

HOUSE BILL NO. 651

INTRODUCED BY WANZENRIED, HARP, GILBERT
BY REQUEST OF THE DEPARTMENT OF TRANSPORTATION

IN THE HOUSE

FEBRUARY 19, 1993	INTRODUCED AND REFERRED TO COMMITTEE ON TAXATION.
	FIRST READING.
MARCH 20, 1993	COMMITTEE RECOMMEND BILL DO PASS AS AMENDED. REPORT ADOPTED.
MARCH 22, 1993	PRINTING REPORT.
MARCH 27, 1993	SECOND READING, DO PASS AS AMENDED.
MARCH 29, 1993	ENGROSSING REPORT.
MARCH 30, 1993	THIRD READING, PASSED. AYES, 68; NOES, 31.
MARCH 31, 1993	TRANSMITTED TO SENATE.

IN THE SENATE

APRIL 1, 1993	INTRODUCED AND REFERRED TO COMMITTEE ON TAXATION.
	FIRST READING.
APRIL 8, 1993	COMMITTEE RECOMMEND BILL BE CONCURRED IN AS AMENDED. REPORT ADOPTED.
APRIL 12, 1993	ON MOTION, CONSIDERATION PASSED FOR THE DAY.
APRIL 14, 1993	SECOND READING, CONCURRED IN AS AMENDED.
APRIL 15, 1993	THIRD READING, CONCURRED IN. AYES, 40; NOES, 8.
	RETURNED TO HOUSE WITH AMENDMENTS.

IN THE HOUSE

APRIL 16, 1993	SECOND READING, AMENDMENTS
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APRIL 19, 1993

CONCURRED IN.

THIRD READING, AMENDMENTS
CONCURRED IN.

SENT TO ENROLLING.

REPORTED CORRECTLY ENROLLED.

1 House BILL NO. 651
 2 INTRODUCED BY ~~UNINTROD~~ HARP *Libert*
 3 BY REQUEST OF THE DEPARTMENT OF TRANSPORTATION
 4
 5 A BILL FOR AN ACT ENTITLED: "AN ACT RESTRUCTURING THE FEE
 6 TABLES AND FEE CLASSES FOR GROSS VEHICLE WEIGHT FEES;
 7 ELIMINATING THE PROPERTY TAX ON TRAILERS AND SEMITRAILERS
 8 LICENSED FOR 26,000 POUNDS OR MORE; LEVYING A 45-MILL LEVY
 9 ON TRUCKS AND TRUCK TRACTORS OVER 26,000 POUNDS; PROVIDING
 10 FOR THE DISTRIBUTION OF THE FUNDS RAISED FROM THE MILL LEVY;
 11 INCREASING THE TAX ON GASOLINE AND SPECIAL FUELS FROM 20
 12 CENTS PER GALLON TO 20.75 CENTS PER GALLON; PROVIDING FOR
 13 BUSES TO BE TAXED BY GROSS WEIGHT RATHER THAN BY SEATS;
 14 INCLUDING FERTILIZER SPREADERS IN THE AGRICULTURAL FEE
 15 CLASS; CORRECTING REFERENCES TO THE MOTOR CARRIER SERVICES
 16 DIVISION; INCREASING THE WEIGHT THRESHOLD FOR VEHICLES
 17 REQUIRED TO ENTER WEIGH STATIONS; AMENDING SECTIONS
 18 15-6-138, 15-6-201, 15-70-204, 15-70-311, 15-70-321,
 19 15-71-102, 61-1-134, 61-3-321, 61-3-502, 61-3-521,
 20 61-10-124, 61-10-141, 61-10-201, 61-10-203, 61-10-206,
 21 61-10-209, 61-12-201, AND 61-12-206, MCA; REPEALING SECTIONS
 22 61-10-202, 61-10-204, 61-10-205, 61-10-207, 61-10-208, AND
 23 61-10-210, MCA; AND PROVIDING A DELAYED EFFECTIVE DATE."
 24
 25 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:



1 **Section 1.** Section 15-6-138, MCA, is amended to read:
 2 "15-6-138. Class eight property -- description --
 3 taxable percentage. (1) Class eight property includes:
 4 (a) all agricultural implements and equipment;
 5 (b) all mining machinery, fixtures, equipment, tools
 6 that are not exempt under 15-6-201(1)(r), and supplies
 7 except those included in class five;
 8 (c) all manufacturing machinery, fixtures, equipment,
 9 tools that are not exempt under 15-6-201(1)(r), and supplies
 10 except those included in class five;
 11 (d) all trailers and semitrailers, including those
 12 prorated under 15-24-102, except those subject to taxation
 13 under 61-3-504(2) or exempt under 15-6-201(1)(v);
 14 (e) all goods and equipment intended for rent or lease,
 15 except goods and equipment specifically included and taxed
 16 in another class;
 17 (f) buses and trucks having a rated capacity of more
 18 than 1 ton, including those prorated under 15-24-102;
 19 (g) truck toppers weighing more than 300 pounds;
 20 (h) furniture, fixtures, and equipment, except that
 21 specifically included in another class, used in commercial
 22 establishments as defined in this section;
 23 (i) x-ray and medical and dental equipment;
 24 (j) citizens' band radios and mobile telephones;
 25 (k) radio and television broadcasting and transmitting

1 equipment;

2 (l) cable television systems;

3 (m) coal and ore haulers;

4 (n) theater projectors and sound equipment; and

5 (o) all other property not included in any other class

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

7 of a property tax.

