of the owner thereof.

23 (2)--The-tax-due-on-livestock-brought-into--this--state
24 must--be-paid-within-30-days-after-receiving-the-tax-noticer
25 (3)--bivestock-on-which-tax-is-owed-under-this--section

may-not-be-removed-from-the-county-until-the-taxes-have-been
paid:"

Section 12. Section 15-24-921, MCA, is amended to read:

"15-24-921. Per capita tax levy to pay expenses of 5 enforcing livestock laws. (1) In addition to appropriations 7 made for such purposes, a per capita tax is hereby 8 authorized and directed to be levied calculated by the 9 county assessor on all-poultry--and--bees; all swine 3 6 10 months of age or older, and all other livestock 9 24 months 11 of age or older in each county of this state for the purpose 12 of aiding in the payment of the salaries and all expenses 13 connected with the enforcement of the livestock laws of the state and for the payment of bounties on wild animals as 14 hereinafter specified. 15

16 (2) As used in this section, "livestock" means cattle,
17 sheep, swine, poultry,--bees, goats, horses, mules, and
18 asses."

Section 13. Section 15-24-922, MCA, is amended to read:

21 "15-24-922. Board of livestock to prescribe per capita
22 tevy tax. (1) The board of livestock shall annually
23 prescribe the amount of the per capita tevy tax to be made
24 against livestock of all classes for the purpose indicated
25 in 15-24-921.

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(2) The per capita tax levy must be calculated each year to provide not more than 110% of the average annual revenue that was generated in the 3 previous years, beginning with revenue generated by 81-7-104 and this section in the taxable years 1985, 1986, and 1987. The calculation shall apply a reasonable factor for nonpayment and late payment of taxes and for reimbursement to the counties pursuant to 15-24-925 for collection of the levy tax."

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- 10 **Section 14.** Section 15-24-925, MCA, is amended to 11 read:
 - "15-24-925. Reimbursement to county -- transmission of taxes from county to state treasurer. (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 per capita tax on livestock.
 - (2) Except for the amount withheld under subsection (1), the-taxes-levied-and the money collected pursuant to the provisions of 15-24-922 shall be transmitted to the state treasury by the county treasurer of each county, as provided in 15-1-504, but not later than duly-l December 31 following assessment. The county treasurer shall designate the amount received from the per capita tax levied-on-sheep and-the-amount-received-from-the-tax-levied on all other livestock and shall specify the separate amounts in his

- report to the state treasurer. The money, when received by the state treasurer, shall be deposited to the credit of the
- 3 department of livestock."

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- 4 Section 15. Section 15-24-931, MCA, is amended to read:
- "15-24-931. Assessment of swine. (1) Each swine producer shall submit a statement in the manner prescribed by the department of revenue showing the number of pigs owned in each of the following classes as of January 1:
- 10 (a) market hogs, which are hogs between-3-months-and 6
 11 months of age or older and which have a conclusively
 12 presumed weight factor of 150 pounds or more;
- (b) breeding sows, which have a conclusively presumedweight factor of 300 pounds;
- (c) breeding boars, which have a conclusively presumedweight factor of 300 pounds.
- 17 (2) The department shall determine market value of
 18 swine by multiplying the following average USDA Omaha
 19 quotation price over the preceding 5 years, less \$2 per
 20 hundred in the case of market hogs and breeding sows, times
 21 the conclusively presumed weight of each pig in the class:
- 22 (a) market hogs--USDA Omaha quotation for barrows and 23 gilts, grades 1 to 3, at 230 210 to 240 pounds;
- 24 (b) breeding sows--USDA Omaha quotation for sows, 25 grades 1 to 2 3, at 300 to 350 400 pounds;

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(c) breeding boars--valued the same as market hogs. 1

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- (3) The department shall apply the same equalization factor to swine as to other classes of livestock.
- +41--The--department--shall--publish--the--most--recent 5-year--average-USBA-Omaha-quotation-price-for-each-class-in the-Administrative-Rules-of-Montana-"
- Section 16. Section 61-3-431, MCA, is amended to read: *61-3-431. Special mobile equipment -- exemption from and charges -registration and payment of fees identification plate and decal -- publicly owned special mobile equipment -- penalty. (1) A person, firm, partnership, or corporation who owns, leases, or rents special mobile equipment as defined in 61-1-104 and occasionally moves that equipment on, over, or across the highways of the state is not subject to registration of that equipment or required to pay the fees and charges provided for in 61-3-502, 61-4-301 through 61-4-308, or part 2 of chapter 10. Prior to movement on the highways, however, each piece of equipment shall display a decal and an equipment identification plate or a dealer's license plate attached to the equipment.
- (2) (a) Annual application for a decal and identification plate shall be made to the county treasurer before any piece of equipment is moved on the highways. Application shall be made on a form furnished by the

department of justice, together with the payment of a fee of 1 \$5. The equipment for which a special mobile equipment plate is sought is subject to the assessment of personal property 3

taxes on the date application is made for the plate.

- (b) The Before the special mobile equipment plate may 5 6 be issued, the applicant shall furnish:
- (i) evidence in the form of a receipt or statement of 7 tax, signed by the county treasurer, that the personal 8 9 property taxes assessed against the special mobile equipment 10 must-be have been paid before--the--issuance--of--a--special 11 mobile-equipment-plate; or
- (ii) a statement, signed by the county assessor, of 12 13 lien assignment against real property in an amount equal to the personal property taxes assessed against the special 14 15 mobile equipment.
- 16 (c) The fees collected under this section belong to 17 the county road fund.
- 18 (3) The identification plate expires on December 31 of 19 each year. If the expired identification plate is displayed, an owner of special mobile equipment registered under the 20 21 provisions of this section is entitled to operate the equipment between January 1 and February 15 following 22 23 expiration without displaying the identification plate or 24 receipt of the current year.
- (4) Publicly owned special mobile equipment and 25

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implements of husbandry used exclusively by an owner in the conduct of his own farming operations are exempt from this section.

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- (5) The department of revenue shall issue identification decals to each county assessor. The assessor shall issue the decals to the owners or operators of all special mobile equipment immediately upon receipt of a signed statement specifically listing all special mobile equipment in possession and control of the owners or operators. The identifying decal must be displayed in a conspicuous place on each item of equipment listed. Decals are not transferable from one item of equipment to another or upon sale or change of ownership.
 - who violates any provision of this section is guilty of a misdemeanor punishable by a fine of not more than \$300 or by a sentence of not more than 60 days in the county jail, or both."
 - Section 17. Machinery and equipment identification decal -- penalty. (1) (a) The department of revenue shall provide identification decals to each county assessor for issuance to owners or operators of certain machinery and equipment subject to taxation under 15-6-138.
- 24 (b) The department of revenue shall adopt a rule 25 enumerating the types of machinery and equipment for which a

- decal must be issued.
- 2 (2) The assessor shall issue a machinery and equipment
 3 decal to an owner or operator of machinery or equipment
 4 subject to the requirements of this section upon receipt
 5 from the owner or operator of an affidavit listing all
 6 machinery and equipment in the state that is owned or
 7 controlled by the owner or operator.
- 8 (3) The identification decal must be displayed in a
 9 conspicuous place on each item of machinery and equipment
 10 for which a decal is issued.
- 11 (4) A machinery and equipment decal is not 12 transferable from one item of property to another, nor is it 13 transferable upon sale or other change of ownership.
- 14 (5) An owner or operator of machinery or equipment who 15 violates this section is guilty of a misdemeanor punishable 16 by a fine of not more than \$300 or by a sentence of not more 17 than 60 days in the county jail, or both.
- 18 **Section 18.** Repealer. Sections 15-8-401 through 19 15-8-407, 15-24-908 through 15-24-911, 15-24-926, and 20 15-24-941 through 15-24-943, MCA, are repealed.
- Section 19. Codification instruction. [Section 17] is intended to be codified as an integral part of Title 15, chapter 24, and the provisions of Title 15, apply to [section 17].
- 25 Section 20. Extension of authority. Any existing

- 1 authority to make rules on the subject of the provisions of
- 2 [this act] is extended to the provisions of [this act].
- 3 Section 21. Applicability. [This act] applies to tax
- 4 years beginning after December 31, 1989.

-End-

STATE OF MONTANA - FISCAL NOTE

Form BD-15

In compliance with a written request, there is hereby submitted a Fiscal Note for <u>HB035</u>, as introduced.

DESCRIPTION OF PROPOSED LEGISLATION:

An act generally revising and clarifying personal property assessment and taxation provisions; clarifying taxable situs of personal property; revising procedures for assessing livestock; exempting from taxation all unprocessed agricultural products on farms or in storage; clarifying provisions relating to per capita tax on livestock; clarifying swine valuation procedures; defining "coal and ore haulers"; taxing at 11% all buses and trucks heavier than three-quarters of a ton; revising tax payment requirements for special mobile equipment; requiring identification decals on certain machinery and equipment; and providing an applicability date.

ASSUMPTIONS:

- 1. The taxable value of the state will be \$1,899,969,000 in FY 90 and \$1,869,831,000 in FY 91 (REAC).
- 2. Clarifying taxable situs of personal property will have negligible revenue impact and administrative costs will be absorbed without additional funding.
- 3. Revising procedures for assessing livestock will have negligible revenue impact and administrative costs will be absorbed without additional funding.
- 4. The taxable value of all unprocessed agricultural products on farms or in storage is \$0.
- 5. Estimated collections from the per capita tax on livestock for FY91 is \$2,000,000.
- 6. County treasurers withhold 2% of the money received from the per capita tax on livestock (15-24-925, MCA).
- 7. Collections from the per capita tax on livestock will be reduced 23%.
- 8. The board of livestock will not increase the per capita tax on livestock. (Department of Livestock).
- 9. The bill will not affect taxable valuation of swine.
- 10. The bill will not affect taxable valuation of coal and ore haulers.
- 11. The taxable value of buses and trucks heavier than three-quarters of a ton is \$3,948,921 in tax year 1988 and is assumed constant in future years under current law. The fiscal impact will begin in FY90.
- 12. Mill levies are 6 mills for universities, and 45 mills for the school foundation program. The average county levy for buses and trucks heavier than three-quarters of a ton is 202 mills.
- 13. Revising tax payment requirements for special mobile equipment has no revenue impact and administrative costs will be absorbed without additional funding.
- 14. There are 10,000 owners or operators of special mobile equipment with an average number of 10 items of equipment each.
- 15. A decal for an item of special mobile equipment would cost 9 cents. Mailing cost is 40 cents per owner or operator.

RAY SHACKLEFORE, BUDGET DIRECTOR

DATE

Office of Budget and Program Planning

DAN W. HARRINGTON , PRIMARY SPONSOR C

DATE

Fiscal Note for HB035 ,as introduced

Form BD-15
Page 2

FISCAL IMPACT:	·	FY90			FY91	
Revenue Impact:	Current Law	Proposed Law	Difference	Current Law	Proposed Law	Difference
University Levy	\$11,399,812	\$11,396,166	(\$3,646)	\$11,218,987	\$11,215,341	(\$ 3,646)
School Equalization	85,498,593	85,471,254	(27,339)	84,142,405	84,115,066	(27,339)
TOTAL	\$96,898,405	\$96,867,420	(\$30,985)	\$95,361,392	\$95,330,407	(\$30,985)
Livestock Per Capita	Tax	No Impact		\$ 2,000,000	\$ 1,549,000	(451,000)

Expenditure Impact:

Cost of producing and mailing special mobile equipment decals will be \$13,000 in general fund money in each fiscal year.

EFFECT ON COUNTY OR OTHER LOCAL REVENUE OR EXPENDITURES:

The proposal is estimated to reduce county and local school district revenues by \$132,000 in each fiscal year. Cities and towns are expected to have a reduction of \$14,292 in each fiscal year.

APPROVED BY COMMITTEE ON TAXATION

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19	15-8-4077 15-24-908 THROUGH 15-24-911, 15-24-9267 AND
20	15-24-941 THROUGH 15-24-943, MCA; AND PROVIDING AN
21	APPLICABILITY DATE."
22	
23	BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:
24	Section 1. Section 15-6-136, MCA, is amended to read:
25	"15-6-136. Class six property description

1	taxable percentage. (1) Class six property includes:
2	(a) livestock and other species of domestic animals
3	and wildlife raised in domestication or a captive
4	environment, except for cats, dogs, and other household pets
5	not raised for profity-and-the-unprocessed-products-of-such
6	animals-and-wildlife; and
7	(b)all-unprocessed-agricultural-products-on-thefarm
8	or-in-storage-except:
9	(i)allperishablefruitsandvegetablesinfarm
0	storage-and-owned-by-the-producer;-and
1	(ii)-all-producer-held-grain-in-storage;
2	(c)(b) items of personal property intended for lease
3	in the ordinary course of business, provided each item of
4	personal property satisfies all of the following:
5	(i) the full and true value of the personal property
6	is less than \$5,000;
7	(ii) the personal property is owned by a business whose
8	primary business income is from rental or lease of personal
9	property to individuals wherein no one customer of the
0	business accounts for more than 10% of the total rentals or
1	leases during a calendar year; and
2	(iii) the lease of the personal property is generally
3	on an hourly, daily, or weekly basis.
4	(2) Class six property is tayed at 48 -6 its market

value."

