

HOUSE BILL NO. 145

INTRODUCED BY RAMIREZ, CRIPPEN

BY REQUEST OF THE REVENUE OVERSIGHT COMMITTEE

IN THE HOUSE

JANUARY 12, 1989	INTRODUCED AND REFERRED TO COMMITTEE ON TAXATION.
JANUARY 13, 1989	FIRST READING.
JANUARY 17, 1989	COMMITTEE RECOMMEND BILL DO PASS. REPORT ADOPTED.
JANUARY 18, 1989	PRINTING REPORT.
JANUARY 19, 1989	SECOND READING, DO PASS.
JANUARY 20, 1989	ENGROSSING REPORT.
JANUARY 21, 1989	THIRD READING, PASSED. AYES, 93; NOES, 0.
	TRANSMITTED TO SENATE.

IN THE SENATE

JANUARY 23, 1989	INTRODUCED AND REFERRED TO COMMITTEE ON TAXATION.
JANUARY 31, 1989	COMMITTEE RECOMMEND BILL BE CONCURRED IN. REPORT ADOPTED.
FEBRUARY 3, 1989	SECOND READING, CONCURRED IN.
FEBRUARY 6, 1989	THIRD READING, CONCURRED IN. AYES, 49; NOES, 0.
	RETURNED TO HOUSE.

IN THE HOUSE

FEBRUARY 7, 1989

RECEIVED FROM SENATE.

SENT TO ENROLLING.

REPORTED CORRECTLY ENROLLED.

1 HOUSE BILL NO. 145
2 INTRODUCED BY Ramirez Cignini
3 BY REQUEST OF THE REVENUE OVERSIGHT COMMITTEE

4
5 A BILL FOR AN ACT ENTITLED: "AN ACT CLARIFYING THE TAXATION
6 OF AIRLINE PROPERTY FOR TAXABLE YEARS BEGINNING IN 1991; AND
7 AMENDING SECTION 15-6-147, MCA."

8
9 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

10 **Section 1.** Section 15-6-147, MCA, is amended to read:

11 "15-6-147. Class seventeen property -- description --
12 taxable percentage. (1) Class seventeen property includes
13 all airline transportation property as described in the Tax
14 Equity and Fiscal Responsibility Act of 1982 as it read on
15 January 1, 1986.

16 (2) For the taxable years 1986 through 1990 class
17 seventeen property is taxed at 12%, and for each taxable
18 year thereafter, class seventeen property is taxed at the
19 lesser of 12% or the percentage rate ~~for--class--fifteen~~
20 ~~property--without--adjustment~~ "R", to be determined by the
21 department as provided in subsection (3).

22 (3) $R = A/B$ where:

23 (a) A is the total statewide taxable value of all
24 commercial property, except class seventeen property, as
25 commercial property is described in 15-1-101(1)(d),

1 including class one and class two property; and

2 (b) B is the total statewide market value of all
3 commercial property, except class seventeen property, as
4 commercial property is described in 15-1-101(1)(d),
5 including class one and class two property.

6 (c) In accordance with the commercial property taxable
7 value adjustment procedure set forth in 15-6-145(4) for
8 railroad property, the department shall determine the
9 value-weighted mean sales assessment ratio "M" and make a
10 similar adjustment prior to calculating "A" for airline
11 property, in order to equalize airline taxable values.

12 ~~(3)~~(4) For the purpose of complying with the Tax
13 Equity and Fiscal Responsibility Act of 1982, as it read on
14 January 1, 1986, the rate "R" referred to in this section is
15 the equalized average tax rate generally applicable to
16 commercial and industrial property, except class seventeen
17 property, as commercial property is defined in
18 15-1-101(1)(d)."

19 NEW SECTION. **Section 2.** Extension of authority. Any
20 existing authority to make rules on the subject of the
21 provisions of [this act] is extended to the provisions of
22 [this act].