8 (2) As used in this section, "coal and ore haulers"

9 means nonhighway vehicles that exceed 18,000 pounds per axle

10 and that are primarily designed and used to transport coal,

11 ore, or other earthen material in a mining or quarrying

12 environment.

13 (3) "Commercial establishment" includes any hotel;

14 motel; office; petroleum marketing station; or service,

15 wholesale, retail, or food-handling business.

16 (4) Class eight property is taxed at 9% of its market

17 value."

18 **Section 2.** Section 15-6-201, MCA, is amended to read:

19 "15-6-201. **Exempt categories.** (1) The following

20 categories of property are exempt from taxation:

21 (a) the property of:

22 (i) the United States, the state, counties, cities,

23 towns, school districts, except, if congress passes

24 legislation that allows the state to tax property owned by

25 an agency created by congress to transmit or distribute

1 electrical energy, the property constructed, owned, or

2 operated by a public agency created by the congress to

3 transmit or distribute electric energy produced at privately

4 owned generating facilities (not including rural electric

5 cooperatives);

6 (ii) irrigation districts organized under the laws of

7 Montana and not operating for profit;

8 (iii) municipal corporations; and

9 (iv) public libraries;

10 (b) buildings, with land they occupy and furnishings

11 therein in the buildings, owned by a church and used for

12 actual religious worship or for residences of the clergy,

13 together with adjacent land reasonably necessary for

14 convenient use of the buildings;

15 (c) property used exclusively for agricultural and

16 horticultural societies, for educational purposes, and for

17 nonprofit health care facilities, as defined in 50-5-101,

18 licensed by the department of health and environmental

19 sciences and organized under Title 35, chapter 2 or 3. A

20 health care facility that is not licensed by the department

21 of health and environmental sciences and organized under

22 Title 35, chapter 2 or 3, is not exempt.

23 (d) property that meets the following conditions:

24 (i) is owned and held by any association or corporation

25 organized under Title 35, chapter 2, 3, 20, or 21;

1 (ii) is devoted exclusively to use in connection with a
2 cemetery or cemeteries for which a permanent care and
3 improvement fund has been established as provided for in
4 Title 35, chapter 20, part 3; and

5 (iii) is not maintained and operated for private or
6 corporate profit;

7 (e) property owned by institutions of purely public
8 charity and directly used for purely public charitable
9 purposes;

10 (f) evidence of debt secured by mortgages of record
11 upon real or personal property in the state of Montana;

12 (g) public museums, art galleries, zoos, and
13 observatories not used or held for private or corporate
14 profit;

15 (h) all household goods and furniture, including but
16 not limited to clocks, musical instruments, sewing machines,
17 and wearing apparel of members of the family, used by the
18 owner for personal and domestic purposes or for furnishing
19 or equipping the family residence;

20 (i) a truck canopy cover or topper weighing less than
21 300 pounds and having no accommodations attached. This
22 property is also exempt from taxation under 61-3-504(2) and
23 61-3-537.

24 (j) a bicycle, as defined in 61-1-123, used by the
25 owner for personal transportation purposes;

1 (k) motor homes, travel trailers, and campers;

2 (l) all watercraft;

3 (m) motor vehicles, land, fixtures, buildings, and
4 improvements owned by a cooperative association or nonprofit
5 corporation organized to furnish potable water to its
6 members or customers for uses other than the irrigation of
7 agricultural land;

8 (n) the right of entry that is a property right
9 reserved in land or received by mesne conveyance (exclusive
10 of leasehold interests), devise, or succession to enter land
11 whose surface title is held by another to explore, prospect,
12 or dig for oil, gas, coal, or minerals;

13 (o) property owned and used by a corporation or
14 association organized and operated exclusively for the care
15 of the developmentally disabled, mentally ill, or
16 vocationally handicapped as defined in 18-5-101, which is
17 not operated for gain or profit, and property owned and used
18 by an organization owning and operating facilities for the
19 care of the retired, aged, or chronically ill, which are not
20 operated for gain or profit;

21 (p) all farm buildings with a market value of less than
22 \$500 and all agricultural implements and machinery with a
23 market value of less than \$100;

24 (q) property owned by a nonprofit corporation organized
25 to provide facilities primarily for training and practice

for or competition in international sports and athletic events and not held or used for private or corporate gain or profit. For purposes of this subsection (q), "nonprofit corporation" means an organization exempt from taxation under section 501(c) of the Internal Revenue Code and incorporated and admitted under the Montana Nonprofit Corporation Act.

(r) provided the tools are owned by the taxpayer, the first \$15,000 or less of market value of tools that are customarily hand-held and that are used to:

(i) construct, repair, and maintain improvements to real property; or

(ii) repair and maintain machinery, equipment, appliances, or other personal property;

(s) harness, saddlery, and other tack equipment;

(t) a title plant owned by a title insurer or a title insurance producer, as those terms are defined in 33-25-105; and

(u) beginning January 1, 1994, timber as defined in 15-44-102; and

(v) all trailers and semitrailers with a licensed gross weight of 26,000 pounds or more.

(2) (a) The term "institutions of purely public charity" includes any organization that meets the following requirements:

(i) The organization qualifies as a tax-exempt organization under the provisions of section 501(c)(3), Internal Revenue Code, as amended.

(ii) The organization accomplishes its activities through absolute gratuity or grants; however, the organization may solicit or raise funds by the sale of merchandise, memberships, or tickets to public performances or entertainment or by other similar types of fundraising activities.