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2	*15-6-138. Class eight property description
3	taxable percentage. (1) Class eight property includes:
4	(a) all agricultural implements and equipment;
5	(b) all mining machinery, fixtures, equipment, tools,
6	and supplies except:
7	(i) those included in class five; and
8	(ii) coal and ore haulers;
9	(c) all manufacturing machinery, fixtures, equipment,
10	tools, and supplies except those included in class five;
11	(d) all trailers, including those prorated under
12	15-24-102, except those subject to taxation under
13	61-3-504(2);
14	(e) all goods and equipment intended for rent or
15	lease, except goods and equipment specifically included and
16	taxed in another class;
17	(f) buses and trucks having a rated capacity of more
18	than 1-1/2tons three-quarters of a ton, including those
19	prorated under 15-24-102; and
20	(g) all other machinery except that specifically
21	included in another class.

Section 2. Section 15-6-138, MCA, is amended to read:

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value."

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taxable percentage, (1) Class nine property includes:
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          fa)--buses--and--trucks-having-a-rated-capacity-of-more
     than-three-quarters-of-a-ton-but-less-than-or-equal-to-l-1/2
3
     tons:
5
          tb;(a) truck toppers weighing more than 300 pounds;
          tet(b) furniture, fixtures, and equipment, except that
6
     specifically included in another class, used in commercial
7
8
     establishments as defined in this section;
9
          td)(c) x-ray and medical and dental equipment; and
10
          (e)(d) citizens' band radios and mobile telephones.
11
          (2) "Commercial establishment" includes any hotel;
12
     motel; office; petroleum marketing station; or service,
13
     wholesale, retail, or food-handling business.
14
           (3) Class nine property is taxed at 13% of its market
15
     value."
16
           Section 4. Section 15-6-140, MCA, is amended to read:
17
           *15-6-140. Class ten property -- description --
18
      taxable percentage. (1) Class ten property includes:
19
           (a) radio and television broadcasting and transmitting
20
     equipment;
21
           (b) cable television systems;
22
           (c) coal and ore haulers;
23
           (d) theater projectors and sound equipment; and
24
           (e) all other property not included in any other class
```

in this part except that property subject to a fee in lieu

-4-

25

(2) Class eight property is taxed at 11% of its market

Section 3. Section 15-6-139, MCA, is amended to read:

"15-6-139. Class nine property -- description --

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1 of a property tax.

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- 2 (2) As used in this section, "coal and ore haulers"
 3 means nonhighway vehicles that exceed 167000 18,000 pounds
 4 per axle and that are used to transport coal, ore, or other
- earthen material in a mining, OR quarrying, --or--earthmoving
 environment.
- 7 (27(3) Class ten property is taxed at 16% of its 8 market value."
- Section 5. Section 15-6-207, MCA, is amended to read:
 *15-6-207. Agricultural exemptions. (1) The following
- 11 agricultural products are exempt from taxation:
- 12 (a) all unprocessed, perishable fruits and vegetables
 13 in agricultural products on the farm or in storage and owned
 14 by the producer;
 - (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;
 - (d) except as provided in subsection (1)(e), livestock which have not attained the age of 24 months as of the--last day--of-any-month-if-assessed-on-the-average-inventory-basis or-on-March danuary MARCH 1 if--assessed--as--provided--in 15-24-911(1)(a);
- (e) swine which have not attained the age of 6 months
- 25 as of January 1;

1 (f) poultry and the unprocessed products of poultry;
2 and

- 3 (g) bees and the unprocessed product of bees.
- 4 (2) Any beet digger, beet topper, beet defoliate,,
 5 beet thinner, beet cultivator, beet planter, or beet cop
 6 saver designed exclusively to plant, cultivate, and has est
 7 sugar beets is exempt from taxation if such implemer has
 8 not been used to plant, cultivate, or harvest sugar sets
 9 for the 2 years immediately preceding the current as sment
 10 date and there are no available sugar beet contracts in the
 11 sugar beet grower's marketing area."
- Section 6. Section 15-8-408, MCA, is amended to read: 12 13 "15-8-408. Personal property. Personal property which was--in--the--state--and, OTHER THAN LIVESTOCK, subject to 14 15 taxation on-January-1-of-any-year or a fee in lieu of tax in 16 the state shall be taxable wherever-and--whenever--found--in 17 any--county-in-the-state in the taxing jurisdiction where it 18 is located on January 1, whether or not the same be is 19 owned, claimed, or possessed by the person, as defined in 20 15-1-102, owning, claiming, or possessing it on January 1 or not;-provided-that-in-case-the-same-property-is-assessed--in 21 22 more-than-one-county;-the-county-first-making-the-assessment shall-be-entitled-to-collect-the-taxes." 23
- Section 7. Section 15-8-706, MCA, is amended to read:

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

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- 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;

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- (b) the average and total value of each kind;
- 6 (c) the number of livestock,--number--of-bushels-of
 7 grain, and number-of-pounds-or-tons-of-any-article--sold--by
 8 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 8. Section 15-24-902, MCA, is amended to read:

 "15-24-902. bivestock----where-assessed <u>Assessment of livestock</u>. bivestock--belonging--to-a-permanent-resident-of the-state-must-not-be-listed-or-assessed-white-such-stock-is in-transit-or-until-it- arrives--in--the--county--where--the person--owning--the--same--resides--and--must--be-listed-and assessed-in-such-county--If-such-livestock-runs-at-large--in a--county-other-than-the-one-in-which-such-owner-resides,-it must-be-listed-and-assessed-in-such-county- The <u>department</u>

- of revenue or its agent shall assess all nonexempt livestock
 in each county where they are located on January MARCH 1 of
 each year. The livestock must be assessed to the person by
 whom they were owned or claimed or in whose possession or
 control they were at midnight of January MARCH 1 in that
 year."
- Section 9. Section 15-24-903, MCA, is amended to read: 7 "15-24-903. Duty of owner to assist in assessment. (1) 8 The owner of livestock, as defined in 15-24-901, or his 9 agent, at the time of assessment shall make and deliver to 3.0 the department of revenue or its agent in the county or 11 counties where his livestock were located since--the--last 12 assessment -- date on January MARCH 1, a written statement, 1.3 under oath, showing the different kinds of his livestock 14 within the county or counties belonging to him or under his 15 charge, with their marks and brands; -and-showing--the--times 16 during-that-period-that-his-livestock-were-within-the-county 17 or-counties. 18
 - (2) As used in this section, "agent" means any person, persons, company, or corporation, including a feedlot operator or owner of grazing land, who has charge of livestock on the assessment date."
- 23 **Section 10.**—Section—15-24-9847-MCA7--is--amended--to
- 25 #15-24-904---Penalty-for--violation--of--law----If--any

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person; persons; company; or corporation who is the owner or

has in charge any livestock within this state fails to make

the statement or statements as provided in 15-24-903; the

county assessor may; after 10 days notice to the person who

failed to file the report; increase the following year's

assessment by 10% as a penalty; "

7 Section 10. Section 15-24-905, MCA, is amended to 8 read:

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*15-24-905. Livestock brought into state -- notice to department of revenue or its agent ---time-for-payment. (1) The owner or the agent, manager, or foreman of any person, corporation, or association bringing livestock into this state after January MARCH 1 shall immediately after said livestock crosses cross the state line forward to the department of revenue or its agent in the county into which the livestock is are moved a registered or certified letter, which letter shall contain the name of the owner of such livestock, the number thereof, the brand thereon, and the ages of the same, together with the time and place at which said livestock was were brought across the state line, provided that the department of livestock at least once each month furnish from its own records to the department of revenue or its agent in the county into which such livestock is are moved a list of the number and kind of livestock so moved, together with the name of the owner thereof.

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1 +2+--The--tax--due-on-livestock-brought-into-this-state 2 must-be-paid-within-30-days-after-receiving-the-tax--notice-3 f3}--bivestock--on-which-tax-is-owed-under-this-section may-not-be-removed-from-the-county-until-the-taxes-have-been 5 paid:" 6 Section-12.--Section--15-24-921;--MCA;--is--amended--to 7 read: 8 #15-24-921---Per--capita--tax--levy--to-pay-expenses-of 9 enforcing-livestock-laws---(1)-In-addition-to-appropriations 10 made--for--such--purposes;--a--per--capita--tax--is---hereby authorized--and--directed--to--be--levied calculated by-the 11 12 county-assessor-on-all-poultry--and--bees;--all--swine--3 6 13 months--of-age-or-older;-and-all-other-livestock-9 24 months of-age-or-older-in-each-county-of-this-state-for-the-purpose 14 15 of-aiding-in-the-payment-of-the-salaries--and--all--expenses 16 connected--with-the-enforcement-of-the-livestock-laws-of-the 17 state-and-for-the-payment-of-bounties--on--wild--animals--as 18 hereinafter-specified. 19 f21--As-used-in-this-section;-"livestock"-means-cattle; 20 sheepy--swiney--poultryy--beesy--qoatsy--horsesy--mulesy-and 21 asses-" 22 Section-13:--Section--15-24-922:--MGA:--is--amended--to-

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read:

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#15-24-922---Board-of-livestock-to-prescribe-per-capita

levy tax:---(1)--The--board--of--livestock--shall--annually

prescribe-the-amount-of-the-per-capita-levy tax tobemade
${\tt againstlivestockof-all-classes-for-the-purpose-indicated}$
in-15-24-9217
†2)The-per-capita-tax-levy-mustbecalculatedeach
yeartoprovidenotmore-than-ll0%-of-the-average-annual

year--to--provide--not--more-than-110%-of-the-average-annual revenue--that--was--generated--in--the--3--previous---years; beginning--with--revenue--generated--by--81-7-104--and--this section-in-the-taxable--years--1985;--1986;--and--1987;--The calculation--shall--apply-a-reasonable-factor-for-nonpayment and-late-payment-of--taxes--and--for--reimbursement--to--the counties--pursuant--to--15-24-925-for-collection-of-the-levy tax;"

Section-14.--Section--15-24-925,--MCA;--is--amended--to read:

#15-24-925.--Reimbursement-to-county----transmission-of taxes--from--county--to--state--treasurer.---(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 per-capita-tax on-livestock.

(2)--Except-for-the-amount--withheld--under--subsection (1)7--the--taxes--levied-and-the-money-collected-pursuant-to the-provisions-of-15-24-922--shall--be--transmitted--to--the state--treasury--by--the-county-treasurer-of-each-county;-as provided-in-15-1-5047-but-not-later-than-July-1 December--31 following--assessment:--The-county-treasurer-shall-designate

the-amount-received-from-the <u>per-capita</u> tax-levied-on-sheep and-the-amount-received-from-the-tax-levied-on-all-other livestock-and-shall-specify-the-separate-amounts-in-his report-to-the-state-treasurer-The-money-when-received-by the-state-treasurery-shall-be-deposited-to-the-credit-of-the department-of-livestock-*

Section-15.--Section--15-24-931,--MCA;--is--amended--to

#15-24-931---Assessment---of--swine:---(i)--Each--swine
producer-shall-submit-a-statement-in-the--manner--prescribed
by--the--department--of--revenue--showing-the-number-of-pigs
owned-in-each-of-the-following-classes-as-of-danuary-l:

ta)--market-hogs-which-are-hogs-between-3-months-and-6
months-of--age <u>or--older</u> and--which--have--a--conclusively
presumed-weight-factor-of-150-pounds <u>or-more</u>?

(b)--breeding--sows; which-have-a-conclusively-presumed
weight-factor-of-300-pounds;

(c)--breeding-boars; which-have-a-conclusively-presumed
weight-factor-of-300-pounds;

t2)--The-department-shall--determine--market--value--of swine--by--multiplying--the--following--average--USBA--Omaha quotation-price-over-the-preceding--5--years--less--\$2--per hundred--in-the-case-of-market-hogs-and-breeding-sows-times the-conclusively-presumed-weight-of-each-pig-in--the--class:

ta}--market--hogs--USBA-Omaha-quotation-for-barrows-and

-11- HB 35

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1	gilts;-grades-1-to-3;-at-230 <u>210</u> to-240-pounds;
2	tb)breedingsowsUSBAOmahaquotationforsows;
3	grades-1-to-2 37-at-300-to-350 400-pounds;
4	<pre>fc)breeding-boarsvalued-the-same-as-market-hogs-</pre>
5	(3)Thedepartmentshall-apply-the-same-equalization
6	factor-to-swine-as-to-other-classes-of-livestock;
7	(4)Thedepartmentshallpublishthemostrecent
8	5-yearaverage-USDA-Omaha-quotation-price-for-each-class-in
9	the-Administrative-Rules-of-Montana-
10	Section-16Section-61-3-431;-MCA;-is-amended-to-read:
11	#61-3-431Special-mobile-equipmentexemptionfrom
12	registrationandpaymentoffeesandcharges
13	identification-plate anddecalpubliclyownedspecial
14	mobileequipmentpenalty{1}Aperson;firm;
15	partnership,-orcorporationwhoowns,leases,orrents
16	specialmobileequipmentasdefinedin61-1-104and
17	occasionally-moves-that-equipment-on;-over;oracrossthe
18	highways-of-the-state-is-not-subject-to-registration-of-that
19	equipmentorrequired-to-pay-the-fees-and-charges-provided
20	for-in-61-3-502,-61-4-301-through-61-4-300,orpart2of
21	chapter-10Prior-to-movement-on-the-highways/-however/-each
22	pieceofequipmentshall-display a-decal-and an-equipment
23	identification-plate-or-a-dealer's-license-plate-attached-to
24	the-equipment:
25	(2) <u>fa)</u> -Annualapplicationfor adecaland the

-13-

1	identificationplateshall-be-made-to-the-county-treasure:
2	before-any-piece-of-equipmentismovedonthehighways
3	Applicationshallbemadeonaformfurnishedby-the
4	department-of-justice,-together-with-the-payment-of-a-fee-of
5	\$5The-equipment-for-which-a-special-mobile-equipment-plate
6	is-sought-is-subject-to-the-assessment-of-personalproperty
7	taxes-on-the-date-application-is-made-for-the-plate:
8	tbyThe Before-the-special-mobile-equipment-plate-ma
9	be-issued;-the-applicant-shall-furnish:
10	(i)evidence-in-the-form-of-a-receipt-or-statemento
11	tax;signedbythecountytreasurer;that-the persona
1.2	property-taxes-assessed-against-the-special-mobile-equipmen
13	must-be have-been paid-beforetheissuanceofaspecia
14	mobile-equipment-plate;-or
15	{ii}-astatement;signedbythe-county-assessor;-o
16	lien-assignment-against-real-property-in-an-amount-equalt
17	thepersonalpropertytaxesassessed-against-the-specia
18	mobile-equipment:
19	(c)The-fees-collected-under-thissectionbelongt
20	the-county-road-fund-

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(3)--The-identification-plate-expires-on-December-31-of

each-year--If-the-expired-identification-plate-is-displayed;

an--owner--of--special-mobile-equipment-registered-under-the

provisions-of--this--section--is--entitled--to--operate--the

equipment--between--January--1--and--Pebruary--15--following

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receipt-of-the-current-year-
<pre>(4)Publiclyownedspecialmobileequipmentand</pre>
implements-of-husbandry-used-exclusively-by-an-owner-inthe
conductofhis-own-farming-operations-are-exempt-from-this
section.
(5)Thedepartmentofrevenueshallissue
identificationdecals-to-each-county-assessor,-The-assessor
shall-issue-the-decals-to-the-ownersoroperatorsofall
specialmobileequipmentimmediatelyuponreceiptof-a
signed-statement-specificallylistingallspecialmobile
equipmentinpossessionandcontroloftheownersor
operators:-The-identifying-decalmustbedisplayedina
conspicuousplace-on-each-item-of-equipment-listed:Decals
are-not-transferable-from-one-item-of-equipmenttoanother
or-upon-sale-or-change-of-ownership:
<pre>f6}Anowneror-operator-of-special-mobile-equipment</pre>
who-violates-any-provision-of-this-section-isquiltyofa
misdemeanor-punishable-by-a-fine-of-not-more-than-\$300-or-by
asentenceof-not-more-than-60-days-in-the-county-jailor
both:
NEW-SECTION: Section-17 Machinery and equipment
identificationdecalpenalty(1)-(a)-The-department-of
revenue-shall-provide-identification-decals-toeachcounty

assessor--for--issuance--to--owners--or-operators-of-certain

expiration-without-displaying-the--identification--plate--or

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machinery-and-equipment-subject-to-taxation-under--15-6-130+
1
          tbj--The--department--of--revenue--shall--adopt--a-rule
2
     enumerating-the-types-of-machinery-and-equipment-for-which-a
3
     decal-must-be-issued-
          (2)--The-assessor-shall-issue-a-machinery-and-equipment
5
     decal-to-an-owner-or--operator--of--machinery--or--equipment
     subject--to--the--requirements--of-this-section-upon-receipt
7
     from-the-owner-or--operator--of--an--affidavit--listing--all
8
     machinery--and--equipment--in--the--state--that--is-owned-or
9
     controlled-by-the-owner-or-operator-
10
          (3)--The-identification-decal-must-be--displayed--in--a
11
      conspictous--place--on--each-item-of-machinery-and-equipment
12
      for-which-a-decal-is-issued-
13
           (4)--A---machinery---and---equipment---decal---is---not
14
      transferable-from-one-item-of-property-to-another,-nor-is-it
15
      transferable-upon-sale-or-other-change-of-ownership-
16
           +5)--An-owner-or-operator-of-machinery-or-equipment-who
17
      violates -- this-section-is-guilty-of-a-misdemeanor-punishable
18
      by-a-fine-of-not-more-than-$300-or-by-a-sentence-of-not-more
19
      than-60-days-in-the-county-jaily-or-both-
20
           NEW SECTION. Section 11. Repealer. Sections 15-8-401
21
      through--15-8-407, 15-24-908 through 15-24-911,-15-24-9267
22
      and 15-24-941 through 15-24-943, MCA, are repealed.
23
           NEW-SECTION: -- Section-19. -- Codification -- -- instruction-
24
```

