

HOUSE BILL NO. 8

INTRODUCED BY GILBERT  
BY REQUEST OF THE REVENUE OVERSIGHT COMMITTEE

IN THE HOUSE

DECEMBER 23, 1992	INTRODUCED AND REFERRED TO COMMITTEE ON TAXATION.
JANUARY 4, 1993	FIRST READING.
JANUARY 14, 1993	COMMITTEE RECOMMEND BILL DO PASS AS AMENDED. REPORT ADOPTED.
JANUARY 15, 1993	PRINTING REPORT.
JANUARY 16, 1993	SECOND READING, DO PASS.
JANUARY 18, 1993	ENGROSSING REPORT.
	THIRD READING, PASSED. AYES, 99; NOES, 0.
	TRANSMITTED TO SENATE.

IN THE SENATE

JANUARY 20, 1993	INTRODUCED AND REFERRED TO COMMITTEE ON TAXATION.
	FIRST READING.
FEBRUARY 1, 1993	COMMITTEE RECOMMEND BILL BE CONCURRED IN. REPORT ADOPTED.
FEBRUARY 2, 1993	SECOND READING, CONCURRED IN.
FEBRUARY 3, 1993	THIRD READING, CONCURRED IN. AYES, 47; NOES, 0.
	RETURNED TO HOUSE.

IN THE HOUSE

FEBRUARY 4, 1993	RECEIVED FROM SENATE.
	SENT TO ENROLLING.
	REPORTED CORRECTLY ENROLLED.

## 1 HOUSE BILL NO. 8

2 INTRODUCED BY GILBERT

3 BY REQUEST OF THE REVENUE OVERSIGHT COMMITTEE

4  
5 A BILL FOR AN ACT ENTITLED: "AN ACT CLARIFYING THE TAXATION  
6 OF INTERSTATE MOTOR VEHICLE FLEETS; EXEMPTING INTERSTATE  
7 MOTOR VEHICLE FLEETS FROM STATE, COUNTY, AND LOCAL MILL  
8 LEVIES; AMENDING SECTIONS 15-24-101 AND 15-24-102, MCA; AND  
9 PROVIDING AN EFFECTIVE DATE."

10  
11 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

12 Section 1. Section 15-24-101, MCA, is amended to read:

13 "15-24-101. Assessment of proportionally registered  
14 interstate motor vehicle fleets -- tax payment required for  
15 registration. (1) The department of revenue shall assess,  
16 for the purpose of personal property taxes, the taxable  
17 vehicles in interstate motor vehicle fleets proportionally  
18 registered under the provisions of 61-3-711 through  
19 61-3-733, and the assessment must be apportioned on the  
20 ratio of total miles traveled to in-state miles traveled  
21 formula as prescribed by 61-3-721. Interstate motor vehicle  
22 fleets are assessable for taxation purposes upon application  
23 for proportional registration and are assessed to the  
24 persons who own or claim the fleet or in whose possession or  
25 control the fleet is at the time of the application.

1 (2) With respect to any fleet contained in an original  
2 application which that has a situs for the purpose of  
3 property taxation in Montana by the terms of this part or  
4 any other provision of the laws of Montana, the taxes on  
5 taxable vehicles are apportioned as provided in 15-24-303.

6 (3) With respect to any fleet contained in a renewal  
7 application, the taxable vehicles are assessed and taxed for  
8 a full year.

9 (4) Automobiles and trucks having a rated capacity of  
10 ~~three-quarters-of-a~~ 1 ton or less that are part of an  
11 interstate motor vehicle fleet are subject to property tax.  
12 If the fleet is proportionally registered, the tax is  
13 apportioned in the same fashion as the registration fee  
14 under 61-3-721.

15 (5) Vehicles contained in a fleet for which current  
16 taxes, or fees, or both, have been assessed and paid may not  
17 be assessed or charged fees under this section upon  
18 presentation to the department of proof of payment of taxes,  
19 or fees, or both, for the current registration year. The  
20 payment of personal property taxes, or fees, or both, is a  
21 condition precedent to proportional registration or  
22 reregistration of an interstate motor vehicle fleet."