(b) For the purposes of subsection (1)(g), the term "public museums, art galleries, zoos, and observatories" means governmental entities or nonprofit organizations whose principal purpose is to hold property for public display or for use as a museum, art gallery, zoo, or observatory. The exempt property includes all real and personal property reasonably necessary for use in connection with the public display or observatory use. Unless the property is leased for a profit to a governmental entity or nonprofit organization by an individual or for-profit organization, real and personal property owned by other persons is exempt if it is:

(i) actually used by the governmental entity or nonprofit organization as a part of its public display;

(ii) held for future display; or

(iii) used to house or store a public display.

(3) The following portions of the appraised value of a capital investment made after January 1, 1979, in a recognized nonfossil form of energy generation or low emission wood or biomass combustion devices, as defined in 15-32-102, are exempt from taxation for a period of 10 years following installation of the property:

(a) \$20,000 in the case of a single-family residential dwelling;

(b) \$100,000 in the case of a multifamily residential dwelling or a nonresidential structure."

Section 3. Section 15-70-204, MCA, is amended to read:

"15-70-204. Gasoline license tax -- rate. (1) Every distributor shall pay to the department of transportation a license tax for the privilege of engaging in and carrying on business in this state in an amount equal to 1 cent for each gallon of aviation gasoline, which ~~shall~~ must be allocated to the department of transportation as provided by 67-1-301, ~~as amended,~~ and ~~20~~ 20.75 cents for each gallon of all other gasoline distributed by ~~him~~ the distributor within the state and upon which the gasoline license tax has not been paid by any other distributor.

(2) Gasoline exported ~~shall~~ may not be included in the measure of the distributor's license tax.

(3) Alcohol that is blended or is to be blended with gasoline to be sold as gasohol is subject to a tax per

gallon equal to the license tax imposed on nonaviation gasoline distributors under subsection (1)."

Section 4. Section 15-70-311, MCA, is amended to read:

"15-70-311. Special fuel user's temporary trip permits -- nonresident agricultural harvesting equipment special fuel permit. (1) Any person operating a special fuel-powered vehicle upon the public roads and highways of this state who fails or neglects to carry in the vehicle a valid special fuel vehicle permit or registration card indicating the special fuel use permit number, as provided by 15-70-302, ~~shall-be~~ is required to purchase a special fuel user's temporary trip permit. The permits ~~will~~ must be issued by scale house personnel, ~~gross--vehicle--weight--patrol--crews~~ motor carrier services division personnel, Montana highway patrol officers, and ~~such~~ other enforcing agents as that the department may prescribe by order or rule.

(2) Any nonresident upon entering the state with agricultural harvesting equipment powered by special fuel and operating upon the public roads and highways of this state who fails or neglects to carry in or on equipment a valid special fuel vehicle permit, as provided by 15-70-302, ~~shall-be~~ is required to purchase a nonresident agricultural harvesting equipment special fuel permit. The permit ~~will~~ must be issued by scale house personnel, ~~gross--vehicle~~ weight--patrol--crews motor carrier services division

1 personnel, Montana highway patrol officers, and such other
2 enforcing agents as that the department may prescribe by
3 order or rule."

4 **Section 5.** Section 15-70-321, MCA, is amended to read:

5 "15-70-321. Tax on diesel fuel and volatile liquids.

6 The department shall, under the provisions of rules issued
7 by it, collect or cause to be collected from the owners or
8 operators of motor vehicles a tax in an amount equal to 20
9 20.75 cents for each gallon of diesel fuel or other volatile
10 liquid, except liquid petroleum gas, of less than 46 degrees
11 A.P.I. (American petroleum institute) gravity test when
12 actually sold or used to produce motor power to propel motor
13 vehicles upon the public highways or streets within the
14 state or used in motor vehicles, motorized equipment, and
15 the internal combustion of ~~any-and-all~~ engines, including
16 stationary engines, used in connection with ~~any-and-all~~ work
17 performed under ~~any-and--all~~ contracts pertaining to the
18 construction, reconstruction, or improvement of any a
19 highway or street and ~~their~~ its appurtenances awarded by any
20 ~~and-all~~ public agencies, including federal, state, county,
21 municipal, or other political subdivisions."

22 **Section 6.** Section 15-71-102, MCA, is amended to read:

23 "15-71-102. Temporary trip permit required. (1) Upon
24 entering the state, a nonresident operating any motor
25 vehicle powered by liquefied petroleum gas is required to

1 purchase a liquid petroleum gas temporary trip permit. The
2 permits ~~will~~ must be issued by scale house personnel, ~~gross~~
3 ~~vehicle--weight-patrol-crews~~ motor carrier services division
4 personnel, Montana highway patrol officers, and such other
5 enforcing agents as that the department of transportation
6 may prescribe.

7 (2) A temporary liquid petroleum gas permit ~~shall--cost~~
8 costs \$20. The permit is valid for a period of time not to
9 exceed 72 hours and ~~will-be~~ is automatically void if the
10 vehicle leaves the state during this period. Special liquid
11 petroleum gas permits, remittance forms, and any other
12 papers necessary for the enforcement of this chapter ~~shall~~
13 must be furnished by the department."

14 **Section 7.** Section 61-1-134, MCA, is amended to read:

15 "61-1-134. Commercial motor vehicle defined --
16 exceptions. (1) "Commercial motor vehicle" means a motor
17 vehicle used to transport passengers or property if the
18 vehicle:

19 (a) has a gross vehicle weight of 26,001 pounds or
20 more;

21 (b) is designed to transport more than 15 passengers,
22 including the driver; or

23 (c) is used to transport hazardous material.

24 (2) Commercial motor vehicles under this section do not
25 include vehicles operated within the state of Montana that

1 are:

2 (a) registered as paying the ~~16%~~ 35% gross weight fee
3 under 61-10-206;

4 (b) used for firefighting and that are bearing Montana
5 tax-exempt plates; or

6 (c) police emergency response and safety education
7 units.