| fSection--17}-is-intended-to-be-codified-as-an-integral-part

25

of-Title-157-chapter-247-and-the--provisions--of--Title--157
apply-to-{section-17}7

NEW SECTION. Section 12. Extension of authority. Any
existing authority to make rules on the subject of the
provisions of [this act] is extended to the provisions of
[this act].

NEW SECTION. Section 13. Applicability. [This act]
applies to tax years beginning after December 31, 1989.

-End-

HB 35

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1	HOUSE BILL NO. 35
2	INTRODUCED BY HARRINGTON
3	
4	A BILL FOR AN ACT ENTITLED: "AN ACT GENERALLY REVISING AND
5	CLARIFYING CERTAIN PERSONAL PROPERTY ASSESSMENT AND TAXATION
6	PROVISIONS; CLARIFYING TAXABLE SITUS OF PERSONAL PROPERTY;
7	REVISING PROCEDURES FOR ASSESSING LIVESTOCK; EXEMPTING PROM
8	TAXATION ALL UNPROCESSED AGRICULTURAL PRODUCTS ON FARMS OR
9	IN STORAGE; CHARIFYING-PROVISIONS-RELATING-TO-PER-CAPITA-TAK
10	ONbivestock;charipyingswinevaluationprocedures;
11	DEFINING "COAL AND ORE HAULERS"; TAXING AT 11% ALL BUSES AND
12	TRUCKS HEAVIER THAN THREE-QUARTERS OF A TON; REVISING-TAX
13	PAYMENT-REQUIREMENTS-POR-SPECIAL-MOBILE-EQUIPMENT;-REQUIRING
14	identipication-decabs-on-certainmachineryandequipment;
15	AMENDING SECTIONS 15-6-136, 15-6-138 THROUGH 15-6-140,
16	15-6-207, 15-8-408, 15-8-706, 15-24-902 THROUGH, 15-24-903,
17	AND 15-24-905, 15-24-921,-15-24-922,-15-24-925,-15-24-931,
18	AND61-3-4317 MCA; REPEALING SECTIONS 15-8-401THROUGH
19	15-8-407; 15-24-908 THROUGH 15-24-911, 15-24-926; AND
20	15-24-941 THROUGH 15-24-943, MCA; AND PROVIDING AN
21	APPLICABILITY DATE."
22	
23	BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:
24	Section 1. Section 15-6-136, MCA, is amended to read:
25	*15-6-136. Class six property description

- taxable percentage. (1) Class six property includes: 2 (a) livestock and other species of domestic animals 3 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; and (b)--all-unprocessed-agricultural-products-on-the--farm
- 7 Or-in-storage-except:
 - ti)--all--perishable--fruits--and--vegetables--in--farm storage-and-owned-by-the-producer;-and
 - (ii)-all-producer-held-grain-in-storage;
- 12 tct(b) items of personal property intended for lease 13 in the ordinary course of business, provided each item of 14 personal property satisfies all of the following:
- 15 (i) the full and true value of the personal property 16 is less than \$5,000;
 - (ii) 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
- 22 (iii) the lease of the personal property is generally 23 on an hourly, daily, or weekly basis.
- 24 (2) Class six property is taxed at 4% of its market 25 value."



2	"15-6-138. Class eight property description
3	taxable percentage. (1) Class eight property includes:
4	(a) all agricultural implements and equipment;
5	(b) all mining machinery, fixtures, equipment, tools,
6	and supplies except:
7	(i) those included in class five; and
8	(ii) coal and ore haulers;
9	(c) all manufacturing machinery, fixtures, equipment,
10	tools, and supplies except those included in class five;
11	(d) all trailers, including those prorated under
12	15-24-102, except those subject to taxation under
13	61-3-504(2);
14	(e) all goods and equipment intended for rent or
15	lease, except goods and equipment specifically included and
16	taxed in another class;
17	(f) buses and trucks having a rated capacity of more
18	than 1-1/2tons three-quarters of a ton, including those
19	prorated under 15-24-102; and
20	(g) all other machinery except that specifically
21	included in another class.
22	(2) Class eight property is taxed at 11% of its market
23	value."

Section 2. Section 15-6-138, MCA, is amended to read:

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1	taxable percentage. (1) Class nine property includes:
2	<pre>{a}busesandtrucks-having-a-rated-capacity-of-more</pre>
3	than-three-quarters-of-a-ton-but-less-than-or-equal-to-1-1/2
4	tons;
5	<pre>tb)(a) truck toppers weighing more than 300 pounds;</pre>
6	$\{e\}$ (b) furniture, fixtures, and equipment, except that
7	specifically included in another class, used in commercial
8	establishments as defined in this section;
9	+d+(c) x-ray and medical and dental equipment; and
10	$\{e\}$ (d) citizens' band radios and mobile telephones.
11	(2) "Commercial establishment" includes any hotel
12	motel; office; petroleum marketing station; or service
13	wholesale, retail, or food-handling business.
14	(3) Class nine property is taxed at 13% of its market
15	value."
16	Section 4. Section 15-6-140, MCA, is amended to read:
17	"15-6-140. Class ten property description
18	taxable percentage. (1) Class ten property includes:
19	(a) radio and television broadcasting and transmitting
20	equipment;
21	(b) cable television systems;
22	(c) coal and ore haulers;
23	(d) theater projectors and sound equipment; and
24	(e) all other property not included in any other class
25	in this part except that property subject to a fee in lieu

BB 35

Section 3. Section 15-6-139, MCA, is amended to read:

*15-6-139. Class nine property -- description --

-3-

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- 1 of a property tax.
- 2 (2) As used in this section, "coal and ore haulers"
- 3 means nonhighway vehicles that exceed 16,000 pounds
- 4 per axle and that are used to transport coal, ore, or other
- 5 earthen material in a mining, OR quarrying, -- or -- earthmoving
- 6 environment.
- 7 (2)(3) Class ten property is taxed at 16% of its
- 8 market value."
- 9 Section 5. Section 15-6-207, MCA, is amended to read:
- 10 *15-6-207. Agricultural exemptions. (1) The following
- 11 agricultural products are exempt from taxation:
- 12 (a) all unprocessed, perishable-fruits-and--vegetables
- in agricultural products on the farm or in storage and owned
- 14 by the producer;
- 15 (b) all producer-held grain in storage;
- 16 (c) all nonperishable, unprocessed agricultural
- 17 products, except livestock; --held--in--possession--of--the
- 18 original--producer-for-less-than-7-months-following-harvest;
- (d) except as provided in subsection (1)(e), livestock
- 20 which have not attained the age of 24 months as of the--last
- 21 day--of-any-month-if-assessed-on-the-average-inventory-basis
- 22 or-on-March January MARCH 1 if--assessed--as--provided--in
- 23 15-24-911(1)(a);
- 24 (e) swine which have not attained the age of 6 months
- 25 as of January 1;

