

SENATE BILL 184

Introduced by Severson, et al.

1/18	Introduced
1/18	Referred to Taxation
1/19	Fiscal Note Requested
1/25	Hearing
1/25	Fiscal Note Received
1/26	Fiscal Note Printed
1/27	Committee Report--Bill Passed
1/30	2nd Reading Passed
2/01	3rd Reading Passed

Transmitted to House

2/21	Referred to Taxation
3/10	Hearing
	Died in Committee

(b) the amount of interim production and new production taxes levied, as provided in 15-23-607, divided by the appropriate tax rates described in 15-23-607(2)(a) or (2)(b) and multiplied by 60%; and

(c) the amount of value represented by new production exempted from tax as provided in 15-23-612; and

(d) based on a comparison of 1988 and 1989 taxable values, the amount of taxable value in the county lost because of the repeal of property taxes on livestock.

Section 2. Section 15-1-101, MCA, is amended to read:

"15-1-101. Definitions. (1) Except as otherwise specifically provided, when terms mentioned in this section are used in connection with taxation, they are defined in the following manner:

(a) The term "agricultural" ~~refers--to~~ means the raising of livestock, poultry, bees, and other species of domestic animals and wildlife in domestication or a captive environment, and the raising of field crops, fruit, and other animal and vegetable matter for food or fiber.

(b) The term "assessed value" means the value of property as defined in 15-8-111.

(c) The term "average wholesale value" means the value to a dealer prior to reconditioning and profit margin shown in national appraisal guides and manuals or the valuation schedules of the department of revenue.

(d) (i) The term "commercial", when used to describe property, means any property used or owned by a business, a trade, or a nonprofit corporation as defined in 35-2-102 or used for the production of income, except that property described in subsection (ii).

(ii) The following types of property are not commercial:

(A) agricultural lands;

(B) timberlands;

(C) single-family residences and ancillary improvements and improvements necessary to the function of a bona fide farm, ranch, or stock operation;

(D) mobile homes used exclusively as a residence except when held by a distributor or dealer of trailers or mobile homes as his stock in trade;

(E) all property described in 15-6-135;

(F) all property described in 15-6-136; and

(G) all property described in 15-6-146.

(e) The term "comparable property" means property that has similar use, function, and utility; that is influenced by the same set of economic trends and physical, governmental, and social factors; and that has the potential of a similar highest and best use.

(f) The term "credit" means solvent debts, secured or unsecured, owing to a person.

1 (g) The term "improvements" ~~includes~~ means all
 2 buildings, structures, fences, and improvements situated
 3 upon, erected upon, or affixed to land. When the department
 4 of revenue or its agent determines that the permanency of
 5 location of a mobile home or housetrailer has been
 6 established, the mobile home or housetrailer is presumed to
 7 be an improvement to real property. A mobile home or
 8 housetrailer may be determined to be permanently located
 9 only when it is attached to a foundation which cannot
 10 feasibly be relocated and only when the wheels are removed.

11 (h) The term "leasehold improvements" means
 12 improvements to mobile homes and mobile homes located on
 13 land owned by another person. This property is assessed
 14 under the appropriate classification and the taxes are due
 15 and payable in two payments as provided in 15-24-202.
 16 Delinquent taxes on such leasehold improvements are a lien
 17 only on such the leasehold improvements.

18 (i) The term "livestock" means cattle, sheep, swine,
 19 goats, horses, mules, and asses, llamas, and bison.

20 (j) The term "mobile home" means forms of housing
 21 known as "trailers", "housetrailer", or "trailer coaches"
 22 exceeding 8 feet in width or 45 feet in length, designed to
 23 be moved from one place to another by an independent power
 24 connected to them, or any "trailer", "housetrailer", or
 25 "trailer coach" up to 8 feet in width or 45 feet in length

1 used as a principal residence.

2 (k) The term "personal property" ~~includes~~ means
 3 everything that is the subject of ownership but that is not
 4 included within the meaning of the terms "real estate" and
 5 "improvements".

6 (l) The term "poultry" ~~includes~~ means all chickens,
 7 turkeys, geese, ducks, and other birds raised in
 8 domestication to produce food or feathers.

9 (m) The term "property" ~~includes-moneys~~ means money,
 10 credits, bonds, stocks, franchises, and all other matters
 11 and things, real, personal, and mixed, capable of private
 12 ownership. This definition ~~must~~ may not be construed to
 13 authorize the taxation of the stocks of any company or
 14 corporation when the property of such the company or
 15 corporation represented by the stocks is within the state
 16 and has been taxed.

17 (n) The term "real estate" ~~includes~~ means:

18 (i) the possession of, claim to, ownership of, or
 19 right to the possession of land;

20 (ii) all mines, minerals, and quarries in and under the
 21 land subject to the provisions of 15-23-501 and Title 15,
 22 chapter 23, part 8; all timber belonging to individuals or
 23 corporations growing or being on the lands of the United
 24 States; and all rights and privileges appertaining thereto.

25 (o) "Research and development firm" means an entity

1 incorporated under the laws of this state or a foreign
2 corporation authorized to do business in this state whose
3 principal purpose is to engage in theoretical analysis,
4 exploration, and experimentation and the extension of
5 investigative findings and theories of a scientific and
6 technical nature into practical application for experimental
7 and demonstration purposes, including the experimental
8 production and testing of models, devices, equipment,
9 materials, and processes.

10 (p) The term "taxable value" means the percentage of
11 market or assessed value as provided for in 15-6-131 through
12 15-6-149.

13 (q) The term phrase "weighted mean assessment ratio"
14 means the total of the assessed values divided by the total
15 of the selling prices of all area sales in the stratum.

16 (2) The phrase "municipal corporation" or
17 "municipality" or "taxing unit" ~~shall be deemed to include~~
18 means a county, city, incorporated town, township, school
19 district, irrigation district, drainage district, or any
20 person, persons, or organized body authorized by law to
21 establish tax levies for the purpose of raising public
22 revenue.