8 (3) Vehicles that are operated within the state of
9 Montana by farmers or persons employed by farmers who are
10 transporting farm products or farm supplies and that are
11 operated within 150 miles of the farm headquarters are not
12 considered commercial motor vehicles under this section."

13 **Section 8.** Section 61-3-321, MCA, is amended to read:

14 "61-3-321. Registration fees of vehicles --
15 public-owned vehicles exempt from license or registration
16 fees -- disposition of fees. (1) Registration or license
17 fees must be paid upon registration or reregistration of
18 motor vehicles, trailers, housetrailers, and semitrailers,
19 in accordance with this chapter, as follows:

20 (a) motor vehicles weighing 2,850 pounds or under
21 (other than motortrucks), \$5;

22 (b) motor vehicles weighing over 2,850 pounds (other
23 than motortrucks), \$10;

24 (c) electrically driven passenger vehicles, \$10;

25 (d) all motorcycles and quadricycles, \$2;

1 (e) tractors and/or trucks, \$10;

2 (f) buses are classed as motortrucks and licensed
3 accordingly;

4 (g) trailers and semitrailers less than 2,500 pounds
5 maximum gross loaded weight and housetrailers of all
6 weights, \$2;

7 (h) trailers and semitrailers over 2,500 up to 6,000
8 pounds maximum gross loaded weight (except housetrailers),
9 \$5;

10 (i) trailers and semitrailers over 6,000 pounds maximum
11 gross loaded weight, \$10, except trailers and semitrailers
12 registered in other jurisdictions and registered through a
13 proportional registration agreement;

14 (j) trailers used exclusively in the transportation of
15 logs in the forest or in the transportation of oil and gas
16 well machinery, road machinery, or bridge materials, new and
17 secondhand, \$15 annually, regardless of size or capacity.

18 (2) All rates are 25% higher for motor vehicles,
19 trailers, and semitrailers not equipped with pneumatic
20 tires.

21 (3) "Tractor", as specified in this section, means any
22 motor vehicle, except passenger cars, used for towing a
23 trailer or semitrailer.

24 (4) If any motor vehicle, housetrailer, trailer, or
25 semitrailer is originally registered 6 months after the time

1 of registration as set by law, the registration or license
2 fee for the remainder of the year is one-half of the regular
3 fee.

4 (5) An additional fee of \$5.25 per year for each
5 registration of a vehicle, except trailers and semitrailers
6 registered in other jurisdictions and registered through a
7 proportional registration agreement, must be collected as a
8 registration fee. Revenue from this fee must be forwarded by
9 the respective county treasurers to the state treasurer for
10 deposit in the general fund. The department shall distribute
11 25 cents from the motor vehicle registration fee for payment
12 of supplemental benefits provided for in 19-6-709.

13 (6) A fee of \$2 for each set of new number plates must
14 be collected when number plates provided for under
15 61-3-332(3) are issued. Revenue from this fee must be
16 deposited as provided in subsection (5).

17 (7) The provisions of this part with respect to the
18 payment of registration fees do not apply to and are not
19 binding upon motor vehicles, trailers or semitrailers, or
20 tractors owned or controlled by the United States of America
21 or any state, county, or city.

22 (8) The provisions of this section relating to the
23 payment of registration fees or new number plate fees do not
24 apply when number plates are transferred to a replacement
25 vehicle under 61-3-317, 61-3-332, or 61-3-335."

1 NEW SECTION. **Section 9. Tax levy on trucks and truck**
2 **tractors over 26,000 pounds.** In addition to all other
3 levies, including those under part 1, there is levied upon
4 the taxable value of all trucks and truck tractors of 26,000
5 pounds or more licensed weight or gross vehicle weight 45
6 mills to offset the decrease in the amount of property tax
7 caused by the exemption in 15-6-201(1)(v). The funds raised
8 from the levy must be distributed in the relative
9 proportions required by the levies for state, county, school
10 district, and municipal purposes in the same manner as
11 personal property taxes are distributed.

12 **Section 10.** Section 61-3-502, MCA, is amended to read:
13 **"61-3-502. (Temporary) Sales tax on new motor vehicles**
14 **-- exemptions.** (1) In consideration of the right to use the
15 highways of the state, there is imposed a tax upon all sales
16 of new motor vehicles, excluding trailers, semitrailers, and
17 housetrailer, for which a license is sought and an original
18 application for title is made. The tax must be paid by the
19 purchaser when he the purchaser applies for his an original
20 Montana license through the county treasurer.

21 (2) Except as provided in subsections (4) and (5), the
22 sales tax is:

23 (a) 1 1/2% of the f.o.b. factory list price or f.o.b.
24 port-of-entry list price, during the first quarter of the
25 year or for a registration period other than a calendar year

or calendar quarter;

(b) $1\frac{1}{8}\%$ of the list price during the second quarter of the year;

(c) $\frac{3}{4}$ of 1% during the third quarter of the year;

(d) $\frac{3}{8}$ of 1% during the fourth quarter of the year.

(3) If the manufacturer or importer fails to furnish the f.o.b. factory list price or f.o.b. port-of-entry list price, the department may use published price lists.

(4) The new car sales tax on vehicles subject to the provisions of 61-3-313 through 61-3-316 is $1\frac{1}{2}\%$ of the f.o.b. factory list price or f.o.b. port-of-entry list price regardless of the month in which the new vehicle is purchased.