- 1 (f) poultry and the unprocessed products of poultry;
 2 and
- 3 (g) bees and the unprocessed product of bees.
- 4 (2) Any beet digger, beet topper, beet defoliato.,

beet thinner, beet cultivator, beet planter, or beet top

- 6 saver designed exclusively to plant, cultivate, and ha lest
- 7 sugar beets is exempt from taxation if such implemen has
- 8 not been used to plant, cultivate, or harvest sugar leets
- 9 for the 2 years immediately preceding the current as ...ment
- 10 date and there are no available sugar beet contracts in the
- 11 sugar beet grower's marketing area."
- 12 Section 6. Section 15-8-408, MCA, is amended to read:
- 13 "15-8-408. Personal property. Personal property which
- 14 was-in-the-state-and, OTHER THAN LIVESTOCK, subject to
- 15 taxation on-danuary-1-of-any-year or a fee in lieu of tax in
- 16 the state shall be taxable wherever-and--whenever--found--in
- 17 any-county-in-the-state in the taxing jurisdiction where it
- 18 is located on January 1, whether or not the same be is
- 19 owned, claimed, or possessed by the person, as defined in
- 20 <u>15-1-102</u>, owning, claiming, or possessing it on January 1 or
- 21 not;-provided-that-in-case-the-same-property-is-assessed--in
- 22 more-than-one-countyy-the-county-first-making-the-assessment
- 23 shall-be-entitled-to-collect-the-taxes."
- Section 7. Section 15-8-706, MCA, is amended to read:
- 25 *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;

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- (b) the average and total value of each kind;
- 6 (c) the number of livestock7--number--of-bushels-of
 7 grain7 and number-of-pounds-or-tons-of-any-article--sold--by
 8 the-pound-or-ton;
- 9 (d) when practicable, the separate value of each class
 10 of land, specifying the classes and the number of acres in
 11 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 quilty of official misconduct under 45-7-401."
- Section 8. Section 15-24-902, MCA, is amended to read: 17 18 *15-24-902. bivestock----where-assessed Assessment of livestock. bivestock--belonging--to-a-permanent-resident-of 19 the-state-must-not-be-listed-or-assessed-while-such-stock-is 20 in-transit-or-until-it--arrives--in--the--county--where--the 21 22 person--owning--the--same--resides--and--must--be-listed-and assessed-in-such-county:-If-such-livestock-runs-at-large--in 23 a--county-other-than-the-one-in-which-such-owner-resides7-it 24 must-be-listed-and-assessed-in-such-county: The department 25

-7-

- of revenue or its agent shall assess all nonexempt livestock
 in each county where they are located on January MARCH 1 of
 each year. The livestock must be assessed to the person by
 whom they were owned or claimed or in whose possession or
 control they were at midnight of January MARCH 1 in that
 year."
- Section 9. Section 15-24-903, MCA, is amended to read: 7 *15-24-903. Duty of owner to assist in assessment. (1) The owner of livestock, as defined in 15-24-901, or his 9 agent, at the time of assessment shall make and deliver to 10 the department of revenue or its agent in the county or 11 counties where his livestock were located since--the--last 12 assessment--date on January MARCH 1, a written statement, 13 under oath, showing the different kinds of his livestock 14 within the county or counties belonging to him or under his 15 charge, with their marks and brands; -and-showing--the--times 16 during-that-period-that-his-livestock-were-within-the-county 17 or-counties. 18
- 19 (2) As used in this section, "agent" means any person,
 20 persons, company, or corporation, including a feedlot
 21 operator or owner of grazing land, who has charge of
 22 livestock on the assessment date."
- 23 **Section-10**.--Section--15-24-984;--Meh;--is--amended--to-24 read:
- 25 #15-24-984:--Penalty-for--violation--of--law:----If--any

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person_persons_company_or_corporation_who_is_the_owner_or

has_in_charge_any_livestock_within_this_state_fails_to_make

the_statement_or_statements_as_provided_in_ls_24-903___the

county_assessor_may_after_l0_days_notice_to_the_person_who

failed_to_file_the_report_increase_the following_year_s

assessment_by_l0%_as_a_penalty_"

7 Section 10. Section 15-24-905, MCA, is amended to 8 read:

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*15-24-905. Livestock brought into state -- notice to department of revenue or its agent ---time-for-payment. (1) The owner or the agent, manager, or foreman of any person, corporation, or association bringing livestock into this state after January MARCH 1 shall immediately after said livestock crosses cross the state line forward to the department of revenue or its agent in the county into which the livestock is are moved a registered or certified letter, which letter shall contain the name of the owner of such livestock, the number thereof, the brand thereon, and the ages of the same, together with the time and place at which said livestock was were brought across the state line, provided that the department of livestock at least once each month furnish from its own records to the department of revenue or its agent in the county into which such livestock is are moved a list of the number and kind of livestock so moved, together with the name of the owner thereof.

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(2)Thetaxdue-on-livestock-brought-into-this-stat
must-be-paid-within-30-days-after-receiving-the-taxnotice
(3)bivestockon-which-tax-is-owed-under-this-section
may-not-be-removed-from-the-county-until-the-taxes-have-bee
paid."

Section-12.--Section--15-24-921,--MCA;--is--amended--to

#15-24-921---Per--capita--tax--levy--to-pay-expenses-of enforcing-livestock-laws---(1)-In-addition-to-appropriations made--for--such--purposes,--a--per--capita--tax--is---hereby authorized--and--directed--to--be--levied calculated by-the county-assessor-on-all-poultry--and--bees,--all--swine--3 6 months--of-age-or-older,-and-all-other-livestock-9 24 months of-age-or-older-in-each-county-of-this-state-for-the-purpose of-aiding-in-the-payment-of-the-salaries--and--all--expenses connected--with-the-enforcement-of-the-livestock-laws-of-the state-and-for-the-payment-of-bounties--on--wild--animals--as hereinafter-specified-

(2)--As-used-in-this-section;-"livestock"-means-cattle;
sheep;--swine;--poultry;--bees;--goats;--horses;--mules;-and
asses:"

22 **Section-13**:--Section--15-24-922₇--MCA₇--is--amended--to 23 read:

#15-24-922:--Board-of-livestock-to-prescribe-per-capita
levy tax:---(1)--The--board--of--livestock--shall--annually

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1	prescribe-the-amount-of-the-per-capita-levy tax tobemade
2	againstlivestockof-all-classes-for-the-purpose-indicated
3	in-15-24-921-
4	(2)The-per-capita-tax-levy-mustbecalculatedeach
5	yeartoprovidenotmore-than-110%-of-the-average-annual
6	revenuethatwasgeneratedinthe3previousyears;
7	beginningwithrevenuegeneratedby81-7-104andthis
8	section-in-the-taxableyears1985;1986;and1987;The
9	calculationshallapply-a-reasonable-factor-for-nonpayment
10	and-late-payment-oftaxesandforreimbursementtothe
11	countiespursuantto15-24-925-for-collection-of-the-levy
12	tax-"
13	Section-14Section15-24-925,MCA;isamendedto
14	read:
15	#15-24-925:Reimbursement-to-countytransmission-of
16	taxesfromcountytostatetreasurer(1)The-county
17	treasurer-maywithhold2%ofthemoneyreceivedunder
18	15-24-921as-reimbursement-to-the-county-for-the-collection
19	of-the-levy per-capita-tax on-livestock;
20	+2}Except-for-the-amountwithheldundersubsection
21	(1),thetaxeslevied-and-the-money-collected-pursuant-to
22	the-provisions-of-15-24-922shallbetransmittedtothe
23	statetreasurybythe-county-treasurer-of-each-county,-as
24	provided-in-15-1-5047-but-not-later-than-duly-l December31
25	followingassessment:The-county-treasurer-shall-designate

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the-amount-received-from-the per-capita tax-levied-on--sheep
1
     and-the--amount--received--from-the-tax-levied-on-all-other
     livestock-and-shall-specify--the--separate--amounts--in--his
3
     report--to--the-state-treasurer--The-moneyy-when-received-by
     the-state-treasurery-shall-be-deposited-to-the-credit-of-the
     department-of-livestock."
          Section-15:--Section--15-24-931;--MCA;--is--amended--to
7
     readt
          #15-24-931---Assessment---of--swine----(1)--Each--swine
9
     producer-shall-submit-a-statement-in-the--manner--prescribed
10
     by--the--department--of--revenue--showing-the-number-of-pigs
11
     owned-in-each-of-the-following-classes-as-of-danuary-tr
12
          taj--market-hogs;-which-are-hogs-between-3-months-and-6
13
      months-of--age or--older and--which--have--a--conclusively
14
      presumed-weight-factor-of-150-pounds or-more;
15
           tb)--breeding--sows,-which-have-a-conclusively-presumed
16
      weight-factor-of-300-pounds;
17
           te}--breeding-boars;-which-have-a-conclusively-presumed
18
      weight-factor-of-300-pounds-
19
           +2)--The-department-shall--determine--market--value--of
20
      swine--by--multiplying--the--following--average--USBA--Omaha
21
      quotation-price-over-the-preceding--5--years,--less--$2--per
22
      hundred-in-the-case-of-market-hogs-and-breeding-sows; -times
23
      the-conclusively-presumed-weight-of-each-pig-in--the--class:
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ta) -- market -- hogs -- USBA-Omaha-quotation-for-barrows-and

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1	giltsy-grades-1-to-37-at-230 210 to-240-pounds;
2	tb)breedingsowsUSBAOmahaquotationforsows;
3	grades-1-to-2 37-at-308-ta-350 400-pounds;
4	tc}breeding-boarsvalued-the-same-as-market-hogs-
5	<pre>+3}Thedepartmentshall-apply-the-same-equalization</pre>
6	factor-to-swine-as-to-other-classes-of-livestock:
7	(4)Thedepartmentshallpublishthemostrecent
8	5-yearaverage-USDA-Omaha-quotation-price-for-each-class-in
9	the-Administrative-Rules-of-Montana-
10	Section 16 Section -61-3-431, -MCA, -is-amended -to-read:
11	#61-3-431:Special-mobile-equipmentexemptionfrom
12	registrationandpaymentoffeesandcharges
13	identification-plate anddecalpubliclyownedspecial
14	mobileequipmentpenalty(1)Aperson;firm;
15	partnership,-orcorporationwhoowns,leases,orrents
16	specialmobileequipmentasdefinedin61-1-104and
17	occasionally-moves-that-equipment-onoveroracrossthe
18	highways-of-the-state-is-not-subject-to-registration-of-that
19	equipmentorrequired-to-pay-the-fees-and-charges-provided
20	for-in-61-3-5027-61-4-301-through-61-4-3007orpart2of
21	chapter-10:-Prior-to-movement-on-the-highways;-however;-each
22	pieceofequipmentshall-display a-decal-and an-equipment
23	identification-plate-or-a-dealer-s-license-plate-attached-to
24	the-equipment.
25	t2)taj-Annualapplicationfor adecaland the