23 (3) The term "state board" or "board" when used
24 without other qualification ~~shall mean~~ means the state tax
25 appeal board."

1 **Section 3.** Section 15-6-136, MCA, is amended to read:

2 "15-6-136. Class six property -- description --
3 taxable percentage. (1) Class six property includes:

4 ~~{a}--livestock-and-other-species--of--domestic--animals~~
5 ~~and--wildlife--raised--in--domestication--or--a--captive~~
6 ~~environment,--except-for-cats,--dogs,--and--other-household-pets~~
7 ~~not-raised-for-profit,--and--the-unprocessed-products-of--such~~
8 ~~animals-and-wildlife;~~

9 ~~{b}--all--unprocessed-agricultural-products-on-the-farm~~
10 ~~or-in-storage--except:~~

11 ~~{i}--all--perishable--fruits--and--vegetables--in--farm~~
12 ~~storage-and-owned-by-the-producer;--and~~

13 ~~{ii}--all--producer-held-grain-in-storage;~~

14 ~~{c} items of personal property intended for lease in~~
15 ~~the ordinary course of business, provided each item of~~
16 ~~personal property satisfies all of the following:~~

17 ~~{i}{a} the full and true value of the personal~~
18 ~~property is less than \$5,000;~~

19 ~~{ii}{b} the personal property is owned by a business~~
20 ~~whose primary business income is from rental or lease of~~
21 ~~personal property to individuals wherein and no one customer~~
22 ~~of the business accounts for more than 10% of the total~~
23 ~~rentals or leases during a calendar year; and~~

24 ~~{iii}{c} the lease of the personal property is~~
25 ~~generally on an hourly, daily, or weekly basis.~~

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

Section 4. 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~~ agricultural products in farm 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)(c), 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 1 if assessed as provided in 15-24-911(a), including cattle, sheep, swine, goats, horses, mules, asses, llamas, bison, and other animals and wildlife raised in domestication or in a captive environment, and their unprocessed products;~~

~~(e) swine which have not attained the age of 6 months as of January 1;~~

~~(f) poultry and the unprocessed products of poultry; and~~

~~(g) bees and the unprocessed product of bees.~~

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

Section 5. Section 15-8-201, MCA, is amended to read:

"15-8-201. General assessment day. (1) The department of revenue or its agent must, between January 1 and the second Monday of July in each year, ascertain the names of all taxable inhabitants and assess all property subject to taxation in each county. The department or its agent must assess property to the person by whom it was owned or claimed or in whose possession or control it was at midnight of January 1 next preceding. It must also ascertain and assess all mobile homes arriving in the county after midnight of the previous January 1 next--preceding. No A mistake in the name of the owner or supposed owner of real property ~~however renders~~ does not render the assessment invalid.

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

(a) motor vehicles that are required by 15-8-202 to be

1 assessed on January 1 or upon their anniversary registration
2 date;

3 (b) motor homes, travel trailers, and campers;

4 (c) watercraft;

5 ~~(d) --livestock;~~

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

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

12 (3) Credits must be assessed as provided in
13 15-1-101(1)(f)."

14 **Section 6.** Section 15-8-706, MCA, is amended to read:

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

19 (a) the several kinds of personal property;

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

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

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

1 each.

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

7 **Section 7.** Section 15-24-301, MCA, is amended to read:

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

14 (a) any personal property (~~including~~ except livestock
15 and other exempt personal property) brought, driven, or
16 coming into this state at any time during the year that is
17 used in the state for hire, compensation, or profit;

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

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

22 (2) The taxes on this property are levied in the same
23 manner and to the same extent, except as otherwise provided,
24 as though the property had been in the county on the regular
25 assessment date, provided that the property has not been

1 regularly assessed for the year in some other county of the
2 state.

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

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

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

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

18 (c) The quarterly taxes are due the first day of the
19 quarter.

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

1 taxation under class eight only if they are sold in
2 Montana."

3 **Section 8.** Section 15-24-302, MCA, is amended to read:

4 "15-24-302. Collection procedure. All property
5 mentioned in 15-24-301 is assessed at the same value as
6 property of like kind and character, and the assessment,
7 levy, and collection of the tax are governed by the
8 provisions of 15-8-408, 15-16-111 through 15-16-115,
9 15-16-404, 15-17-911, and 15-24-202, as amended, except:

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

13 {2} ~~livestock--taxation-governed-by-81-7-104-and-Title~~
14 ~~81--chapter-77-part-2 in this section.~~"

15 **Section 9.** Section 15-24-921, MCA, is amended to read:

16 "15-24-921. Per capita tax levy to pay expenses of
17 enforcing livestock laws. (1) In addition to appropriations
18 made for ~~such--purposes enforcing livestock laws~~, a per
19 capita tax is hereby authorized and directed to be levied by
20 the county assessor on all poultry and bees, all swine 3
21 months of age or older, and all other livestock 9 months of
22 age or older in each county of this state for the purpose of
23 aiding in the payment of the salaries and all expenses
24 connected with the enforcement of the livestock laws of the
25 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, llamas, and bison."

Section 10. 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 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 July 1 following assessment.~~ The county treasurer shall designate the amount received from the tax levied on sheep ~~and the amount received from the tax levied on all other livestock~~ the categories of livestock, as specified by the department of 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 department of ~~livestock~~ livestock's state special revenue fund for use by the department."

NEW SECTION. Section 11. Collection of tax. (1) On or before January 15 of each year, an owner of property subject to the per capita tax imposed by 15-24-921 or the owner's agent shall make and deliver to the county assessor in the county where the owner or agent resides or, if neither resides in the state, in the county where the majority of the owner's property subject to the per capita tax is located a verified statement showing, as of January 1, the number of each kind of property subject to the per capita tax within the state belonging to the owner, with their marks and brands.