23 Section 2. Section 15-24-102, MCA, is amended to read:

24 "15-24-102. Valuation of interstate fleets --  
25 determination of aggregate tax due -- exemption from mill

1 levies. The department of revenue shall assess the taxable  
 2 vehicles of any interstate motor vehicle fleet making  
 3 application for proportional registration, as follows:

4 (1) The purchase price of the taxable vehicles  
 5 depreciated by a schedule as prescribed by the department  
 6 ~~shall-determine~~ determines the depreciated value.

7 (2) The depreciated value multiplied by the percent of  
 8 miles traveled in Montana, as prescribed by 61-3-721, ~~shall~~  
 9 be is the assessed market value.

10 (3) The sum of the assessed market value of all taxable  
 11 vehicles included in the fleet multiplied by ~~16%-shall-be 9%~~  
 12 is the taxable value for the entire fleet as provided in  
 13 15-6-138.

14 (4) To determine the amount of tax due, the taxable  
 15 value of the entire fleet ~~shall must~~ be multiplied by the  
 16 statewide average county mill levy plus state levies as  
 17 hereinafter provided in 15-24-103.

18 (5) Except for the purpose of determining the tax due  
 19 under this chapter, interstate motor vehicle fleets are  
 20 exempt from:

21 (a) state mill levies, including but not limited to  
 22 levies imposed under 15-10-101, 15-10-106, 20-9-331,  
 23 20-9-333, 20-9-360, and 53-2-813; and

24 (b) county and local mill levies."

25 NEW SECTION. Section 3. Effective date. [This act] is

1 effective July 1, 1993.

-End-

STATE OF MONTANA - FISCAL NOTE

Form BD-15

In compliance with a written request, there is hereby submitted a Fiscal Note for HB0008, as introduced.

DESCRIPTION OF PROPOSED LEGISLATION:


An act clarifying the taxation of interstate motor vehicle fleets; exempting interstate motor vehicle fleets from state, county and local mill levies; and providing an effective date.

ASSUMPTIONS:

HB0008 represents "housekeeping" legislation. The proposal changes statute to reflect current practice.

FISCAL IMPACT:

None.

  
DAVID LEWIS, BUDGET DIRECTOR      DATE  
Office of Budget and Program Planning

  
BOB GILBERT, PRIMARY SPONSOR      DATE

Fiscal Note for HB0008, as introduced

APPROVED BY COMMITTEE  
ON TAXATION

## HOUSE BILL NO. 8

INTRODUCED BY GILBERT

BY REQUEST OF THE REVENUE OVERSIGHT COMMITTEE

A BILL FOR AN ACT ENTITLED: "AN ACT CLARIFYING THE TAXATION OF INTERSTATE MOTOR VEHICLE FLEETS; EXEMPTING INTERSTATE MOTOR VEHICLE FLEETS FROM STATE, COUNTY, AND LOCAL MILL LEVIES; AMENDING SECTIONS 15-24-101 AND 15-24-102, MCA; AND PROVIDING AN EFFECTIVE DATE."

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

**Section 1.** Section 15-24-101, MCA, is amended to read:

"15-24-101. Assessment of proportionally registered interstate motor vehicle fleets -- tax payment required for registration. (1) The department of revenue shall assess, for the purpose of personal property taxes, the taxable vehicles in interstate motor vehicle fleets proportionally registered under the provisions of 61-3-711 through 61-3-733, and the assessment must be apportioned on the ratio of total miles traveled to in-state miles traveled formula as prescribed by 61-3-721. Interstate motor vehicle fleets are assessable for taxation purposes upon application for proportional registration and are assessed to the persons who own or claim the fleet or in whose possession or control the fleet is at the time of the application.

(2) With respect to any fleet contained in an original application which that has a situs for the purpose of property taxation in Montana by the terms of this part or any other provision of the laws of Montana, the taxes on taxable vehicles are apportioned as provided in 15-24-303.