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identification--plate--shall-be-made-to-the-county-treasurer
before-any-piece-of-equipment--is--moved--on--the--highways:
Application--shall--be--made--on--a--form--furnished--by-the
department-of-justice;-together-with-the-payment-of-a-fee-of
$5:-The-equipment-for-which-a-special-mobile-equipment-plate
is-sought-is-subject-to-the-assessment-of-personal--property
taxes-on-the-date-application-is-made-for-the-plate-
     tb}--The Before-the-special-mobile-equipment-plate-may
be-issuedy-the-applicant-shall-furnish:
```

ti)--evidence-in-the-form-of-a-receipt-or-statement--of tax;--signed--by--the--county--treasurer;--that-the personal property-taxes-assessed-against-the-special-mobile-equipment must-be have-been paid-before--the--issuance--of--a--special mobile-equipment-plate;-or

fii)-a--statementy--signed--by--the-county-assessory-of lien-assignment-against-real-property-in-an-amount-equal--to the-personal-property-taxes-assessed-against-the-special mobile-equipment:

(c)--The-fees-collected-under-this--section--belong--to the-county-road-fund-

(3)--The-identification-plate-expires-on-December-31-of each-year--If-the-expired-identification-plate-is-displayed, an--owner--of--special-mobile-equipment-registered-under-the provisions-of--this--section--is--entitled--to--operate--the equipment -- between -- danuary -- 1 -- and -- Pebruary -- 15 -- following

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2	receipt-of-the-current-year-
3	(4)Publiclyownedspecialmobileequipmentand
4	implements-of-husbandry-used-exclusively-by-an-owner-inthe
5	conductofhis-own-farming-operations-are-exempt-from-this
6	sections
7	15}Thedepartmentofrevenueshallissue
В	identificationdecals-to-each-county-assessor:-The-assessor
9	shall-issue-the-decals-to-the-ownersoroperatorsofall
10	specialmobileequipmentimmediatelyuponreceiptof-a
11	signed-statement-specificallylistingallspecialmobile
12	equipmentinpossessionandcontroloftheownersor
13	operatorsThe-identifying-decalmustbedisplayedina
14	conspicuousplace-on-each-item-of-equipment-listed:Becals
15	are-not-transferable-from-one-item-of-equipmenttoanother
16	or-upon-sale-or-change-of-ownership.
17	<pre>f6}Anowneror-operator-of-special-mobile-equipment</pre>
18	who-violates-any-provision-of-this-section-isguiltyofa
19	misdemeanor-punishable-by-a-fine-of-not-more-than-\$300-or-by
20	asentenceof-not-more-than-60-days-in-the-county-jail;-or
21	both-
22	NEW-SECTION: Section-17 Machinery and equipment
23	identificationdecalpenalty;{1}-(a)-The-department-of
24	revenue-shall-provide-identification-decals-toeachcounty

assessor--for--issuance--to--owners--or-operators-of-certain

25

expiration-without-displaying-the--identification--plate--or

1	machinery-and-equipment-subject-to-taxation-under15-6-138-
2	(b)Thedepartmentofrevenueshalladopta-rule
3	enumerating-the-types-of-machinery-and-equipment-for-which-a
4	decal-must-be-issued-
5	(2)The-assessor-shall-issue-a-machinery-and-equipment
6	decal-to-an-owner-oroperatorofmachineryorequipment
7	subjecttotherequirementsof-this-section-upon-receipt
8	from-the-owner-oroperatorofanaffidavitlistingall
9	machineryandequipmentinthestatethatis-owned-or
10	controlled-by-the-owner-or-operator:
11	(3)The-identification-decal-must-bedisplayedina
12	conspicuousplaceoneach-item-of-machinery-and-equipment
13	for-which-a-decal-is-issued-
14	t4)Amachineryandequipmentdecalisnot
15	transferable-from-one-item-of-property-to-another;-nor-is-it
16	transferable-upon-sale-or-other-change-of-ownership-
17	<pre>#59An-owner-or-operator-of-machinery-or-equipment-who</pre>
18	violatesthis-section-is-guilty-of-a-misdemeanor-punishable
19	by-a-fine-of-not-more-than-\$300-or-by-a-sentence-of-not-more
20	than-60-days-in-the-county-jail;-or-both;
21	NEW SECTION. Section 11. Repealer. Sections 15-8-401
22	through15-8-4077 15-24-908 through 15-24-9117-15-24-9267

and 15-24-941 through 15-24-943, MCA, are repealed.

NEW-SECTION --- Section 19 .-- Codification --- instruction;

{Section--17}-is-intended-to-be-codified-as-an-integral-part

23

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-15- HB 35

-16- HB 35

1	of-Title-157-chapter-247-and-theprovisionsofTitle157
2	apply-to-{section-17};
3	NEW SECTION. Section 12. Extension of authority. Any
4	existing authority to make rules on the subject of the
5	provisions of [this act] is extended to the provisions of
6	[this act].
7	NEW SECTION. Section 13. Applicability. [This act]
8	applies to tax years beginning after December 31, 1989.

-End-

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SENATE COMMITTEE OF THE WHOLE AMENDMENT

March 29, 1989 10:33 am

Mr. Chairman: I move to amend HB 35 (third reading copy -- blue)
as follows:

1. Page 5, line 4. Following: "are"

Insert: "primarily designed and"

ADOPT

REJECT

ned:

Sena/tør Hager

SENATE COMMITTEE OF THE WHOLE AMENDMENT

April 1, 1989 7:56 am

Mr. Chairman: I move to amend HB 35 (third reading copy -- blue) as follows:

1. Title, line 12. Strike: "THREE-QUARTERS OF A" Insert: "1"

2. Page 3, line 18.

Strike: "three-quarters of a" Insert: "1"

ADOPT

REJECT

Signed:

51st Legislature

1	ROOSE BILL NO. 33
2	INTRODUCED BY HARRINGTON
3	
4	A BILL FOR AN ACT ENTITLED: "AN ACT GENERALLY REVISING AND
5	CLARIFYING CERTAIN PERSONAL PROPERTY ASSESSMENT AND TAXATION
6	PROVISIONS; CLARIFYING TAXABLE SITUS OF PERSONAL PROPERTY;
7	REVISING PROCEDURES FOR ASSESSING LIVESTOCK; EXEMPTING FROM
8	TAXATION ALL UNPROCESSED AGRICULTURAL PRODUCTS ON FARMS OR
9	IN STORAGE; CHARIPYING-PROVISIONS-RELATING-TO-PER-CAPITA-TAX
LO	ONbivestock;cbarifyingswinevabuationprocedures;
11	DEFINING "COAL AND ORE HAULERS"; TAXING AT 11% ALL BUSES AND
L2	TRUCKS HEAVIER THAN THREE-QUARTERS OF A TON; REVISING-TAX
1.3	PAYMENT-REQUIREMENTS-POR-SPECIAL-MOBILE-EQUIPMENT;-REQUIRING
L 4	idengification-decabs-on-certainmachineryandequipmeng;
15	AMENDING SECTIONS 15-6-136, 15-6-138 THROUGH 15-6-140,
L6	15-6-207, 15-8-408, 15-8-706, 15-24-902 THROUGH, 15-24-903,
17	AND 15-24-905, 15-24-9217-15-24-9227-15-24-9257-15-24-9317
18	AND61-3-4317 MCA; REPEALING SECTIONS 15-8-401THROUGH
19	15-8-4077 15-24-908 THROUGH 15-24-911, 15-24-9267 AND
20	15-24-941 THROUGH 15-24-943, MCA; AND PROVIDING AN
21	APPLICABILITY DATE."
22	
23	BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:
24	Section 1. Section 15-6-136, MCA, is amended to read:
25	"15-6-136. Class six property description

1	taxable percentage. (1) Class six property includes:
2	(a) livestock and other species of domestic animals
3	and wildlife raised in domestication or a captive
4	environment, except for cats, dogs, and other household pets
5	not raised for profit,-and-the-unprocessed-products-of-such
6	animals-and-wildlife; and
7	<pre>tb)all-unprocessed-agricultural-products-on-thefarm</pre>
8	or-in-storage-except:
9	(i)allperishablefruitsandvegetablesinfarm
10	storage-and-owned-by-the-producer;-and
11	(ii)-mll-producer-held-grain-in-storage;
12	<pre>te;(b) items of personal property intended for lease</pre>
13	in the ordinary course of business, provided each item of
14	personal property satisfies all of the following:
15	(i) the full and true value of the personal property
16	is less than \$5,000;
17	(ii) the personal property is owned by a business whose
18	primary business income is from rental or lease of personal
19	property to individuals wherein no one customer of the
20	business accounts for more than 10% of the total rentals or
21	leases during a calendar year; and
22	(iii) the lease of the personal property is generally



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value."

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

on an hourly, daily, or weekly basis.

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1	Section 2.	Section	15-6-	138, M	ICA, is	amended	to re	ad:
2	*15-6-138.	Class	eight	prope	erty -	- descr	iption	
3	taxable percenta	ge. (1)	Class	eight	proper	ty inclu	des:	

- (a) all agricultural implements and equipment;
- (b) all mining machinery, fixtures, equipment, tools,and supplies except:
 - (i) those included in class five; and
- 8 (ii) coal and ore haulers;

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- 9 (c) all manufacturing machinery, fixtures, equipment,
 10 tools, and supplies except those included in class five;
- 11 (d) all trailers, including those prorated under 12 15-24-102, except those subject to taxation under 13 61-3-504(2):
- 14 (e) all goods and equipment intended for rent or 15 lease, except goods and equipment specifically included and 16 taxed in another class:
- 17 (f) <u>buses and</u> trucks having a rated capacity of more

 18 than <u>i-1/2--tons</u> three-quarters of a ton, including those

 19 prorated under 15-24-102; and
- 20 (g) all other machinery except that specifically21 included in another class.
- 22 (2) Class eight property is taxed at 11% of its market
 23 value."
- Section 3. Section 15-6-139, MCA, is amended to read:

 "15-6-139. Class nine property -- description --

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- taxable percentage. (1) Class nine property includes:

 tay--buses--and--trucks-having-a-rated-capacity-of-more
 than-three-quarters-of-a-ton-but-less-than-or-equal-to-l-1/2
- 5 +b+(a) truck toppers weighing more than 300 pounds;
- 9 (d)(c) x-ray and medical and dental equipment; and
 10 (et(d) citizens' band radios and mobile telephones.
- 11 (2) "Commercial establishment" includes any hotel;
 12 motel; office; petroleum marketing station; or service,
 13 wholesale, retail, or food-handling bus ness.
- 14 (3) Class nine property is taxed at 13% of its market
 15 value."
- Section 4. Section 15-6-140, MCA, is amended to read:
- 17 "15-6-140. Class ten property -- description -
 18 taxable percentage. (1) Class ten property includes:
- 21 (b) cable television systems;
- 22 (c) coal and ore haulers;
- 23 (d) theater projectors and sound equipment; and
- (e) all other property not included in any other classin this part except that property subject to a fee in lieu

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1 of a property tax.

- 2 (2) As used in this section, "coal and ore haulers"
- 3 means nonhighway vehicles that exceed 16,000 pounds
- 4 per axle and that are PRIMARILY DESIGNED AND used to
- 5 transport coal, ore, or other earthen material in a mining;
- OR quarrying, -or-earthmoving environment.
- 7 (2)(3) Class ten property is taxed at 16% of its
- 8 market value."
- 9 Section 5. Section 15-6-207, MCA, is amended to read:
- 10 "15-6-207. Agricultural exemptions. (1) The following
- 11 agricultural products are exempt from taxation:
- 12 (a) all unprocessed, perishable fruits and vegetables
- 13 in agricultural products on the farm or in storage and owned
- 14 by the producer;

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- 15 (b) all producer-held grain in storage;
- 16 (c) all nonperishable, unprocessed agricultural
- 17 products, except livestock, --held--in--possession--of--the
 - original--producer-for-less-than-7-months-following-harvest;
- (d) except as provided in subsection (1)(e), livestock
- 20 which have not attained the age of 24 months as of the--last
- 21 day--of-any-month-if-assessed-on-the-average-inventory-basis
- 22 or-on-March January MARCH 1 if--assessed--as--provided--in
- 23 15-24-911(1)(a);
- 24 (e) swine which have not attained the age of 6 months

-5-

25 as of January 1;

- 1 (f) poultry and the unprocessed products of poultry;
 2 and
- 3 (g) bees and the unprocessed product of bees.
- 5 beet thinner, beet cultivator, beet planter, or beet top
 6 saver designed exclusively to plant, cultivate, and harvest

(2) Any beet digger, beet topper, beet defoliator,

- 7 sugar beets is exempt from taxation if such implement has
- 8 not been used to plant, cultivate, or harvest sugar beets
- 9 for the 2 years immediately preceding the current assessment
- date and there are no available sugar beet contracts in the
- 11 sugar beet grower's marketing area."
- 12 Section 6. Section 15-8-408, MCA, is amended to read:
- 13 "15-8-408. Personal property. Personal property which
- 14 was--in--the--state--and, OTHER THAN LIVESTOCK, subject to
- 15 taxation on-January-1-of-any-year or a fee in lieu of tax in

the state shall be taxable wherever-and--whenever--found--in

- 17 any-county-in-the-state in the taxing jurisdiction where it
- 18 is located on January 1, whether or not the same be is
- 19 owned, claimed, or possessed by the person, as defined in
- 20 15-1-102, owning, claiming, or possessing it on January 1 or
- 21 not;-provided-that-in-case-the-same-property-is-assessed--in
- 22 more-than-one-county; the-county-first-making-the-assessment
- 23 shall-be-entitled-to-collect-the-taxes."