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

(3) Upon notification of the amount of levy set by the board of livestock under 15-24-922, the county assessor shall send to each owner or agent who filed a report a statement indicating the total amount due under the levy for the year, the fact that payment is to be made to the county treasurer on or before June 1 following assessment of the tax, and the penalties and lien provisions that apply pursuant to [section 12].

NEW SECTION. Section 12. Penalty for failure to file report -- lien upon real and personal property. (1) If a

person who is the owner of property subject to the per capita tax imposed by 15-24-921 fails to make or have his agent make the report as required in [section 11], the county assessor may, after 10 days' notice to the person who failed to file the report, assess the tax imposed under 15-24-921, based on the assessor's estimate of the property subject to the tax, and may add a 10% penalty.

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

Section 13. Section 81-7-111, MCA, is amended to read:

"81-7-111. Evidence of killing by bounty claimant. (1)

Any person killing any of the aforesaid animals, except mountain lions, to obtain bounty thereon shall within 30 days of the date of the killing:

(a) exhibit the entire skin or skins of the said animal or animals, including the entire head with ears, the tail, and all four paws to the bounty inspector nearest to the locality in which the animal or animals were killed; and

(b) at the same time file with the bounty inspector, as hereinafter provided, an affidavit setting forth:

(i) that he killed the animal or animals from which the skin or skins were taken;

(ii) that the same was killed nearer to or, if more than one hide is presented, that the greater number were killed nearer to the residence of the said bounty inspector to which the same was presented than to any other bounty inspector; and

(iii) the county or counties in which said animals were killed.

(2) Any person killing any mountain lion to obtain bounty thereon shall present the same to a bounty inspector as provided in this section for wolves and coyotes, except that, in addition to the requirements of this section, the skins of mountain lions shall also contain the entire skin of the lower jaw, which shall be severed by the bounty inspector and thereafter treated in the same manner as scalps of wolves and coyotes herein provided.

(3) Every bounty inspector appointed under the provisions of 81-7-111 through 81-7-117 and 81-7-119 through 81-7-122 shall be empowered to administer oaths to any and all persons making any affidavit as aforesaid."

Section 14. Section 81-7-114, MCA, is amended to read:

"81-7-114. Certificate and record of sheriff. (1) The officer shall at the same time make out and deliver to the person a certificate addressed to the county clerk of his county and immediately deliver to the county clerk a duplicate of the certificate, showing the date, number, and

kind of skins marked for severing and the name of the person presenting the skins. The certificate shall also recite that the filing of the affidavits of taxpayers previously required has been done and the examination has been made as required. The certificate shall be signed by the officer in his official capacity. When a doubt exists as to the kind of skin presented, whether wolf or coyote, the certificate shall be issued for the lesser bounty. Each sheriff shall keep a record of all skins marked and severed, showing the date, number, and kinds and the names of the persons presenting the skins. This record is an official record. The sheriff, undersheriff, or deputy sheriff may not perform any duties under 81-7-111 through 81-7-117 and 81-7-119 through 81-7-122 except at the county seat.

(2) The sheriff shall, not later than the 15th of each month, give to the county clerk and recorder a report setting forth the names of the persons presenting skins, with the number of the certificate and the kind and number of the skins presented. The sheriff shall report for each certificate which he has issued during the month."

Section 15. Section 81-7-120, MCA, is amended to read:

"81-7-120. Use of funds remaining after payment of bounties -- sale of furs, skins, and specimens -- presentation to museums. (1) If, at the end of a bounty paying season, there is surplus money available for the

administration of 81-7-111 through 81-7-117 and 81-7-119 through 81-7-122, the surplus may be used to hire salaried hunters and trappers to hunt and trap predatory animals and to purchase and supply poison to be used for a poison campaign on predatory animals.

(2) All furs, skins, and specimens taken by hunters or trappers whose salaries are paid in whole or in part out of this money shall be sold by the department, and the proceeds from these sales shall be credited to the state special revenue fund. These funds shall be used to carry out 81-7-111 through 81-7-117 and 81-7-119 through 81-7-122. Specimens may be presented free of charge to a state museum or institution."

Section 16. Section 81-7-121, MCA, is amended to read:

"81-7-121. Falsifying certificates or affidavits -- penalty. Any person who falsely makes, alters, forges, or counterfeits any of the certificates or orders and any person who falsely swears to any affidavit provided for by 81-7-111 through 81-7-117 and 81-7-119 through 81-7-122 or procures the same to be done by another, with the intent of obtaining any one of the certificates or orders, is punishable as provided in Title 45."

Section 17. Section 81-7-122, MCA, is amended to read:

"81-7-122. Penalty for fraudulent claims. Any person or persons who shall patch up any skin or scalp or who shall

1 present any punched or patched skin or scalp or who shall
 2 bring in any skin or skins from other states or territory
 3 with the intent to obtain the bounty on the same
 4 fraudulently or any officer who shall sign any certificate
 5 herein provided for without first counting the skins and
 6 examining the same to determine the kind of skins and to see
 7 that the skin from the scalp or head is properly severed and
 8 preserved as hereinbefore provided or shall evade or violate
 9 any provision of any law of the state of Montana relative to
 10 bounties or bounty claims shall be deemed guilty of a
 11 misdemeanor and, on conviction thereof, shall be punished by
 12 a fine not exceeding \$1,000 or by imprisonment in the county
 13 jail not exceeding 1 year or by both such fine and
 14 imprisonment and two-thirds of the fine, if the same be
 15 collected or can be collected, shall be given to the
 16 informer and the balance be deposited in the state special
 17 revenue fund and used for the administration of 81-7-111
 18 through 81-7-117 and 81-7-119 through 81-7-122."