(5) The sales tax on new motor vehicles registered as part of a fleet under 61-3-318 is $\frac{3}{4}$ of 1% of the f.o.b. factory list price or f.o.b. port-of-entry list price.

(6) Except as provided in 61-3-551, the proceeds from this tax must be remitted to the state treasurer every 30 days for credit to the state highway account of the state special revenue fund. The county treasurer shall retain 5% of the taxes collected to pay for the cost of administration.

(7) The new vehicle is not subject to any other assessment, fee in lieu of tax, or tax during the calendar year in which the original application for title is made.

(8) (a) The applicant for original registration of any new and unused motor vehicle, or a new motor vehicle furnished without charge by a dealer to a school district for use as a traffic education motor vehicle by a school district operating a state-approved traffic education program within the state, whether or not previously licensed or titled to the school district (except a mobile home as defined in 15-1-101(1)), acquired by original contract after January 1 of any year, is required, whenever the vehicle has not been otherwise assessed, to pay the motor vehicle sales tax provided by this section irrespective of whether the vehicle was in the state of Montana on January 1 of the year.

(b) No A motor vehicle may not be registered or licensed under the provisions of this subsection unless the application for registration is accompanied by a statement of origin to be furnished by the dealer selling the vehicle, showing that the vehicle has not previously been registered or owned, except as otherwise provided herein in this section, by any person, firm, corporation, or association that is not a new motor vehicle dealer holding a franchise or distribution agreement from a new car manufacturer, distributor, or importer.

(9) (a) Motor vehicles operating exclusively for transportation of persons for hire within the limits of

1 incorporated cities or towns and within 15 miles from such
2 the limits are exempt from subsection (1).

3 (b) Motor vehicles brought or driven into Montana by a
4 nonresident, migratory, bona fide agricultural worker
5 temporarily employed in agricultural work in this state
6 where those motor vehicles are used exclusively for
7 transportation of agricultural workers are also exempt from
8 subsection (1).

9 (c) Vehicles lawfully displaying a licensed dealer's
10 plate as provided in 61-4-103 are exempt from subsection (1)
11 when moving to or from a dealer's place of business when
12 unloaded or loaded with dealer's property only, and in the
13 case of vehicles having a gross loaded weight of less than
14 24,000 pounds, while being demonstrated in the course of the
15 dealer's business.

16 61-3-502. (Effective on receipt of taxes or fees for
17 September 1993) Sales tax on new motor vehicles --
18 exemptions. (1) In consideration of the right to use the
19 highways of the state, there is imposed a tax upon all sales
20 of new motor vehicles, excluding trailers, semitrailers, and
21 housetrailer, for which a license is sought and an original
22 application for title is made. The tax must be paid by the
23 purchaser when he the purchaser applies for his an original
24 Montana license through the county treasurer.

25 (2) Except as provided in subsections (4) and (5), the

1 sales tax is:

2 (a) 1 1/2% of the f.o.b. factory list price or f.o.b.
3 port-of-entry list price, during the first quarter of the
4 year or for a registration period other than a calendar year
5 or calendar quarter;

6 (b) 1 1/8% of the list price during the second quarter
7 of the year;

8 (c) 3/4 of 1% during the third quarter of the year;

9 (d) 3/8 of 1% during the fourth quarter of the year.

10 (3) If the manufacturer or importer fails to furnish
11 the f.o.b. factory list price or f.o.b. port-of-entry list
12 price, the department may use published price lists.

13 (4) The new car sales tax on vehicles subject to the
14 provisions of 61-3-313 through 61-3-316 is 1 1/2% of the
15 f.o.b. factory list price or f.o.b. port-of-entry list price
16 regardless of the month in which the new vehicle is
17 purchased.

18 (5) The sales tax on new motor vehicles registered as
19 part of a fleet under 61-3-318 is 3/4 of 1% of the f.o.b.
20 factory list price or f.o.b. port-of-entry list price.

21 (6) The proceeds from this tax must be remitted to the
22 state treasurer every 30 days for credit to the state
23 highway account of the state special revenue fund. The
24 county treasurer shall retain 5% of the taxes collected to
25 pay for the cost of administration.

(7) The new vehicle is not subject to any other assessment, fee in lieu of tax, or tax during the calendar year in which the original application for title is made.

(8) (a) The applicant for original registration of any new and unused motor vehicle, or a new motor vehicle furnished without charge by a dealer to a school district for use as a traffic education motor vehicle by a school district operating a state-approved traffic education program within the state, whether or not previously licensed or titled to the school district (except a mobile home as defined in 15-1-101(1)), acquired by original contract after January 1 of any year, is required, whenever the vehicle has not been otherwise assessed, to pay the motor vehicle sales tax provided by this section irrespective of whether the vehicle was in the state of Montana on January 1 of the year.

(b) No A motor vehicle may not be registered or licensed under the provisions of this subsection unless the application for registration is accompanied by a statement of origin to be furnished by the dealer selling the vehicle, showing that the vehicle has not previously been registered or owned, except as otherwise provided herein in this section, by any person, firm, corporation, or association that is not a new motor vehicle dealer holding a franchise or distribution agreement from a new car manufacturer,

distributor, or importer.

(9) (a) Motor vehicles operating exclusively for transportation of persons for hire within the limits of incorporated cities or towns and within 15 miles from such the limits are exempt from subsection (1).

(b) Motor vehicles brought or driven into Montana by a nonresident, migratory, bona fide agricultural worker temporarily employed in agricultural work in this state where those motor vehicles are used exclusively for transportation of agricultural workers are also exempt from subsection (1).