(3) With respect to any fleet contained in a renewal application, the taxable vehicles are assessed and taxed for a full year.

(4) Automobiles and trucks having a rated capacity of ~~three-quarters-of-a~~ 1 ton or less that are part of an interstate motor vehicle fleet are subject to property tax. If the fleet is proportionally registered, the tax is apportioned in the same fashion as the registration fee under 61-3-721.

(5) Vehicles contained in a fleet for which current taxes, or fees, or both, have been assessed and paid may not be assessed or charged fees under this section upon presentation to the department of proof of payment of taxes, or fees, or both, for the current registration year. The payment of personal property taxes, or fees, or both, is a condition precedent to proportional registration or reregistration of an interstate motor vehicle fleet."

**Section 2.** Section 15-24-102, MCA, is amended to read:

"15-24-102. Valuation of interstate fleets -- determination of aggregate tax due -- exemption from mill

1 levies. The department of revenue shall assess the taxable  
2 vehicles of any interstate motor vehicle fleet making  
3 application for proportional registration, as follows:

4 (1) The purchase price of the taxable vehicles  
5 depreciated by a schedule as prescribed by the department  
6 ~~shall-determine~~ determines the depreciated value.

7 (2) The depreciated value multiplied by the percent of  
8 miles traveled in Montana, as prescribed by 61-3-721, ~~shall~~  
9 be is the assessed market value.

10 (3) The sum of the assessed market value of all taxable  
11 vehicles included in the fleet multiplied by ~~16%-shall-be 9%~~  
12 is the taxable value for the entire fleet as provided in  
13 15-6-138.

14 (4) To determine the amount of tax due, the taxable  
15 value of the entire fleet ~~shall~~ must be multiplied by the  
16 statewide average county mill levy plus state levies as  
17 hereinafter provided in 15-24-103.

18 (5) ~~Except-for-the-purpose-of-determining TO DETERMINE~~  
19 the tax due under this chapter, STATE LEVIES APPLICABLE TO  
20 interstate motor vehicle fleets are-exempt-from:

21 ~~(a)--state-mill-levies,-including~~ INCLUDE but ARE not  
22 limited to levies imposed under 15-10-101, 15-10-106,  
23 20-9-331, 20-9-333, 20-9-360, and 53-2-813,-and

24 ~~(b)--county-and-local-mill-levies.~~

25 (6) ALL TAXES AND FEES COLLECTED ON MOTOR VEHICLE

1 FLEETS UNDER THIS CHAPTER MUST BE DEPOSITED AND DISTRIBUTED  
2 AS PROVIDED IN 15-24-105."

3 NEW SECTION. Section 3. Effective date. [This act] is  
4 effective July 1, 1993.

-End-

## 1 HOUSE BILL NO. 8

2 INTRODUCED BY GILBERT

3 BY REQUEST OF THE REVENUE OVERSIGHT COMMITTEE

4  
5 A BILL FOR AN ACT ENTITLED: "AN ACT CLARIFYING THE TAXATION  
6 OF INTERSTATE MOTOR VEHICLE FLEETS; EXEMPTING INTERSTATE  
7 MOTOR VEHICLE FLEETS FROM STATE, COUNTY, AND LOCAL MILL  
8 LEVIES; AMENDING SECTIONS 15-24-101 AND 15-24-102, MCA; AND  
9 PROVIDING AN EFFECTIVE DATE."

10  
11 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

12 Section 1. Section 15-24-101, MCA, is amended to read:

13 "15-24-101. Assessment of proportionally registered  
14 interstate motor vehicle fleets -- tax payment required for  
15 registration. (1) The department of revenue shall assess,  
16 for the purpose of personal property taxes, the taxable  
17 vehicles in interstate motor vehicle fleets proportionally  
18 registered under the provisions of 61-3-711 through  
19 61-3-733, and the assessment must be apportioned on the  
20 ratio of total miles traveled to in-state miles traveled  
21 formula as prescribed by 61-3-721. Interstate motor vehicle  
22 fleets are assessable for taxation purposes upon application  
23 for proportional registration and are assessed to the  
24 persons who own or claim the fleet or in whose possession or  
25 control the fleet is at the time of the application.