19 **Section 18.** Section 81-7-303, MCA, is amended to read:

20 "81-7-303. County commissioners permitted to require
 21 per capita license fee on sheep. (1) To defray the expense
 22 of ~~such--protection~~ predatory animal control, the board of
 23 county commissioners of any county shall have the power to
 24 require all owners or persons in possession of any sheep
 25 coming 1 year old or over in the county on the regular

1 assessment date of each year to pay a license fee in an
 2 amount to be determined by the board on a per head basis for
 3 sheep ~~so~~ owned or possessed by ~~him~~ them in the county. All
 4 owners or persons in possession of any sheep coming 1 year
 5 old or over coming into the county after the regular
 6 assessment date ~~and-subject-to-taxation-under-the-provisions~~
 7 ~~of-15-24-301~~ shall also be subject to payment of the license
 8 fee ~~herein prescribed~~ in this section.

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

23 (3) When collected, ~~said the~~ fees shall be placed by
 24 the treasurer in the predatory animal control fund and the
 25 ~~moneys~~ money in ~~said the~~ fund shall be expended on order of

the board of county commissioners of the county for predatory animal control only."

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

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

is filed, the program shall ~~by order of the board of~~ county commissioners be disestablished and the license fee ~~shall~~ may not be further levied.

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

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

NEW SECTION. **Section 21. Codification instruction.** [Sections 11 and 12] are intended to be codified as an integral part of Title 15, chapter 24, part 9, and the provisions of Title 15, chapter 24, part 9, apply to [sections 11 and 12].

NEW SECTION. **Section 22. 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 23. Effective date** --

LC 0329/01

1 retroactive applicability. [This act] is effective on
2 passage and approval and applies retroactively, within the
3 meaning of 1-2-109, to taxable years beginning after
4 December 31, 1988.

-End-

STATE OF MONTANA - FISCAL NOTE

Form BD-15

In compliance with a written request, there is hereby submitted a Fiscal Note for SB184, as introduced.

DESCRIPTION OF PROPOSED LEGISLATION:

An act eliminating ad valorem taxes on all unprocessed agricultural products in farm storage, on livestock and other animals, and on wildlife raised in domestication or in a captive environment; and providing an immediate effective date and a retroactive applicability date.

ASSUMPTIONS:

1. The taxable value of the state will be \$1,899,969,000 in FY90 and \$1,869,831,000 in FY91 (REAC).
2. The taxable value of all unprocessed agricultural products on farms or in storage is \$0.
3. The taxable value of livestock, other animals and wildlife raised in domestication or in a captive environment is \$22,001,578 FY89, \$20,192,000 in FY90 and \$19,456,000 in FY91. (REAC)
4. Mill levies are 6 mills for universities, and 45 mills for school equalization. The average county levy for all livestock is 179.46 mills (Compilation of 1988 Assessors Reports).
5. The applicability date will exempt 30 percent of personal property from taxation in FY89.

FISCAL IMPACT:

	<u>FY90</u>			<u>FY91</u>		
	Current	Proposed		Current	Proposed	
<u>Revenue Impact:</u>	<u>Law</u>	<u>Law</u>	<u>Difference</u>	<u>Law</u>	<u>Law</u>	<u>Difference</u>
University Levy	\$11,400,000	\$11,278,848	\$ 121,152	\$11,219,000	\$11,102,264	\$116,736
School Equalization	85,499,000	84,590,360	908,640	84,142,000	83,266,480	875,520
Total	\$96,899,000	\$95,869,208	\$1,029,792	\$95,361,000	\$94,368,744	\$992,256

Due to the applicability date, the proposal has an impact in FY89. In FY89, revenue for universities will be reduced \$39,600 and revenue for school equalization will be reduced \$297,000.

EFFECT ON COUNTY OR OTHER LOCAL REVENUE OR EXPENDITURES:

Due to the applicability date, county and local school district revenues will be reduced by \$1,184,543 in FY89. The proposal is estimated to reduce county and local school district revenues by \$3,623,656 in FY 90 and \$3,491,574 in FY91.

Ray Shackelford 1/25/89
 RAY SHACKLEFORD, BUDGET DIRECTOR DATE
 OFFICE OF BUDGET AND PROGRAM PLANNING

Elmer D. Severson 1/24/89
 ELMER D. SEVERSON, PRIMARY SPONSOR DATE

Fiscal Note for SB184, as introduced

SB 184

APPROVED BY COMMITTEE
ON TAXATION

1 *Senators* BILL NO. 184 *Reck*
2 INTRODUCED BY *Senators*
3 *Ellison, Giffen, Anderson, Nelson, Story*
4 *Swift, Hoffman, Bishop, Noble, Goff*
5 *McLean, Keller, Rehner, Thomas, Easter, Cook, H. Brown, T. Brown*
6 *LL, Mercer, Mark, Johnson, Westlake, Goff, H. Brown, T. Brown*
7 RAISED IN DOMESTICATION OR IN A CAPTIVE ENVIRONMENT;
8 AMENDING SECTIONS 7-1-2111, 15-1-101, 15-6-136, 15-6-207,
9 15-8-201, 15-8-706, 15-24-301, 15-24-302, 15-24-921,
10 15-24-925, 81-7-111, 81-7-114, 81-7-120 THROUGH 81-7-122,
11 81-7-303, AND 81-7-305, MCA; REPEALING SECTIONS 15-24-901
12 THROUGH 15-24-906, 15-24-908 THROUGH 15-24-911, 15-24-926,
13 15-24-931, 15-24-941 THROUGH 15-24-943, AND 81-7-118, MCA;
14 AND PROVIDING AN IMMEDIATE EFFECTIVE DATE AND A RETROACTIVE
15 APPLICABILITY DATE."
16
17 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:
18 **Section 1.** Section 7-1-2111, MCA, is amended to read:
19 **"7-1-2111. Classification of counties.** (1) For the
20 purpose of regulating the compensation and salaries of all
21 county officers, not otherwise provided for, and for fixing
22 the penalties of officers' bonds, the several counties of
23 this state shall be classified according to that percentage
24 of the true and full valuation of the property therein upon
25 which the tax levy is made, except for vehicles subject to