- Section 7. Section 15-8-706, MCA, is amended to read:
- 25 "15-8-706. Statement by agent to the department. (1)

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On	the	secon	d Monday	in	July	in eac	h year	, the	agent	of	the
depa	artme	ent of	revenue	in	each	county	must	tran	smit	to	the
depa	artme	ent a :	statemen	t si	nowin	g:					

- (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; and number-of-pounds-or-tons-of-any-article--sold--by the-pound-or-ton;
- 9 (d) when practicable, the separate value of each class
 10 of land, specifying the classes and the number of acres in
 11 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 8. Section 15-24-902, MCA, is amended to read: *15-24-902. bivestock----where-assessed Assessment of livestock. bivestock--belonging--to-a-permanent-resident-of the-state-must-not-be-listed-or-assessed-while-such-stock-is in-transit-or-until-it--arrives--in--the--county--where--the person--owning--the--same--resides--and--must--be-listed-and assessed-in-such-county;-If-such-livestock-runs-at-large--in a--county-other-than-the-one-in-which-such-owner-resides;-it must-be-listed-and-assessed-in-such-county- The department

-7-

of revenue or its agent shall assess all nonexempt livestock in each county where they are located on January MARCH 1 of each year. The livestock must be assessed to the person by whom they were owned or claimed or in whose possession or control they were at midnight of January MARCH 1 in that year."

Section 9. Section 15-24-903, MCA, is amended to read:

"15-24-903. Duty of owner to assist in assessment. (1)

The owner of livestock, as defined in 15-24-901, or his agent, at the time of assessment shall make and deliver to the department of revenue or its agent in the county or counties where his livestock were located since-the-last assessment-date on January MARCH 1, a written statement, under oath, showing the different kinds of his livestock within the county or counties belonging to him or under his charge, with their marks and brands; and showing-the-times during-that-period-that-his-livestock-were-within-the-county or counties.

(2) As used in this section, "agent" means any person, persons, company, or corporation, including a feedlot operator or owner of grazing land, who has charge of livestock on the assessment date."

Section-10.--section--15-24-9047--MCA7--is--amended--to
24 read:

25 #15-24-904:--Penalty-for--violation--of--law:---If--any

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persony-personsy-companyy-or-corporation-who-is-the-owner-or has--in-charge-any-livestock-within-this-state-fails-to-make the-statement-or-statements-as-provided--in--15-24-903y--the county-assessor-mayy-after-10-days-notice-to-the-person-who failed--to--file--the--reporty-increase-the following-year's assessment-by-10%-as-a-penalty-"

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7 Section 10. Section 15-24-905, MCA, is amended to 8 read:

"15-24-905. Livestock brought into state -- notice to department of revenue or its agent ---time-for-payment. (1) The owner or the agent, manager, or foreman of any person, corporation, or association bringing livestock into this state after January MARCH 1 shall immediately after said livestock crosses cross the state line forward to the department of revenue or its agent in the county into which the livestock is are moved a registered or certified letter. which letter shall contain the name of the owner of such livestock, the number thereof, the brand thereon, and the ages of the same, together with the time and place at which said livestock was were brought across the state line, provided that the department of livestock at least once each month furnish from its own records to the department of revenue or its agent in the county into which such livestock is are moved a list of the number and kind of livestock so moved, together with the name of the owner thereof.

(2)--The--tax--due-on-livestock-brought-into-this-state

must-be-paid-within-30-days-after-receiving-the-tax--notice=

(3)--bivestock--on-which-tax-is-owed-under-this-section

may-not-be-removed-from-the-county-until-the-taxes-have-been

paid:"

Section-12.--Section-15-24-921;--MCA;--is--amended--to read:

#15-24-921---Per--capita--tax--levy--to-pay-expenses-of enforcing-livestock-laws---ft]-In-addition-to-appropriations made--for--such--purposes,--a--per--capita--tax--is---hereby authorized--and--directed--to--be--levied calculated by-the county-assessor-on-all-poultry--and--bees,--all--swine--3 6 months--of-age-or-older,-and-all-other-livestock-9 24 months of-age-or-older-in-each-county-of-this-state-for-the-purpose of-aiding-in-the-payment-of-the-salaries--and--all--expenses connected--with-the-enforcement-of-the-livestock-laws-of-the state-and-for-the-payment-of-bounties--on--wild--animals--as hereinafter-specified-

(2)--As-used-in-this-section;-"livestock"-means-cattle;
sheep;--swine;--poultry;--becs;--goats;--horses;--mules;-and
asses;"

Section-13.--Section--15-24-9227--MCA7--is--amended--to read:

#15-24-922.--Board-of-livestock-to-prescribe-per-capita

levy tax:---(1)--The--board--of--livestock--shall--annually

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prescribe-the-amount-of-the-per-capita-levy tax tobemade
againstlivestockof-all-classes-for-the-purpose-indicated
in-15-24-921=
(2)The-per-capita-tax-levy-mustbecalculatedeach
yeartoprovidenotmore-than-ll0%-of-the-average-annual
revenuethatwasgeneratedinthe3previousyears;
beginningwithrevenuegeneratedby81-7-104andthis
section-in-the-taxableyears1985;1986;and1987:The
calculationshallapply-a-reasonable-factor-for-nonpayment
and-late-payment-oftaxesandforreimbursementtothe
countiespursuantto15-24-925-for-collection-of-the-levy
tax-"
Section-14Section15-24-925,MCA,1samendedto
Section-14Section15-24-925;MCA;1samendedto
read:
read: #15-24-925:Reimbursement-to-countytransmission-of
read: #15-24-925Reimbursement-to-countytransmission-of taxesfromcountytostatetreasurer(1)The-county
read: #15-24-925:Reimbursement-to-countytransmission-of taxesfromcountytostatetreasurer:(1)The-county treasurer-maywithhold2%ofthemoneyreceivedunder
read: #15-24-925Reimbursement-to-countytransmission-of taxesfromcountytostatetreasurer(1)The-county treasurer-maywithhold2%ofthemoneyreceivedunder 15-24-921as-reimbursement-to-the-county-for-the-collection
read: #15-24-925Reimbursement-to-countytransmission-of taxesfromcountytostatetreasurer(1)The-county treasurer-maywithhold2%ofthemoneyreceivedunder 15-24-921as-reimbursement-to-the-county-for-the-collection of-the-levy per-capita-tax on-livestock:
read: #15-24-925Reimbursement-to-countytransmission-of taxesfromcountytostatetreasurer(1)The-county treasurer-maywithhold2%ofthemoneyreceivedunder 15-24-921as-reimbursement-to-the-county-for-the-collection of-the-levy per-capita-tax on-livestock: (2)Bxcept-for-the-amountwithheldundersubsection
read: #15-24-925Reimbursement-to-countytransmission-of taxesfromcountytostatetreasurer(1)The-county treasurer-maywithhold2tofthemoneyreceivedunder 15-24-921as-reimbursement-to-the-county-for-the-collection of-the-levy per-capita-tax on-livestock- (2)Bxcept-for-the-amountwithheldundersubsection (1),thetaxeslevied-and-the-money-collected-pursuant-to

following--assess: entr--The-county-treasurer-shall-designate

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the-amount-received-from-the per-capita tax-levied-on--sheep
and--the--amount--received--from-the-tax-levied-on-all-other
livestock-and-shall-specify--the--separate--amounts--in--his
report -- to -- the - state - treasurer -- The -money , - when - received - by
the-state-treasurery-shall-be-deposited-to-the-credit-of-the
department-of-livestock-"
     Section 15: -- Section -- 15-24-931; -- MCA: -- is -- amended -- to
read:
     415-24-931:--Assessment---of--swine:---(1)--Each--swine
producer-shall-submit-a-statement-in-the--manner--prescribed
by--the--department--of--revenue--showing-the-number-of-pigs
owned-in-each-of-the-following-classes-as-of-January-1:
     fa) -- market - hogs; - which - are - hogs - between - 3 - months - and - 6
months-of--age or--older and--which--have--a--conclusively
presumed-weight-factor-of-150-pounds or-more;
     (b)--breeding--sowsy-which-have-a-conclusively-presumed
weight-factor-of-300-pounds:
     (c)--breeding-boars,-which-have-a-conclusively-presumed
weight-factor-of-300-pounds:
     (2)--The-department-shall--determine--market--value--of
swine--by--multiplying--the--following--average--USBA--Omaha
quotation-price-over-the-preceding--5--years;--less--$2--per
hundred--in-the-case-of-market-hogs-and-breeding-sows;-times
the-conclusively-presumed-weight-of-each-pig-in--the--class:
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taj--market--hogs--USDA-Omaha-quotation-for-barrows-and

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the-county-road-fund-

1	gilts;-grades-1-to-3;-at-230 210 to-240-pounds;
2	tb)breedingsowsUSDAOmahaquotationforsows;
3	grades-1-to-2 <u>3</u> 7-at-300-to-350 <u>400</u> -pounds;
4	tc;breeding-boarsvalued-the-same-as-market-hogs-
5	(3)Thedepartmentshall-apply-the-same-equalization
6	factor-to-swine-as-to-other-classes-of-livestock-
7	(4)Thedepartmentshallpublishthemostrecent
8	5-yearaverage-USDA-Omaha-quotation-price-for-each-class-in
9	the-Administrative-Rules-of-Montana-#
10	Section-16Section-61-3-431;-MCA;-is-amended-to-read:
11	#61-3-431Special-mobile-equipmentexemptionfrom
12	registrationandpaymentoffeesandcharges
13	identification-plate anddecalpubliclyownedspecial
14	mobileequipmentpenalty(1)Aperson;firm;
15	partnership;-orcorporationwhoowns;leases;orrents
16	specialmobileequipmentasdefinedin61-1-104and
17	occasionally-moves-that-equipment-on,-over,oracrossthe
18	highways-of-the-state-is-not-subject-to-registration-of-that
19	equipmentorrequired-to-pay-the-fees-and-charges-provided
20	for-in-61-3-502;-61-4-301-through-61-4-300;orpart2of
21	chapter=10,-Prior-to-movement-on-the-highways;-however;-each
22	pieceofequipmentshall-display a-decal-and an-equipment
23	identification-plate-or-a-dealer's-license-plate-attached-to
24	the-equipment.
25	(2)(a)-Annualapplicationfor adecaland the

identification--plate--shall-be-made-to-the-county-treasurer before-any-piece-of-equipment--is--moved--on--the--highways-Application--shall--be--made--on--a--form--furnished--by-the department-of-justice,-together-with-the-payment-of-a-fee-of \$5;-The-equipment-for-which-a-special-mobile-equipment-plate is-sought-is-subject-to-the-assessment-of-persona:--property taxes-on-the-date-application-is-made-for-the-platefb)--The Before-the-special-mobile-equipment-plate-may be-issued; -the-applicant-shall-furnish: (i)--evidence-in-the-form-of-a-receipt-or-statement--of tax; -- signed -- by -- the -- county -- treasurer; -- that the personal property-taxes-assessed-against-the-special-mobile-equipment must-be have-been paid-before--the--issuance--of--a--special mobile-equipment-plate;-or 15 (ii)-a--statement;--signed--by--the-county-assessor;-of lien-assignment-against-real-property-in-an-amount-equal--to the--personal--property--taxes--ass-sed-against-the-special mobile-equipment. (c)--The-fees-collected-under-this--section--belong--to 19

+3}--The-identification-plate-expires-on-Becember-31-of each-year:-If-the-expired-identification-plate-is-displayed; an--owner--of--special-mobile-equipment-registered-under-the provisions-of--this--section--is--entitled--to--operate--the equipment--between--danuary--1--and--Pebruary--15--following

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2	receipt-of-the-current-year:
3	<pre>t4)Publiclyownedspecialmobileequipmentand</pre>
4	implements-of-husbandry-used-exclusively-by-an-owner-inthe
5	conductofhis-own-farming-operations-are-exempt-from-this
6	section:
7	<pre>f5}Thedepartmentofrevenueshallissue</pre>
8	identificationdecals-to-each-county-assessorThe-assessor
9	shall-issue-the-decals-to-the-ownersoroperatorsofall
0	specialmobileequipmentimmediatelyuponreceiptof-a
1	signed-statement-specificallylistingallspecialmobile
2	equipmentinpossessionandcontroloftheownersor
3	operators:-The-identifying-decalmustbedisplayedina
4	conspicuousplace-on-each-item-of-equipment-listedBecals
5	are-not-transferable-from-one-item-of-equipmenttoanother
6	or-upon-sale-or-change-of-ownership-
7	(6)Anowneror-operator-of-special-mobile-equipment
8	who-violates-any-provision-of-this-section-isguiltyofa
9	misdemeanor-punishable-by-a-fine-of-not-more-than-\$300-or-by
0	asentenceof-not-more-than-60-days-in-the-county-jaily-or
1	both-"
2	NEW-SECTION: Section-17 Machinery and equipment
3	identificationdecalpenalty(1)-(a)-The-department-of
4	revenue-shall-provide-identification-decals-toeachcounty