1 (2) With respect to any fleet contained in an original  
2 application which that has a situs for the purpose of  
3 property taxation in Montana by the terms of this part or  
4 any other provision of the laws of Montana, the taxes on  
5 taxable vehicles are apportioned as provided in 15-24-303.

6 (3) With respect to any fleet contained in a renewal  
7 application, the taxable vehicles are assessed and taxed for  
8 a full year.

9 (4) Automobiles and trucks having a rated capacity of  
10 ~~three-quarters-of-a~~ 1 ton or less that are part of an  
11 interstate motor vehicle fleet are subject to property tax.  
12 If the fleet is proportionally registered, the tax is  
13 apportioned in the same fashion as the registration fee  
14 under 61-3-721.

15 (5) Vehicles contained in a fleet for which current  
16 taxes, or fees, or both, have been assessed and paid may not  
17 be assessed or charged fees under this section upon  
18 presentation to the department of proof of payment of taxes,  
19 or fees, or both, for the current registration year. The  
20 payment of personal property taxes, or fees, or both, is a  
21 condition precedent to proportional registration or  
22 reregistration of an interstate motor vehicle fleet."

23 Section 2. Section 15-24-102, MCA, is amended to read:

24 "15-24-102. Valuation of interstate fleets --  
25 determination of aggregate tax due -- exemption from mill

1 levies. The department of revenue shall assess the taxable  
2 vehicles of any interstate motor vehicle fleet making  
3 application for proportional registration, as follows:

4 (1) The purchase price of the taxable vehicles  
5 depreciated by a schedule as prescribed by the department  
6 ~~shall-determine~~ determines the depreciated value.

7 (2) The depreciated value multiplied by the percent of  
8 miles traveled in Montana, as prescribed by 61-3-721, ~~shall~~  
9 ~~be~~ is the assessed market value.

10 (3) The sum of the ~~assessed market~~ value of all taxable  
11 vehicles included in the fleet multiplied by ~~16%-shall-be~~ 9%  
12 is the taxable value for the entire fleet as provided in  
13 15-6-138.

14 (4) To determine the amount of tax due, the taxable  
15 value of the entire fleet ~~shall~~ must be multiplied by the  
16 statewide average county mill levy plus state levies as  
17 hereinafter provided in 15-24-103.

18 ~~(5) Except-for-the-purpose-of-determining TO DETERMINE~~  
19 ~~the tax due under this chapter, STATE LEVIES APPLICABLE TO~~  
20 ~~interstate motor vehicle fleets are-exempt-from:~~

21 ~~(a)--state-mill-levies, including INCLUDE but ARE not~~  
22 ~~limited to levies imposed under 15-10-101, 15-10-106,~~  
23 ~~20-9-331, 20-9-333, 20-9-360, and 53-2-813;-and~~

24 ~~(b)--county-and-local-mill-levies.~~

25 (6) ALL TAXES AND FEES COLLECTED ON MOTOR VEHICLE

1 FLEETS UNDER THIS CHAPTER MUST BE DEPOSITED AND DISTRIBUTED  
2 AS PROVIDED IN 15-24-105."

3 NEW SECTION. Section 3. Effective date. [This act] is  
4 effective July 1, 1993.

-End-



## 1 HOUSE BILL NO. 8

2 INTRODUCED BY GILBERT

3 BY REQUEST OF THE REVENUE OVERSIGHT COMMITTEE

4  
5 A BILL FOR AN ACT ENTITLED: "AN ACT CLARIFYING THE TAXATION  
6 OF INTERSTATE MOTOR VEHICLE FLEETS; EXEMPTING INTERSTATE  
7 MOTOR VEHICLE FLEETS FROM STATE, COUNTY, AND LOCAL MILL  
8 LEVIES; AMENDING SECTIONS 15-24-101 AND 15-24-102, MCA; AND  
9 PROVIDING AN EFFECTIVE DATE."