1 taxation under 61-3-504(2), as follows:
2 (a) first class--all counties having such a taxable
3 valuation of \$50 million or over;
4 (b) second class--all counties having such a taxable
5 valuation of more than \$30 million and less than \$50
6 million;
7 (c) third class--all counties having such a taxable
8 valuation of more than \$20 million and less than \$30
9 million;
10 (d) fourth class--all counties having such a taxable
11 valuation of more than \$15 million and less than \$20
12 million;
13 (e) fifth class--all counties having such a taxable
14 valuation of more than \$10 million and less than \$15
15 million;
16 (f) sixth class--all counties having such a taxable
17 valuation of more than \$5 million and less than \$10 million;
18 (g) seventh class--all counties having such a taxable
19 valuation of less than \$5 million.
20 (2) As used in this section, taxable valuation means
21 the taxable value of taxable property in the county as of
22 the time of determination plus:
23 (a) that portion of the taxable value of the county on
24 December 31, 1981, attributable to automobiles and trucks
25 having a rated capacity of three-quarters of a ton or less;

(b) the amount of interim production and new production taxes levied, as provided in 15-23-607, divided by the appropriate tax rates described in 15-23-607(2)(a) or (2)(b) and multiplied by 60%; and

(c) the amount of value represented by new production exempted from tax as provided in 15-23-612; and

(d) based on a comparison of 1988 and 1989 taxable values, the amount of taxable value in the county lost because of the repeal of property taxes on livestock."

Section 2. Section 15-1-101, MCA, is amended to read:

"15-1-101. Definitions. (1) Except as otherwise specifically provided, when terms mentioned in this section are used in connection with taxation, they are defined in the following manner:

(a) The term "agricultural" ~~refers--to~~ means the raising of livestock, poultry, bees, and other species of domestic animals and wildlife in domestication or a captive environment, and the raising of field crops, fruit, and other animal and vegetable matter for food or fiber.

(b) The term "assessed value" means the value of property as defined in 15-8-111.

(c) The term "average wholesale value" means the value to a dealer prior to reconditioning and profit margin shown in national appraisal guides and manuals or the valuation schedules of the department of revenue.

(d) (i) The term "commercial", when used to describe property, means any property used or owned by a business, a trade, or a nonprofit corporation as defined in 35-2-102 or used for the production of income, except that property described in subsection (ii).

(ii) The following types of property are not commercial:

(A) agricultural lands;

(B) timberlands;

(C) single-family residences and ancillary improvements and improvements necessary to the function of a bona fide farm, ranch, or stock operation;

(D) mobile homes used exclusively as a residence except when held by a distributor or dealer of trailers or mobile homes as his stock in trade;

(E) all property described in 15-6-135;

(F) all property described in 15-6-136; and

(G) all property described in 15-6-146.

(e) The term "comparable property" means property that has similar use, function, and utility; that is influenced by the same set of economic trends and physical, governmental, and social factors; and that has the potential of a similar highest and best use.

(f) The term "credit" means solvent debts, secured or unsecured, owing to a person.

1 (g) The term "improvements" ~~includes~~ means all
 2 buildings, structures, fences, and improvements situated
 3 upon, erected upon, or affixed to land. When the department
 4 of revenue or its agent determines that the permanency of
 5 location of a mobile home or housetrailer has been
 6 established, the mobile home or housetrailer is presumed to
 7 be an improvement to real property. A mobile home or
 8 housetrailer may be determined to be permanently located
 9 only when it is attached to a foundation which cannot
 10 feasibly be relocated and only when the wheels are removed.

11 (h) The term "leasehold improvements" means
 12 improvements to mobile homes and mobile homes located on
 13 land owned by another person. This property is assessed
 14 under the appropriate classification and the taxes are due
 15 and payable in two payments as provided in 15-24-202.
 16 Delinquent taxes on such leasehold improvements are a lien
 17 only on such the leasehold improvements.

18 (i) The term "livestock" means cattle, sheep, swine,
 19 goats, horses, mules, and asses, llamas, and bison.

20 (j) The term "mobile home" means forms of housing
 21 known as "trailers", "housetrainers", or "trailer coaches"
 22 exceeding 8 feet in width or 45 feet in length, designed to
 23 be moved from one place to another by an independent power
 24 connected to them, or any "trailer", "housetrailer", or
 25 "trailer coach" up to 8 feet in width or 45 feet in length

1 used as a principal residence.

2 (k) The term "personal property" ~~includes~~ means
 3 everything that is the subject of ownership but that is not
 4 included within the meaning of the terms "real estate" and
 5 "improvements".

6 (l) The term "poultry" ~~includes~~ means all chickens,
 7 turkeys, geese, ducks, and other birds raised in
 8 domestication to produce food or feathers.

9 (m) The term "property" ~~includes-moneys~~ means money,
 10 credits, bonds, stocks, franchises, and all other matters
 11 and things, real, personal, and mixed, capable of private
 12 ownership. This definition ~~must~~ may not be construed to
 13 authorize the taxation of the stocks of any company or
 14 corporation when the property of ~~such the~~ company or
 15 corporation represented by the stocks is within the state
 16 and has been taxed.

17 (n) The term "real estate" ~~includes~~ means:

18 (i) the possession of, claim to, ownership of, or
 19 right to the possession of land;

20 (ii) all mines, minerals, and quarries in and under the
 21 land subject to the provisions of 15-23-501 and Title 15,
 22 chapter 23, part 8; all timber belonging to individuals or
 23 corporations growing or being on the lands of the United
 24 States; and all rights and privileges appertaining thereto.

25 (o) "Research and development firm" means an entity

incorporated under the laws of this state or a foreign corporation authorized to do business in this state whose principal purpose is to engage in theoretical analysis, exploration, and experimentation and the extension of investigative findings and theories of a scientific and technical nature into practical application for experimental and demonstration purposes, including the experimental production and testing of models, devices, equipment, materials, and processes.