-End-

APPROVED BY COMMITTEE
ON TAXATION

1 HOUSE BILL NO. 145
2 INTRODUCED BY Ramsey Cign
3 BY REQUEST OF THE REVENUE OVERSIGHT COMMITTEE
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5 A BILL FOR AN ACT ENTITLED: "AN ACT CLARIFYING THE TAXATION
6 OF AIRLINE PROPERTY FOR TAXABLE YEARS BEGINNING IN 1991; AND
7 AMENDING SECTION 15-6-147, MCA."
8

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

10 **Section 1.** Section 15-6-147, MCA, is amended to read:

11 "15-6-147. Class seventeen property -- description --
12 taxable percentage. (1) Class seventeen property includes
13 all airline transportation property as described in the Tax
14 Equity and Fiscal Responsibility Act of 1982 as it read on
15 January 1, 1986.

16 (2) For the taxable years 1986 through 1990 class
17 seventeen property is taxed at 12%, and for each taxable
18 year thereafter, class seventeen property is taxed at the
19 lesser of 12% or the percentage rate for--class--fifteen
20 property--without--adjustment "R", to be determined by the
21 department as provided in subsection (3).

22 (3) R = A/B where:

23 (a) A is the total statewide taxable value of all
24 commercial property, except class seventeen property, as
25 commercial property is described in 15-1-101(1)(d),

1 including class one and class two property; and

2 (b) B is the total statewide market value of all
3 commercial property, except class seventeen property, as
4 commercial property is described in 15-1-101(1)(d),
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7 value adjustment procedure set forth in 15-6-145(4) for
8 railroad property, the department shall determine the
9 value-weighted mean sales assessment ratio "M" and make a
10 similar adjustment prior to calculating "A" for airline
11 property, in order to equalize airline taxable values.

12 (3)(4) For the purpose of complying with the Tax
13 Equity and Fiscal Responsibility Act of 1982, as it read on
14 January 1, 1986, the rate "R" referred to in this section is
15 the equalized average tax rate generally applicable to
16 commercial and industrial property, except class seventeen
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22 [this act].

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17 seventeen property is taxed at 12%, and for each taxable
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17 property, as commercial property is defined in
18 15-1-101(1)(d)."

19 NEW SECTION. **Section 2.** Extension of authority. Any
20 existing authority to make rules on the subject of the
21 provisions of [this act] is extended to the provisions of
22 [this act].

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BY REQUEST OF THE REVENUE OVERSIGHT COMMITTEE

A BILL FOR AN ACT ENTITLED: "AN ACT CLARIFYING THE TAXATION OF AIRLINE PROPERTY FOR TAXABLE YEARS BEGINNING IN 1991; AND AMENDING SECTION 15-6-147, MCA."

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Section 1. Section 15-6-147, MCA, is amended to read:

"15-6-147. Class seventeen property -- description -- taxable percentage. (1) Class seventeen property includes all airline transportation property as described in the Tax Equity and Fiscal Responsibility Act of 1982 as it read on January 1, 1986.

(2) For the taxable years 1986 through 1990 class seventeen property is taxed at 12%, and for each taxable year thereafter, class seventeen property is taxed at the lesser of 12% or the percentage rate for--class--fifteen property--without--adjustment "R", to be determined by the department as provided in subsection (3).

(3) $R = A/B$ where:

(a) A is the total statewide taxable value of all commercial property, except class seventeen property, as commercial property is described in 15-1-101(1)(d),

including class one and class two property; and

(b) B is the total statewide market value of all commercial property, except class seventeen property, as commercial property is described in 15-1-101(1)(d), including class one and class two property.

(c) In accordance with the commercial property taxable value adjustment procedure set forth in 15-6-145(4) for railroad property, the department shall determine the value-weighted mean sales assessment ratio "M" and make a similar adjustment prior to calculating "A" for airline property, in order to equalize airline taxable values.

(4) For the purpose of complying with the Tax Equity and Fiscal Responsibility Act of 1982, as it read on January 1, 1986, the rate "R" referred to in this section is the equalized average tax rate generally applicable to commercial and industrial property, except class seventeen property, as commercial property is defined in 15-1-101(1)(d)."

NEW SECTION. Section 2. 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].

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