10  
11 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

12 Section 1. Section 15-24-101, MCA, is amended to read:

13 "15-24-101. Assessment of proportionally registered  
14 interstate motor vehicle fleets -- tax payment required for  
15 registration. (1) The department of revenue shall assess,  
16 for the purpose of personal property taxes, the taxable  
17 vehicles in interstate motor vehicle fleets proportionally  
18 registered under the provisions of 61-3-711 through  
19 61-3-733, and the assessment must be apportioned on the  
20 ratio of total miles traveled to in-state miles traveled  
21 formula as prescribed by 61-3-721. Interstate motor vehicle  
22 fleets are assessable for taxation purposes upon application  
23 for proportional registration and are assessed to the  
24 persons who own or claim the fleet or in whose possession or  
25 control the fleet is at the time of the application.

1 (2) With respect to any fleet contained in an original  
2 application which that has a situs for the purpose of  
3 property taxation in Montana by the terms of this part or  
4 any other provision of the laws of Montana, the taxes on  
5 taxable vehicles are apportioned as provided in 15-24-303.

6 (3) With respect to any fleet contained in a renewal  
7 application, the taxable vehicles are assessed and taxed for  
8 a full year.

9 (4) Automobiles and trucks having a rated capacity of  
10 three-quarters-of-a ton or less that are part of an  
11 interstate motor vehicle fleet are subject to property tax.  
12 If the fleet is proportionally registered, the tax is  
13 apportioned in the same fashion as the registration fee  
14 under 61-3-721.

15 (5) Vehicles contained in a fleet for which current  
16 taxes, or fees, or both, have been assessed and paid may not  
17 be assessed or charged fees under this section upon  
18 presentation to the department of proof of payment of taxes,  
19 or fees, or both, for the current registration year. The  
20 payment of personal property taxes, or fees, or both, is a  
21 condition precedent to proportional registration or  
22 reregistration of an interstate motor vehicle fleet."

23 Section 2. Section 15-24-102, MCA, is amended to read:

24 "15-24-102. Valuation of interstate fleets --  
25 determination of aggregate tax due -- exemption from mill

1 levies. The department of revenue shall assess the taxable  
2 vehicles of any interstate motor vehicle fleet making  
3 application for proportional registration, as follows:

4 (1) The purchase price of the taxable vehicles  
5 depreciated by a schedule as prescribed by the department  
6 ~~shall-determine~~ determines the depreciated value.

7 (2) The depreciated value multiplied by the percent of  
8 miles traveled in Montana, as prescribed by 61-3-721, ~~shall~~  
9 ~~be~~ is the assessed market value.

10 (3) The sum of the assessed market value of all taxable  
11 vehicles included in the fleet multiplied by ~~16%-shall-be~~ 9%  
12 is the taxable value for the entire fleet as provided in  
13 15-6-138.

14 (4) To determine the amount of tax due, the taxable  
15 value of the entire fleet ~~shall~~ must be multiplied by the  
16 statewide average county mill levy plus state levies as  
17 hereinafter provided in 15-24-103.

18 ~~(5) Except-for-the-purpose-of-determining~~ TO DETERMINE  
19 the tax due under this chapter, STATE LEVIES APPLICABLE TO  
20 interstate motor vehicle fleets are-exempt-from:

21 ~~(a)--state-mill-levies,including~~ INCLUDE but ARE not  
22 limited to levies imposed under 15-10-101, 15-10-106,  
23 20-9-331, 20-9-333, 20-9-360, and 53-2-813;-and

24 ~~(b)--county-and-local-mill-levies.~~

25 (6) ALL TAXES AND FEES COLLECTED ON MOTOR VEHICLE

1 FLEETS UNDER THIS CHAPTER MUST BE DEPOSITED AND DISTRIBUTED  
2 AS PROVIDED IN 15-24-105."

3 NEW SECTION. Section 3. Effective date. (This act) is  
4 effective July 1, 1993.

-End-