(p) The term "taxable value" means the percentage of market or assessed value as provided for in 15-6-131 through 15-6-149.

(q) The term phrase "weighted mean assessment ratio" means the total of the assessed values divided by the total of the selling prices of all area sales in the stratum.

(2) The phrase "municipal corporation" or "municipality" or "taxing unit" ~~shall be deemed to include~~ means a county, city, incorporated town, township, school district, irrigation district, drainage district, or any person, persons, or organized body authorized by law to establish tax levies for the purpose of raising public revenue.

(3) The term "state board" or "board" when used without other qualification ~~shall mean~~ means the state tax appeal board."

Section 3. Section 15-6-136, MCA, is amended to read:

"15-6-136. Class six property -- description -- taxable percentage. (1) Class six property includes:

{a}--livestock-and-other-species--of--domestic--animals and---wildlife---raised---in---domestication--or--a--captive environment,--except--for--cats,--dogs,--and--other--household--pets not-raised-for-profit,--and--the--unprocessed--products--of--such animals--and--wildlife;

{b}--all--unprocessed--agricultural--products--on--the--farm or--in--storage--except:

{i}--all--perishable--fruits--and--vegetables--in--farm storage--and--owned--by--the--producer;--and

{ii}--all--producer-held--grain--in--storage;

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

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

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

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

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

Section 4. 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 agricultural products in farm 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)(c) 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 1 if assessed as provided in 15-24-911(a), including cattle, sheep, swine, goats, horses, mules, asses, llamas, bison, and other animals and wildlife raised in domestication or in a captive environment, and their unprocessed products;

~~(e) swine which have not attained the age of 6 months as of January 1;~~

~~(f)(d)~~ poultry and the unprocessed products of poultry; and

~~(g)(e)~~ bees and the unprocessed product of bees.

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

Section 5. Section 15-8-201, MCA, is amended to read:

"15-8-201. **General assessment day.** (1) The department of revenue or its agent must, between January 1 and the second Monday of July in each year, ascertain the names of all taxable inhabitants and assess all property subject to taxation in each county. The department or its agent must assess property to the person by whom it was owned or claimed or in whose possession or control it was at midnight of January 1 next preceding. It must also ascertain and assess all mobile homes arriving in the county after midnight of the previous January 1 ~~next~~ preceding. No A mistake in the name of the owner or supposed owner of real property, ~~however, renders~~ does not render the assessment invalid.

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

(a) motor vehicles that are required by 15-8-202 to be

assessed on January 1 or upon their anniversary registration date;

(b) motor homes, travel trailers, and campers;

(c) watercraft;

~~(d) --livestock;~~

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

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

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

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

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

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

(a) the several kinds of personal property;

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

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

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

each.

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

Section 7. Section 15-24-301, MCA, is amended to read:

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

(a) any personal property (~~including~~ except livestock and other exempt personal property) brought, driven, or coming into this state at any time during the year that is used in the state for hire, compensation, or profit;

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

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

(2) The taxes on this property are levied in the same manner and to the same extent, except as otherwise provided, as though the property had been in the county on the regular assessment date, provided that the property has not been

1 regularly assessed for the year in some other county of the
2 state.

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

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

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

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

18 (c) The quarterly taxes are due the first day of the
19 quarter.

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

1 taxation under class eight only if they are sold in
2 Montana."

3 **Section 8.** Section 15-24-302, MCA, is amended to read:

4 "15-24-302. Collection procedure. All property
5 mentioned in 15-24-301 is assessed at the same value as
6 property of like kind and character, and the assessment,
7 levy, and collection of the tax are governed by the
8 provisions of 15-8-408, 15-16-111 through 15-16-115,
9 15-16-404, 15-17-911, and 15-24-202, as amended, except:

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

13 (2) ~~livestock--taxation-governed-by-81-7-104-and-Title~~
14 ~~817-chapter-77-part-2 in this section."~~

15 **Section 9.** Section 15-24-921, MCA, is amended to read:

16 "15-24-921. Per capita tax levy to pay expenses of
17 enforcing livestock laws. (1) In addition to appropriations
18 made for ~~such--purposes enforcing livestock laws,~~ a per
19 capita tax is hereby authorized and directed to be levied by
20 the county assessor on all poultry and bees, all swine 3
21 months of age or older, and all other livestock 9 months of
22 age or older in each county of this state for the purpose of
23 aiding in the payment of the salaries and all expenses
24 connected with the enforcement of the livestock laws of the
25 state and for the payment of bounties on wild animals as

1 hereinafter-specified.

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

5 **Section 10.** Section 15-24-925, MCA, is amended to
6 read:

7 "15-24-925. Reimbursement to county -- transmission of
8 taxes from county to state treasurer. (1) The county
9 treasurer may withhold 2% of the money received under
10 15-24-921 as reimbursement to the county for the collection
11 of the levy on livestock.

12 (2) Except for the amount withheld under subsection
13 (1), the taxes levied and the money collected pursuant to
14 the provisions of 15-24-922 shall be transmitted to the
15 state treasury by the county treasurer of each county, as
16 provided in 15-1-504, ~~but not later than July 1 following~~
17 ~~assessment.~~ The county treasurer shall designate the amount
18 ~~received from the tax levied on sheep--and--the amount~~
19 ~~received from the tax levied on all other livestock the~~
20 categories of livestock, as specified by the department of
21 livestock, and shall specify the separate amounts in his
22 report to the state treasurer. The money, when received by
23 the state treasurer, shall be deposited to the credit of the
24 department of ~~livestock~~ livestock's state special revenue
25 fund for use by the department."