(c) Vehicles lawfully displaying a licensed dealer's plate as provided in 61-4-103 are exempt from subsection (1) when moving to or from a dealer's place of business when unloaded or loaded with dealer's property only, and in the case of vehicles having a gross loaded weight of less than 24,000 pounds, while being demonstrated in the course of the dealer's business."

Section 11. Section 61-3-521, MCA, is amended to read:

"61-3-521. Fee in lieu of tax for certain vehicles. (1) There is a fee in lieu of property tax imposed on motor homes, travel trailers, and campers. The fee is in addition to annual registration fees.

~~(2) The provisions of 61-10-208 do not apply to a vehicle that qualifies under subsection (1) above.~~

1 †3) (2) The fee imposed by subsection (1) above need not
2 be paid by a dealer for vehicles that constitute inventory
3 of the dealership."

4 **Section 12.** Section 61-10-124, MCA, is amended to read:

5 "61-10-124. Special permits -- fee -- cranes. (1) As
6 used in this section, "crane" means a self-propelled
7 single-unit vehicle consisting of not more than four axles
8 and used for raising, shifting, and lowering heavy weights
9 by means of a projecting swinging arm.

10 (2) Except as provided in subsections (3)(b), (3)(d),
11 and (6), in addition to the regular registration and gross
12 vehicle weight fees, a fee of \$10 for each trip permit and a
13 fee of \$75 for each term permit issued for size and weight
14 in excess of that specified in 61-10-101 through 61-10-110
15 must be paid for all movements under special permits on the
16 public highways under the jurisdiction of the department of
17 transportation.

18 (3) (a) Except as provided in subsections (3)(b),
19 (3)(d), (6), and (7), term or blanket permits may not be
20 issued for an overwidth vehicle, combination of vehicles,
21 load, or other thing in excess of 15 feet; an overlength
22 vehicle, combination of vehicles, load, object, or other
23 thing in excess of 95 feet; and an overheight vehicle,
24 combination of vehicles, load, or other thing in excess of
25 14 feet, or of a limit determined by the department. A

1 vehicle, combination of vehicles, load, or other thing in
2 excess of these dimensions is limited to trip permits. A
3 Rocky Mountain double may not exceed 81 feet in combined
4 trailer length, and the long semitrailer cargo unit of the
5 combination may not exceed 48 feet in length. A Rocky
6 Mountain double is not subject to a combination length
7 limit. Special permits for vehicle combinations of more than
8 two trailers or more than two units designed for or used to
9 carry a load are not permitted except as provided in
10 subsections (6) and (7). Special permits for vehicle
11 combinations may specify and special permits under
12 subsections (6) and (7) must specify highway routing and
13 otherwise limit or prescribe conditions of operation of the
14 vehicle or combination, including but not limited to
15 required equipment, speed, stability, operational
16 procedures, and insurance.

17 (b) A term permit may be issued to a dealer in
18 implements of husbandry and self-propelled machinery for an
19 overwidth or overlength vehicle referred to in subsection
20 (3)(a). The fee for this permit is \$75. This permit covers a
21 period of 1 year and expires on December 31 of each year
22 with no grace period.

23 (c) With payment of the appropriate gross weight fees
24 required by 61-10-201 and ~~61-10-202~~ and with payment of the
25 fee prescribed in subsection (2), allowable gross weight of

1 a five-axle combination logging vehicle is 80,000 pounds.

2 (d) A term permit may be issued for any combination of
3 vehicles that exceeds 95 feet in length but does not exceed
4 100 feet in combination length, except a
5 truck-trailer-trailer or a truck
6 tractor-semitrailer-trailer-trailer combination, for travel
7 only on highways that are part of the federal-aid interstate
8 system, as defined in 60-1-103, or on other highways within
9 a 2-mile radius of an interchange on the interstate system
10 in order to obtain necessary services or to load or unload
11 at a terminal. When a terminal is beyond a 2-mile radius,
12 the department may authorize travel between the terminal and
13 the interchange. The fee for this permit is \$125.

14 (4) Except as provided in subsection (3)(b), a permit
15 may not be issued for a period of time greater than the
16 period for which the GVW license is valid as provided in
17 this title, including grace periods allowed by this title.
18 Owners of vehicles licensed in other jurisdictions may, at
19 the discretion of the department of transportation, purchase
20 permits to expire with their registration. A license
21 required by the state governs the issuance of a special
22 permit.

23 (5) The owner or operator of a crane with a gross
24 vehicle weight of less than 80,000 pounds may purchase a
25 30-day special permit for overweight if the crane has a

1 current special mobile equipment identification plate and if
2 the department of transportation has approved the
3 configuration of the crane through a weight analysis
4 completed within the same calendar year. The permit is not
5 transferable, and the fee for the permit is \$200.

6 (6) The department may issue special permits to the
7 operating company for a truck-trailer-trailer or truck
8 tractor-semitrailer-trailer-trailer combination of vehicles
9 under the following conditions:

10 (a) the combination may be operated only on highways
11 that are part of the federal-aid interstate system as
12 defined in 60-1-103 and within a 2-mile radius of an
13 interchange on the interstate system on other highways only
14 in order to obtain necessary services or to load or unload
15 at a terminal. When a terminal is beyond a 2-mile radius,
16 the department may authorize travel between the terminal and
17 the interchange.