5	assessorforissuancetoownersor-operators-of-certain
	-

expiration-without-displaying-the--identification--plate--or

1	machinery-and-equipment-subject-to-taxation-under15-6-138+
2	(b)Thedepartmentofrevenueshalladopta-rule
3	enumerating-the-types-of-machinery-and-equipment-for-which-a
4	decal-must-be-issued-
5	(2)The-assessor-shall-issue-a-machinery-and-equipment
6	decal-to-an-owner-oroperatorofmachineryorequipment
7	subjecttotherequirementsof-this-section-upon-receipt
8	from-the-owner-oroperatorofanaffidavitlistingall
9	machineryandequipmentinthestatethatis-owned-or
10	controlled-by-the-owner-or-operator=
11	(3)The-identification-decal-must-bedisplayedina
12	conspicuousplaceoneach-item-of-machinery-and-equipment
13	for-which-a-decal-is-issued-
14	f4}Amachineryandequipmentdecalisnot
15	transferable-from-one-item-of-property-to-another;-nor-is-it
16	transferable-upon-sale-or-other-change-of-ownership:
17	(5)An-owner-or-operator-of-machinery-or-equipment-who
18	violatesthis-section-is-guilty-of-a-misdemeanor-punishable
19	by-a-fine-of-not-more-than-\$300-or-by-a-sentence-of-not-more
20	than-60-days-in-the-county-jail;-or-both-
21	NEW SECTION. Section 11. Repealer. Sections 15-8-401
22	through15-8-407, 15-24-908 through 15-24-911,-15-24-926,
23	and 15-24-941 through 15-24-943, MCA, are repealed.
24	NEW-SECTION: Section-19 Codification instruction:
25	{Section17}-is-intended-to-be-codified-as-an-integral-part

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- of-Title-157-chapter-247-and-the--provisions--of--Title--157
 apply-to-{section-17}
 NEW SECTION. Section 12. Extension of authority. Any
- 4 existing authority to make rules on the subject of the provisions of [this act] is extended to the provisions of

6

[this act].

NEW SECTION. Section 13. Applicability. [This act]
applies to tax years beginning after December 31, 1989.

-End-

1	HOUSE BILL NO. 35
2	INTRODUCED BY HARRINGTON
3	
4	A BILL FOR AN ACT ENTITLED: "AN ACT GENERALLY REVISING AND
5	CLARIFYING $\underline{\text{CERTAIN}}$ PERSONAL PROPERTY ASSESSMENT AND TAXATION
6	PROVISIONS; CLARIFYING TAXABLE SITUS OF PERSONAL PROPERTY;
7	REVISING PROCEDURES FOR ASSESSING LIVESTOCK; EXEMPTING FROM
8	TAXATION ALL UNPROCESSED AGRICULTURAL PRODUCTS ON FARMS OR
9	IN STORAGE; CLARIFYING-PROVISIONS-RELATING-TO-PER-CAPITA-TAX
10	ONbivestock;charifyingswinevaluationprocedures;
11	DEFINING "COAL AND ORE HAULERS"; TAXING AT 11% ALL BUSES AND
12	TRUCKS HEAVIER THAN THREE-QUARTERS-OF-A $\underline{1}$ TON; REVISING-TAX
13	PAYMENT-REQUIREMENTS-POR-SPECIAL-MOHILE-EQUIPMENT;-REQUIRING
14	#DENTIFICATION-DECALS-ON-CERTAINMACHINERYANDEQUIPMENT;
15	AMENDING SECTIONS 15-6-136, 15-6-138 THROUGH 15-6-140,
16	15-6-207, 15-8-408, 15-8-706, 15-24-902 PHROUGH, 15-24-903,
17	<u>AND</u> 15-24-905, 15-24-921,-15-24-922,-15-24-925,-15-24-931,
18	AND61-3-4317 MCA; REPEALING SECTIONS 15-8-401THROUGH
19	15-8-4077 15-24-908 THROUGH 15-24-911, 15-24-9267 AND
20	15-24-941 THROUGH 15-24-943, MCA; AND PROVIDING AN
21	APPLICABILITY DATE."
2 2	
23	BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:
24	Section 1. Section 15-6-136, MCA, is amended to read:
25	*15-6-136. Class six property description

1	taxable percentage. (1) Class six property includes:
2	(a) livestock and other species of domestic animals
3	and wildlife raised in domestication or a captive
4	environment, except for cats, dogs, and other household pets
5	not raised for profit,-and-the-unprocessed-products-of-such
6	animals-and-wildlife; and
7	(b)all-unprocessed-agricultural-products-on thefarm
8	or-in-storage-except:
9	(i)allperishablefruitsandvegetablesinfarm
10	storage-and-owned-by-the-producer;-and
11	(ii)-all-producer-held-grain-in-storage;
12	<pre>(e)(b) items of personal property intended for lease</pre>
13	in the ordinary course of business, provided each item of
14	personal property satisfies all of the following:
15	(i) the full and true value of the personal property
16	is less than \$5,000;
17	(ii) the personal property is owned by a business whose
18	primary business income is from rental or lease of personal
19	property to individuals wherein no one customer of the
20	business accounts for more than 10% of the total rentals or
21	leases during a calendar year; and
22	(iii) the lease of the personal property is generally
23	on an hourly, daily, or weekly basis.



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value."

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

1	Section 2 . Section 15-6-138, MCA, is amended to read:			
2	"15-6-138. Class eight property description			
3	taxable percentage. (1) Class eight property includes:			
4	(a) all agricultural implements and equipment;			
5	(b) all mining machinery, fixtures, equipment, tools,			
6	and supplies except:			
7	(i) those included in class five; and			
8	<pre>(ii) coal and ore haulers;</pre>			
9	(c) all manufacturing machinery, fixtures, equipment,			
LO	tools, and supplies except those included in class five;			
11	(d) all trailers, including those prorated under			
2	15-24-102, except those subject to taxation under			
13	61-3-504(2);			
l 4	(e) all goods and equipment intended for rent or			
15	lease, except goods and equipment specifically included and			
16	taxed in another class;			
17	(f) buses and trucks having a rated capacity of more			
18	than 1-1/2tons three-quarters-of-a 1 ton, including those			
19	prorated under 15-24-102; and			
20	(g) all other machinery except that specifically			
21	included in another class.			
22	(2) Class eight property is taxed at 11% of its market			
23	value."			
24	Section 3. Section 15-6-139, MCA, is amended to read:			
25	*15-6-139. Class nine property description			

-3-

1	taxable percentage. (1) Class nine property includes:					
2	(a)busesandtrucks-having-a-rated-capacity-of-more					
3	than-three-quarters-of-a-ton-but-less-than-or-equal-to-1-1/2					
4	tons;					
5	<pre>tb)(a) truck toppers weighing more than 300 pounds;</pre>					
6	<pre>te)(b) furniture, fixtures, and equipment, except that</pre>					
7	specifically included in another class, used in commercial					
В	establishments as defined in this section;					
9	<pre>fd)(c) x-ray and medical and dental equipment; and</pre>					
10	(e)(d) citizens' band radios and mobile telephones.					
11	(2) "Commercial establishment" includes any hotel;					
12	motel; office; petroleum marketing station; or service,					
13	wholesale, retail, or food-handling business.					
14	(3) Class nine property is taxed at 13% of its market					
15	value."					
16	Section 4. Section 15-6-140, MCA, is amended to read:					
17	"15-6-140. Class ten property description					
18	taxable percentage. (1) Class ten property includes:					
19	(a) radio and television broadcasting and transmitting					
20	equipment;					
21	(b) cable television systems;					
22	(c) coal and ore haulers;					
23	(d) theater projectors and sound equipment; and					
24	(e) all other property not included in any other class					
25	in this part except that property subject to a fee in lieu					

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- 1 of a property tax.
- 2 (2) As used in this section, "coal and ore haulers"
- 3 means nonhighway vehicles that exceed 167000 18,000 pounds
- 4 per axle and that are PRIMARILY DESIGNED AND used to
- 5 transport coal, ore, or other earthen material in a mining;
- 6 OR quarrying -- or -earthmoving environment.
- 7 +2+(3) Class ten property is taxed at 16% of its
- 8 market value."
- 9 Section 5. Section 15-6-207, MCA, is amended to read:
- 10 *15-6-207. Agricultural exemptions. (1) The following
- 11 agricultural products are exempt from taxation:
- 12 (a) all unprocessed, -perishable-fruits-and--vegetables
- in agricultural products on the farm or in storage and owned
- 14 by the producer;
- 15 (b) all producer-held grain in storage;
- 16 (c) all nonperishable, unprocessed agricultural
- 17 products, except livestock,--held-in--possession--of--the
- 18 original--producer-for-less-than-7-months-following-harvest;
- (d) except as provided in subsection (1)(e), livestock
- 20 which have not attained the age of 24 months as of the--last
- 21 day--of-any-month-if-assessed-on-the-average-inventory-basis
- 22 or-on-March January MARCH 1 if--assessed--as--provided--in
- 23 \(\frac{1}{2} \)-24-911(1)(a);
- 24 (e) swine which have not attained the age of 6 months
- 25 as of January 1;

- (f) poultry and the unprocessed products of poultry;
- 2 and

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- 3 (g) bees and the unprocessed product of bees.
- 4 (2) Any beet digger, beet topper, beet defoliator,
- 5 beet thinner, beet cultivator, beet planter, or beet top
- 6 saver designed exclusively to plant, cultivate, and harvest
- 7 sugar beets is exempt from taxation if such implement has
- 8 not been used to plant, cultivate, or harvest sugar beets
- 9 for the 2 years immediately preceding the current assessment
- 10 date and there are no available sugar beet contracts in the
- 11 sugar beet grower's marketing area."
- 12 Section 6. Section 15-8-408, MCA, is amended to read:
- 13 "15-8-408. Personal property. Personal property which
- 14 was--in--the--state--and, OTHER THAN LIVESTOCK, subject to
- 15 taxation on-January-1-of-any-year or a fee in lieu of tax in
- 16 the state shall be taxable wherever-and--whenever--found--in

any--county-in-the-state in the taxing jurisdiction where it

- 18 is located on January 1, whether or not the same be is
- 19 owned, claimed, or possessed by the person, as defined in
- 20 <u>15-1-102</u>, owning, claiming, or possessing it on January 1 or
- 21 not;-provided-that-in-case-the-same-property-is-assessed--in
- 22 more-than-one-county-the-county-first-making-the-assessment
- 23 shall-be-entitled-to-collect-the-taxes."
- Section 7. Section 15-8-706, MCA, is amended to read:
- 25 "15-8-706. Statemen by agent to the department. (1)

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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;

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- (b) the average and total value of each kind;
- 6 (c) the number of livestocky--number--of-bushels-of
 7 grain; and number-of-pounds-or-tons-of-any-article--sold--by
 8 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."
- 17 Section 8. Section 15-24-902, MCA, is amended to read: 18 "15-24-902. bivestock----where-assessed Assessment of 19 livestock. bivestock--belonging--to-a-permanent-resident-of the-state-must-not-be-listed-or-assessed-while-such-stock-is 20 21 in-transit-or-until-it--arrives--in--the--county--where--the 22 person--owning--the--same--resides--and--must--be-listed-and 23 assessed-in-such-county:-If-such-livestock-runs-at-large--in a--county-other-than-the-one-in-which-such-owner-resides;-it 24 25 must-be-listed-and-assessed-in-such-county: The department

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of revenue or its agent shall assess all nonexempt livestock
in each county where they are located on January MARCH 1 of
each year. The livestock must be assessed to the person by
whom they were owned or claimed or in whose possession or
control they were at midnight of January MARCH 1 in that
year."

Section 9. Section 15-24-903, MCA, is amended to read:

"15-24-903. Duty of owner to assist in assessment. (1)

The owner of livestock, as defined in 15-24-901, or his agent, at the time of assessment shall make and deliver to the department of revenue or its agent in the county or counties where his livestock were located since—the—last assessment—date on danuary MARCH 1, a written statement, under oath, showing the different kinds of his livestock within the county or counties belonging to him or under his charge, with their marks and brands;—and-showing—the—times during—that—period—that—his—livestock—were—within—the—county or—counties.

- 19 (2) As used in this section, "agent" means any person,
 20 persons, company, or corporation, including a feedlot
 21 operator or owner of grazing land, who has charge of
 22 livestock on the assessment date."
- 23 **Section-10:**—Section--15-24-984;—MCA;—is--amended--bo

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- person; persons; company; or corporation who is the owner or has in charge any livestock within this state fails to make the statement or statements as provided in 15-24-983; the county assessor may; after 18-days notice to the person who failed to file the report; increase the following year's assessment by 18-as a penalty; "
- 7 Section 10. Section 15-24-905, MCA, is amended to 8 read:

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*15-24-905. Livestock brought into state -- notice to department of revenue or its agent ---time-for-payment. (1) The owner or the agent, manager, or foreman of any person, corporation, or association bringing livestock into this state after January MARCH 1 shall immediately after said livestock crosses cross the state line forward to the department of revenue or its agent in the county into which the livestock is are moved a registered or certified letter. which letter shall contain the name of the owner of such livestock, the number thereof, the brand thereon, and the ages of the same, together with the time and place at which said livestock was were brought across the state line, provided that the department of livestock at least once each month furnish from its own records to the department of revenue or its agent in the county into which such livestock is are moved a list of the number and kind of livestock so moved, together with the name of the owner thereof.

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ī	(2)Thetaxdue-on-livestock-brought-into-this-state
2	must-be-paid-within-30-days-after-receiving-the-taxnotice-
3	(3)Bivestockon-which-tax-is-owed-under-this-section
4	may-not-be-removed-from-the-county-until-the-taxes-have-been
5	paid."
6	Section-12Section15-24-921;MCA;isamendedto
7	read:
8	#15-24-921:Percapitataxlevyto-pay-expenses-of
9	enforcing-livestock-laws(l)-In-addition-to-appropriations
10	madeforsuchpurposes;apercapitataxishereby
11	authorizedanddirectedtobelevied calculated by-the
12	county-assessor-on-all-poultryandbees;allswine -3
13	monthsof-age-or-olderand-all-other-livestock-9 24 months
14	of-age-or-older-in-each-county-of-this-state-for-the-purpose
15	of-aiding-in-the-payment-of-the-salariesandallexpenses
16	connectedwith-the-enforcement-of-the-livestock-laws-of-the
17	state-and-for-the-payment-of-bountiesonwildanimalsa
18	hereinafter-specified.
19	<pre>+2}As-used-in-this-section,-"livestock"-means-cattle;</pre>
20	sheep;swine;poultry;bees;goats;horses;mules;-and
21	åsses. [™]

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read:

tevy tax;---(1)--The--board--of--livestock--shall--annually

Section-13:--Section--15-24-922;--MCA;--is--amended--to

#15-24-922:--Board-of-livestock-to-prescribe-per-capita

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prescribe-the-amount-of-the-per-capita-levy tax tobemade
againstlivestockof-all-classes-for-the-purpose-indicated
in-15-24-921-
(2)The-per-capita-tax-levy-mustbecalculatedeach
yeartoprovidenotmore-than-110%-of-the-average-annual
revenuethatwasgeneratedinthe3previousyears;
beginningwithrevenuegeneratedby81-7-104andthis
section-in-the-taxableyears1985;1986;and1987;The
calculation-shallapply-a-reasonable-factor-for-nonpayment
and-late-payment-oftaxesandforreimbursementtothe
countiespursuantto15-24-925-for-collection-of-the-levy
tax:"
Section-14Section15-24-925;MCA;isamendedto
Section-14Section15-24-925;MCA;isamendedto
read:
read: #15-24-925;Reimbursement-to-countytransmission-of
read: #15-24-925;Reimbursement-to-countytransmission-of taxesfromcountytostatetreasurer;(1)The-county
read: #15-24-925;Reimbursement-to-countytransmission-of taxesfromcountytostatetreasurer;(1)The-county treasurer-maywithhold2%ofthemoneyreceivedunder
read: #15-24-925:Reimbursement-to-countytransmission-of taxesfromcountytostatetreasurer:(i)The-county treasurer-maywithhold2%ofthemoneyreceivedunder 15-24-921as-reimbursement-to-the-county-for-the-collection
read: #15-24-925Reimbursement-to-countytransmission-of taxesfromcountytostatetreasurer(1)The-county treasurer-maywithhold2%ofthemoneyreceivedunder 15-24-921as-reimbursement-to-the-county-for-the-collection of-the-levy per-capita-tax on-livestock
read: #15-24-925;Reimbursement-to-countytransmission-of taxesfromcountytostatetreasurer;(i)The-county treasurer-maywithhold2%ofthemoneyreceivedunder 15-24-92:as-reimbursement-to-the-county-for-the-collection of-the-levy per-capita-tax on-livestock; {2}Except-for-the-amountwithheldundersubsection
#15-24-925;Reimbursement-to-countytransmission-of taxesfromcountytostatetreasurer;(1)The-county treasurer-maywithhold2%ofthemoneyreceivedunder 15-24-921as-reimbursement-to-the-county-for-the-collection of-the-levy per-capita-tax on-livestock; {2}Except-for-the-amountwithheldundersubsection fly;thetaxeslevied-and-the-money-collected-pursuant-to
read: #15-24-925;Reimbursement-to-countytransmission-of taxesfromcountytostatetreasurer;(i)The-county treasurer-maywithhold2%ofthemoneyreceivedunder 15-24-921as-reimbursement-to-the-county-for-the-collection of-the-levy per-capita-tax on-livestock; {2)Except-for-the-amountwithheldundersubsection fly;thetaxeslevied-and-the-money-collected-pursuant-to the-provisions-of-15-24-922shallbetransmittedtothe

following--assessment---The-county-treasurer-shall-designate

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     the-amount-received-from-the per-capita tax-levied-on--sheep
     and--the--amount--received--from-the-tax-levied-on-all-other
     livestock-and-shall-specify--the--separate--amounts--in--his
3
      report -- to -- the -- state -- treasurer -- The -- money -- when -- received -- by
      the-state-treasurery-shall-be-deposited-to-the-credit-of-the
5
      department-of-livestock:#
           Section-15.--Section--15-24-931;--MCA;--is--amended--to
7
8
      read:
           #15-24-931---Assessment---of--swine----(1)--Each--swine
9
      producer-shall-submit-a-statement-in-the--manner--prescribed
10
11
      by--the--department--of--revenue--showing-the-number-of-pigs
      owned-in-each-of-the-following-classes-as-of-January-1:
12
           fa)--market-hogs;-which-are-hogs-between-3-months-and-6
1.3
      months-of--age or--older and--which--have--a--conclusively
14
      presumed-weight-factor-of-150-pounds or-more;
15
           tb}--breeding--sows;-which-have-a-conclusively-presumed
16
17
      weight-factor-of-300-pounds;
18
           tc}--breeding-boars;-which-have-a-conclusively-presumed
      weight-factor-of-300-pounds-
19
           +2}--The-department-shall--determine--market--value--of
20
      swine--by--multiplying--the--following--average--8SBA--Omaha
21
22
      quotation-price-over-the-preceding--5--years; --less--$2--per
23
      hundred--in-the-case-of-market-hogs-and-breeding-sows; -times
24
      the-conclusively-presumed-weight-of-each-pig-in--the--elass:
25
           fal--market--hogs--USBA-Omaha-quotation-for-barrows-and
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1	gilts;-grades-1-to-3;-at-230 210 to-240-pounds;	1	identificationplateshall-be-made-to-the-county-treasurer
2	tb)breedingsowsUSDAOmahaquotationforsows;	2	before-any-piece-of-equipmentismovedonthehighways-
3	grades-1-to-2 37-at-300-to-350 400-pounds;	3	Applicationshallbemadeonaformfurnishedby-the
4	(c)breeding-boarsvalued-the-same-as-market-hogs:	4	depurtment-of-justice;-together-with-the-payment-of-a-fee-of
5	(3)Thedepartmentshall-apply-the-same-equalization	5	\$57-The-equipment-for-which-a-special-mobile-equipment-plate
6	factor-to-swine-as-to-other-classes-of-livestock-	6	is-sought-is-subject-to-the-assessment-of-personalproperty
7	(4)Thedepartmentshallpublishthemostrecent	7	taxes-on-the-date-application-is-made-for-the-plate.
8	5-yearaverage-USBA-0maha-quotation-price-for-each-class-in	8	(b) The Before-the-special-mobile equipment-plate-may
9	the-Administrative-Rules-of-Montana-"	9	be-issued;-the-applicant-shall-furnish:
10	Section-16Section-61-3-431;-MSA;-is-amended-to-read:	10	(i)evidence-in-the-form-of-a-receipt-pr-statementof
11	#61-3-431Special-mobile-equipmentexemptionfrom	11	tax7signedbythecountytreasurer;that-the personal
12	registrationandpaymentoffeesandcharges	12	property-taxes-assessed-against-the-special-mobile-equipment
13	identification-plate anddecalpubliclyownedspecial	13	must-be have-been paid-beforetheissuance ofaspecial
14	mobileequipmentpenalty(1)Aperson;firm;	14	mobile-equipment-plate;-or
15	partnership;-orcorporationwhoowns;leases;orrents	15	(ii)-astatement,signedbythe-county-assessor,-of
16	specialmobileequipmentasdefinedin61-1-104and	16	lien-assignment-against-real-property-in-an-amount-equalto
17	occasionally-moves-that-equipment-on,-over,oracrossthe	17	thepersonalpropertytaxesassessed-against-the-special
18	highways-of-the-state-is-not-subject-to-registration-of-that	18	mobile-equipment-
19	equipmentorrequired-to-pay-the-fees-and-charges-provided	19	<pre>fcj The - fees - collected - under - this section belong to</pre>
20	for-in-61-3-5027-61-4-301-through-61-4-3087orpart2of	20	the-county-road-fund.
21	chapter-10Prior-to-movement-on-the-highways,-however,-each	21	(3)The-identification-plate-expires-on-December-31-of
22	pieceofequipmentshall-display a-decal-and an-equipment	22	each-year:-If-the-expired-identification-plate-is-displayed;
23	identification-plate-or-a-dealer1s-license-plate-attached-to	23	anownerofspecial-mobile-equipment-registered-under-the
24	the-equipment:	24	provisions-ofthissectionisentitledtooperatethe
25	(2)(a)-Annualapplicationfor adecaland the	25	equipmentbetweendanuarylandPebruaryl5following

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l-be-made-to-the-county-treasurer
t--is--moved--on--the--highways-
--on--a--form--furnished--by-the
her-with-the-payment-of-a-fee-of
a-special-mobile-equipment-plate
-assessment-of-personal--property
on-is-made-for-the-plate-
pecial-mobile-equipment-plate-may
all-furnish-
orm-of-a-receipt-or-statement--of
ty--treasurer;--that the personal
inst-the-special-mobile-equipment
re--the--issuance--of--a--special
gned--by--the-county-assessor,-of
1-property-in-an-amount-equal--to
xes--assessed-against-the-special
d-under-this--section--belong--to
n-plate-expires-on-December-31-of
dentification-plate-is-displayed;
le-equipment-registered-under-the
n--is--entitled--to--operate--the
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1	expiration-without-displaying-theidentificationplateor
2	receipt-of-the-current-year-
3	<pre>f4)Publiclyownedspecialmobileequipmentand</pre>
4	implements-of-husbandry-used-exclusively-by-an-owner-inthe
5	conductofhis-own-farming-operations-are-exempt-from-this
6	section
7	(5)Thedepartmentofrevenueshallissue
8	identificationdecals-to-each-county-assessorThe-assessor
9	shall-issue-the-decals-to-the-ownersoroperatorsofall
0	specialmobileequipmentimmediatelyuponreceiptof-a
1	signed-statement-specificallylistingallspecialmobile
2	equipmentinpossessionandcontroloftheownersor
3	operators:-The-identifying-decalmustbedisplayedina
4	conspictousplace-on-each-item-of-equipment-listedDecals
5	are-not-transferable-from-one-item-of-equipmenttoanother
6	or-upon-sale-or-change-of-ownership-
7	<pre>+6)Anowneror-operator-of-special-mobile-equipment</pre>
8	who-wiolates-any-provision-of-this-section-isguiltyofa
9	misdemeanor-punishable-by-a-fine-of-not-more-than-\$300-or-by
0	asentenceof-not-more-than-60-days-in-the-county-jail;-or
1	both; "
2	NEW-SECTION: Section-17 Machinery and equipment
3	identificationdecalpenalty(1)-(a)-The-department-of
4	revenue-shall-provide-identification-decals-toeachcounty
5	433e350rforissuancetoownersor-operators-of-certain

2	(b)Thedepartmentofrevenueshalladopta-rule
3	enumerating-the-types-of-machinery-and-equipment-for-which-a
4	decal-must-be-issued.
5	(2)The-assessor-shall-issue-a-machinery-and-equipment
6	decal-to-an-owner-oroperatorofmachineryorequipment
7	subjecttotherequirementsof-this-section-upon-receipt
8	from-the-owner-oroperatorofanaffidavitlistingall
9	machineryandequipmentinthestatethatis-owned-or
10	controlled-by-the-owner-or-operator:
11	(3)The-identification-decal-must-bedisplayelina
12	conspicuousplaceoneach-item-of-machinery-and-equipment
13	for-which-a-decal-is-issued:
14	(4)Amachineryandequipmentdecalisnot
15	transferable-from-one-item-of-property-to-another;-nor-is-it
16	transferable-upon-sale-or-other-change-of-ownership.
17	+5+An-owner-or-operator-of-machinery-or-equipment-who
18	violatesthis-section-is-guilty-of-a-misdemcanor-punishable
19	by-a-fine-of-not-more-than-\$300-or-by-a-sentence-of-not-more
20	than-60-days-in-the-county-jail,-or-both-
21	NEW SECTION. Section 11. Repealer. Sections 15-8-401
22	through15-8-487, 15-24-908 through 15-24-911,-15-24-926,
23	and 15-24-941 through 15-24-943, MCA, are repealed.
24	NEW-SECTION: Section-19 Codificationinstruction:
25	{Section17}-is-intended-to-be-codified-as an-integral-part

machinery-and-equipment-subject-to-taxation-under--15-6-138-

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- 1 of-Title-15; chapter-24; and-the-provisions--of--Title--15;
 2 apply-to-{section-17};
- 3 <u>NEW SECTION.</u> Section 12. Extension of authority. Any
- 4 existing authority to make rules on the subject of the
- 5 provisions of [this act] is extended to the provisions of
- 6 [this act].
- 7 NEW SECTION. Section 13. Applicability. [This act]
- 8 applies to tax years beginning after December 31, 1989.

-End-