1 **NEW SECTION. Section 11.** Collection of tax. (1) On or
2 before January 15 of each year, an owner of property subject
3 to the per capita tax imposed by 15-24-921 or the owner's
4 agent shall make and deliver to the county assessor in the
5 county where the owner or agent resides or, if neither
6 resides in the state, in the county where the majority of
7 the owner's property subject to the per capita tax is
8 located a verified statement showing, as of January 1, the
9 number of each kind of property subject to the per capita
10 tax within the state belonging to the owner, with their
11 marks and brands.

12 (2) The county assessor shall compile the reports
13 received under subsection (1) and forward a summary of the
14 information to the board of livestock on or before February
15 1 following receipt of the reports.

16 (3) Upon notification of the amount of levy set by the
17 board of livestock under 15-24-922, the county assessor
18 shall send to each owner or agent who filed a report a
19 statement indicating the total amount due under the levy for
20 the year, the fact that payment is to be made to the county
21 treasurer on or before June 1 following assessment of the
22 tax, and the penalties and lien provisions that apply
23 pursuant to [section 12].

24 **NEW SECTION. Section 12.** Penalty for failure to file
25 report -- lien upon real and personal property. (1) If a

person who is the owner of property subject to the per capita tax imposed by 15-24-921 fails to make or have his agent make the report as required in [section 11], the county assessor may, after 10 days' notice to the person who failed to file the report, assess the tax imposed under 15-24-921, based on the assessor's estimate of the property subject to the tax, and may add a 10% penalty.

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

Section 13. Section 81-7-111, MCA, is amended to read:

"81-7-111. Evidence of killing by bounty claimant. (1)

Any person killing any of the aforesaid animals, except mountain lions, to obtain bounty thereon shall within 30 days of the date of the killing:

(a) exhibit the entire skin or skins of the said animal or animals, including the entire head with ears, the tail, and all four paws to the bounty inspector nearest to the locality in which the animal or animals were killed; and

(b) at the same time file with the bounty inspector, as hereinafter provided, an affidavit setting forth:

(i) that he killed the animal or animals from which the skin or skins were taken;

(ii) that the same was killed nearer to or, if more than one hide is presented, that the greater number were killed nearer to the residence of the said bounty inspector to which the same was presented than to any other bounty inspector; and

(iii) the county or counties in which said animals were killed.

(2) Any person killing any mountain lion to obtain bounty thereon shall present the same to a bounty inspector as provided in this section for wolves and coyotes, except that, in addition to the requirements of this section, the skins of mountain lions shall also contain the entire skin of the lower jaw, which shall be severed by the bounty inspector and thereafter treated in the same manner as scalps of wolves and coyotes herein provided.

(3) Every bounty inspector appointed under the provisions of 81-7-111 through 81-7-117 and 81-7-119 through 81-7-122 shall be empowered to administer oaths to any and all persons making any affidavit as aforesaid."

Section 14. Section 81-7-114, MCA, is amended to read:

"81-7-114. Certificate and record of sheriff. (1) The officer shall at the same time make out and deliver to the person a certificate addressed to the county clerk of his county and immediately deliver to the county clerk a duplicate of the certificate, showing the date, number, and

1 kind of skins marked for severing and the name of the person
 2 presenting the skins. The certificate shall also recite that
 3 the filing of the affidavits of taxpayers previously
 4 required has been done and the examination has been made as
 5 required. The certificate shall be signed by the officer in
 6 his official capacity. When a doubt exists as to the kind of
 7 skin presented, whether wolf or coyote, the certificate
 8 shall be issued for the lesser bounty. Each sheriff shall
 9 keep a record of all skins marked and severed, showing the
 10 date, number, and kinds and the names of the persons
 11 presenting the skins. This record is an official record. The
 12 sheriff, undersheriff, or deputy sheriff may not perform any
 13 duties under 81-7-111 through 81-7-117 and 81-7-119 through
 14 81-7-122 except at the county seat.

15 (2) The sheriff shall, not later than the 15th of each
 16 month, give to the county clerk and recorder a report
 17 setting forth the names of the persons presenting skins,
 18 with the number of the certificate and the kind and number
 19 of the skins presented. The sheriff shall report for each
 20 certificate which he has issued during the month."

21 **Section 15.** Section 81-7-120, MCA, is amended to read:

22 "81-7-120. Use of funds remaining after payment of
 23 bounties -- sale of furs, skins, and specimens --
 24 presentation to museums. (1) If, at the end of a bounty
 25 paying season, there is surplus money available for the

1 administration of 81-7-111 through 81-7-117 and 81-7-119
 2 through 81-7-122, the surplus may be used to hire salaried
 3 hunters and trappers to hunt and trap predatory animals and
 4 to purchase and supply poison to be used for a poison
 5 campaign on predatory animals.

6 (2) All furs, skins, and specimens taken by hunters or
 7 trappers whose salaries are paid in whole or in part out of
 8 this money shall be sold by the department, and the proceeds
 9 from these sales shall be credited to the state special
 10 revenue fund. These funds shall be used to carry out
 11 81-7-111 through 81-7-117 and 81-7-119 through 81-7-122.
 12 Specimens may be presented free of charge to a state museum
 13 or institution."

14 **Section 16.** Section 81-7-121, MCA, is amended to read:

15 "81-7-121. Falsifying certificates or affidavits --
 16 penalty. Any person who falsely makes, alters, forges, or
 17 counterfeits any of the certificates or orders and any
 18 person who falsely swears to any affidavit provided for by
 19 81-7-111 through 81-7-117 and 81-7-119 through 81-7-122 or
 20 procures the same to be done by another, with the intent of
 21 obtaining any one of the certificates or orders, is
 22 punishable as provided in Title 45."