18 (b) a combination of vehicles powered by a cab-over
19 (tilt cab) type truck-tractor or a truck may not exceed
20 overall length of 105 feet, inclusive of front and rear
21 bumpers and overhang;

22 (c) a combination of vehicles powered by a conventional
23 truck-tractor may not exceed overall length of 110 feet,
24 inclusive of front and rear bumpers and overhang;

25 (d) no an individual cargo unit of the combination may

1 not exceed 28 1/2 feet in length and 102 inches in width;

2 (e) gross weight fees under 61-10-203 must be paid on
3 the truck or truck tractor for the declared registered gross
4 weight of the special vehicle combination, but not to exceed
5 the formula in 61-10-107;

6 (f) the combination must have a restricted route permit
7 under 61-10-107(3) and a special overlength permit issued at
8 a fee of \$200 for a term permit or \$20 for each trip permit;

9 (g) travel of the combination may be restricted to
10 specific routes, hours of operation, specific days, or
11 seasonal periods; and

12 (h) the department may enforce any other restrictions
13 determined by the department to be necessary. The permit is
14 not transferable, and the fee for the permit is \$200.

15 (7) The department of transportation may issue special
16 permits under subsection (6) for vehicle combinations
17 consisting of a truck-trailer-trailer if:

18 (a) the vehicle combination's overall length inclusive
19 of front and rear bumpers is not more than 95 feet;

20 (b) a person, firm, or corporation applying for a
21 permit under this subsection (7) operated the
22 truck-trailer-trailer combination before July 1, 1987;

23 (c) truck-trailer-trailer operations are restricted to
24 the specified routes those vehicles operated on before July
25 1, 1987; and

1 (d) a person, firm, or corporation applying for a
2 permit provides the department of transportation with an
3 affidavit designating the routes the vehicle operated on
4 before July 1, 1987."

5 **Section 13.** Section 61-10-141, MCA, is amended to read:

6 "61-10-141. Officers authorized to weigh vehicles and
7 require removal of excessive loads -- enforcement of motor
8 carrier safety standards -- duty to obtain bills of lading
9 for agricultural seeds. (1) A peace officer, officer of the
10 highway patrol, or employee of the department of
11 transportation may weigh any vehicle regulated by 61-10-101
12 through 61-10-110, except recreational vehicles as defined
13 in 61-1-132, either by means of portable or stationary
14 scales, and may require that the vehicle be driven to the
15 nearest scales if those scales are within 2 miles. That
16 person may then require the driver to unload immediately
17 that portion of the load necessary to decrease the weight of
18 the vehicle to conform to the maximum allowable weights
19 specified in 61-10-101 through 61-10-110.

20 (2) Commodities and material unloaded as required by
21 this section ~~shall~~ must be cared for and removed from the
22 highway right-of-way by the owner or operator of the vehicle
23 at the risk of that owner or operator. The removal ~~shall~~
24 must be within a reasonable time designated by the person
25 who has compelled the unloading.

1 (3) The department of transportation may establish,
 2 maintain, and operate weigh stations, either intermittently
 3 or on a continuous schedule, and may require vehicles,
 4 except passenger cars and pickup trucks under ~~8,000~~ 14,000
 5 pounds G.V.W. and recreational vehicles as defined in
 6 61-1-132 (that are not new or used recreational vehicles
 7 traveling into or through Montana for delivery to a
 8 distributor or a dealer), to enter for the purpose of
 9 weighing and inspection for compliance with all laws
 10 pertaining to their operation and safety requirements. The
 11 department may require vehicles over 10,000 pounds to be
 12 inspected and weighed by portable scale crews.

13 (4) The department of transportation shall work with
 14 the highway patrol in the enforcement of safety standards
 15 adopted pursuant to 44-1-1005. For the purposes of the joint
 16 enforcement, the highway patrol is designated as the lead
 17 agency. The highway patrol and the department of
 18 transportation shall cooperate to assure minimum duplication
 19 and maximum coordination of enforcement effort.

20 (5) In order to enforce compliance with safety
 21 standards adopted pursuant to 44-1-1005, the department of
 22 transportation shall designate employees as peace officers.
 23 The designated employees must be employed in the
 24 administration of the ~~gross--vehicle--weight~~ motor carrier
 25 services functions of the department of transportation. Each

1 employee designated as a peace officer may:

2 (a) issue citations and make arrests in connection with
 3 violations of safety standards adopted under 44-1-1005;

4 (b) issue summons;

5 (c) accept bail;

6 (d) serve warrants for arrest;

7 (e) make reasonable inspections of cargo carried by
 8 commercial motor vehicles;

9 (f) make reasonable safety inspections of commercial
 10 motor vehicles utilized by motor carriers; and

11 (g) require production of documents relating to the
 12 cargo, driver, routing, or ownership of ~~such~~ the vehicles.

13 (6) In addition to other enforcement duties assigned
 14 under this section, an employee of the department of
 15 transportation has:

16 (a) the same authority to enforce provisions of the
 17 motor carriers law as that granted the public service
 18 commission under 69-12-203; and

19 (b) the duty to secure or make copies, or both, of all
 20 bills of lading or other evidence of delivery for shipment
 21 of agricultural seeds as defined in 80-5-120 that have been
 22 sold or are intended for sale in Montana and to forward the
 23 copies to the department of agriculture within 24 hours of
 24 the date the bill of lading was obtained."