23 **Section 17.** Section 81-7-122, MCA, is amended to read:

24 "81-7-122. Penalty for fraudulent claims. Any person
 25 or persons who shall patch up any skin or scalp or who shall

1 present any punched or patched skin or scalp or who shall
 2 bring in any skin or skins from other states or territory
 3 with the intent to obtain the bounty on the same
 4 fraudulently or any officer who shall sign any certificate
 5 herein provided for without first counting the skins and
 6 examining the same to determine the kind of skins and to see
 7 that the skin from the scalp or head is properly severed and
 8 preserved as hereinbefore provided or shall evade or violate
 9 any provision of any law of the state of Montana relative to
 10 bounties or bounty claims shall be deemed guilty of a
 11 misdemeanor and, on conviction thereof, shall be punished by
 12 a fine not exceeding \$1,000 or by imprisonment in the county
 13 jail not exceeding 1 year or by both such fine and
 14 imprisonment and two-thirds of the fine, if the same be
 15 collected or can be collected, shall be given to the
 16 informer and the balance be deposited in the state special
 17 revenue fund and used for the administration of 81-7-111
 18 through 81-7-117 and 81-7-119 through 81-7-122."

19 **Section 18.** Section 81-7-303, MCA, is amended to read:

20 "81-7-303. County commissioners permitted to require
 21 per capita license fee on sheep. (1) To defray the expense
 22 of ~~such--protection~~ predatory animal control, the board of
 23 county commissioners of any county shall have the power to
 24 require all owners or persons in possession of any sheep
 25 coming 1 year old or over in the county on the regular

1 assessment date of each year to pay a license fee in an
 2 amount to be determined by the board on a per head basis for
 3 sheep ~~so~~ owned or possessed by him them in the county. All
 4 owners or persons in possession of any sheep coming 1 year
 5 old or over coming into the county after the regular
 6 assessment date ~~and-subject-to-taxation-under-the-provisions~~
 7 ~~of-15-24-301~~ shall also be subject to payment of the license
 8 fee ~~herein~~ prescribed in this section.

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

23 (3) When collected, ~~said~~ the fees shall be placed by
 24 the treasurer in the predatory animal control fund and the
 25 ~~moneys~~ money in ~~said~~ the fund shall be expended on order of

1 the board of county commissioners of the county for
2 predatory animal control only."

3 **Section 19.** Section 81-7-305, MCA, is amended to read:

4 "81-7-305. Duty of county commissioners -- petition of
5 sheep owners -- license fees. (1) In conducting a predatory
6 animal control program, the board of county commissioners
7 shall give preference to recommendations for such the
8 program ~~and-its-incidents-as~~ made by organized associations
9 of sheep growers in the county. Upon petition of the
10 resident owners of at least 51% of the sheep in the county,
11 ~~as--shown--by--the--assessment--rolls--of--the--last--preceding~~
12 ~~assessment,~~ which petition shall be filed with the board of
13 county commissioners on or before the first Monday in
14 December in any year, such the board shall establish the
15 predatory animal control program and cause said licenses to
16 be secured and issued and the fees collected for the
17 following year in such an amount as will defray the cost of
18 administering the program ~~so-established~~. The license fee
19 determined and set by the board shall remain in full force
20 and effect from year to year without change, unless there is
21 filed with the board a petition subscribed by the resident
22 owners of at least 51% of the sheep in the county ~~as-shown~~
23 ~~by-the-assessment-rolls-of-the-last-assessment-preceding-the~~
24 ~~filing-of-the-petition,~~ for termination of the program and
25 repeal of the license fee in-which-event When a petition

1 is filed, the program shall ~~by-order-of-the-board-of--county~~
2 ~~commissioners~~ be disestablished and the license fee shall
3 may not be further levied.

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

12 NEW SECTION. **Section 20.** Repealer. Sections 15-24-901
13 through 15-24-906, 15-24-908 through 15-24-911, 15-24-926,
14 15-24-931, 15-24-941 through 15-24-943, and 81-7-118, MCA,
15 are repealed.

16 NEW SECTION. **Section 21.** Codification instruction.
17 [Sections 11 and 12] are intended to be codified as an
18 integral part of Title 15, chapter 24, part 9, and the
19 provisions of Title 15, chapter 24, part 9, apply to
20 [sections 11 and 12].

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

25 NEW SECTION. **Section 23.** Effective date --

LC 0329/01

1 retroactive applicability. (This act] is effective on
2 passage and approval and applies retroactively, within the
3 meaning of 1-2-109, to taxable years beginning after
4 December 31, 1988.

-End-

1 *Frank* BILL NO. *184*
 2 INTRODUCED BY *Frank*
 3 *Edison*
 4 *Swift* *Thomas* *Wade* *Story*
 5 *McLean* *Miller* *Roberts* *Thomas* *Wade* *Story*
 6 *Macor* *Miller* *Roberts* *Thomas* *Wade* *Story*
 7 RAISED IN DOMESTICATION OR IN A CAPTIVE ENVIRONMENT;
 8 AMENDING SECTIONS 7-1-2111, 15-1-101, 15-6-136, 15-6-207,
 9 15-8-201, 15-8-706, 15-24-301, 15-24-302, 15-24-921,
 10 15-24-925, 81-7-111, 81-7-114, 81-7-120 THROUGH 81-7-122,
 11 81-7-303, AND 81-7-305, MCA; REPEALING SECTIONS 15-24-901
 12 THROUGH 15-24-906, 15-24-908 THROUGH 15-24-911, 15-24-926,
 13 15-24-931, 15-24-941 THROUGH 15-24-943, AND 81-7-118, MCA;
 14 AND PROVIDING AN IMMEDIATE EFFECTIVE DATE AND A RETROACTIVE
 15 APPLICABILITY DATE."

16
 17 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

18 **Section 1.** Section 7-1-2111, MCA, is amended to read:

19 "7-1-2111. Classification of counties. (1) For the
 20 purpose of regulating the compensation and salaries of all
 21 county officers, not otherwise provided for, and for fixing
 22 the penalties of officers' bonds, the several counties of
 23 this state shall be classified according to that percentage
 24 of the true and full valuation of the property therein upon
 25 which the tax levy is made, except for vehicles subject to

There is no change on SB 184. Please refer
 to White (introduced) or yellow (2nd reading)
 for complete text.