25 **Section 14.** Section 61-10-201, MCA, is amended to read:

1 *61-10-201. Gross weight fees on motortrucks and, truck
2 tractors, and buses. In addition to other fees for the
3 licensing of vehicles and except as provided in 61-10-203,
4 there shall must be paid and collected annually for each
5 truck, and truck tractor, and bus, based upon the maximum
6 gross loaded weight thereof and the maximum gross weight of
7 any towed unit of each truck and truck tractor as set by the
8 licensee in his the licensee's application, the following
9 fees:

Schedule I

11	Up to 6,000 lbs.	\$ 7.50
12	6,001 through 8,000 lbs.	12.50 9.50
13	8,001 through 10,000 lbs.	17.50 13.25
14	10,001 through 12,000 lbs.	20.00 15.00
15	12,001 through 14,000 lbs.	22.50 17.00
16	14,001 through 16,000 lbs.	27.50 21.00
17	16,001 through 18,000 lbs.	37.50 28.00
18	18,001 through 20,000 lbs.	50.00 37.50
19	20,001 through 22,000 lbs.	62.50 47.00
20	22,001 through 24,000 lbs.	93.75 70.00
21	24,001 through 26,000 lbs.	125.00 90.00
22	26,001 through 28,000 lbs.	156.25 110.00
23	28,001 through 30,000 lbs.	206.25 130.00
24	30,001 through 32,000 lbs.	262.50 150.00
25	32,001 through 34,000 lbs.	318.75 170.00

1	34,001 through 36,000 lbs.	375.00 190.00
2	36,001 through 38,000 lbs.	431.25 215.00
3	38,001 through 40,000 lbs.	487.50 235.00
4	40,001 through 42,000 lbs.	543.75 255.00
5	42,001 through 44,000 lbs.	275.00
6	44,001 through 46,000 lbs.	300.00
7	46,001 through 48,000 lbs.	320.00
8	48,001 through 50,000 lbs.	340.00
9	50,001 through 52,000 lbs.	360.00
10	52,001 through 54,000 lbs.	380.00
11	54,001 through 56,000 lbs.	400.00
12	56,001 through 58,000 lbs.	420.00
13	58,001 through 60,000 lbs.	440.00
14	60,001 through 62,000 lbs.	460.00
15	62,001 through 64,000 lbs.	482.50
16	64,001 through 66,000 lbs.	502.50
17	66,001 through 68,000 lbs.	522.50
18	68,001 through 70,000 lbs.	545.75
19	70,001 through 72,000 lbs.	566.50
20	72,001 through 74,000 lbs.	607.50
21	74,001 through 76,000 lbs.	655.00
22	76,001 through 78,000 lbs.	695.00
23	78,001 through 80,000 lbs.	750.00
24	Over 42,000 80,000 lbs. and within the weight limits	
25	specified in 61-10-101 through 61-10-110 ...	62.50 750.00

plus an additional 46.00
per for each ton or fraction thereof
of a ton in excess of 80,000 lbs."

Section 15. Section 61-10-203, MCA, is amended to read:

"61-10-203. Alternative gross weight fees on truck
trailer motortrucks and truck tractors with special trailer
combinations. (1) In addition to other fees for the
licensing of vehicles, there may must be paid and collected
annually instead of the fees provided in 61-10-201, for each
motortruck or truck tractor operating under the provisions
of 61-10-124(6) and (7), based upon the maximum combined
gross loaded weight of a truck tractor with-a-semitrailer,-a
truck--tractor--with--a--semitrailer--and--a--full-trailer,-a
motortruck-and-a-trailer, or a motortruck and trailers, as
set by the licensee in his the application, the following
fees:

Schedule ~~III~~ II

Truck tractor with-a-semitrailer,-a-truck-tractor-with-a
semitrailer-and-a-full-trailer,-a-motortruck-and-a--trailer,
or a motortruck and trailers:

Up to 42,000 lbs	\$ 571.00
42,001 to 44,000 lbs	631.00
44,001 to 46,000 lbs	691.00
46,001 to 48,000 lbs	752.00
48,001 to 50,000 lbs	812.00

50,001 to 52,000 lbs	871.00
52,001 to 54,000 lbs	931.00
54,001 to 56,000 lbs	992.00
56,001 to 58,000 lbs	1,052.00
58,001 to 60,000 lbs	1,112.00
60,001 to 62,000 lbs	1,172.00
62,001 to 64,000 lbs	1,233.00
64,001 to 66,000 lbs	1,293.00
66,001 to 68,000 lbs	1,352.00
68,001 to 70,000 lbs	1,412.00
70,001 to 72,000 lbs	1,473.00
72,001 to 74,000 lbs	1,533.00
74,001 to 76,000 lbs	1,593.00
76,001 to 78,000 lbs	1,653.00
78,001 and over	65.50

per ton or fraction thereof.

(2)--Payment--of--the--fees--provided--in--this--section
exempts--a--semitrailer--or--trailer--in--combination--with--a
motortruck--or--truck--tractor--so--licensed--from--the--fees
provided--in--61-3-701,-61-10-202,-61-10-210,-and-61-10-211-

(3)(2) The trailers or semitrailers must be currently
registered in another country, state, or county.

(4)--A-trailer--or--semitrailer--entering--the--state--in
combination--with--a-truck--or--truck-tractor--licensed--under--the
above--schedule--or--a-trailer--or--semitrailer--registered--to--a

Montana-based carrier with trucks or truck tractors licensed under the above schedule may be moved in the local delivery zone within a 15-mile radius of the city or town in combination with a truck or truck tractor, licensed under 61-10-201, without payment of any additional fees on the truck or truck tractor, trailer, or semitrailer."

Section 16. Section 61-10-206, MCA, is amended to read:

"61-10-206. Special fees -- certain farm vehicles. (1)

Except for motortrucks owned and operated by cooperative associations or cooperative marketing associations, there shall must be paid and collected annually a fee equal to 16% 35% of the fees provided in Schedule I and Schedule II above on:

(a) motortrucks, trailers, and semitrailers owned and operated by ranchers or farmers in the transportation of their own ranch, farm, orchard, or dairy products from point of production to market, or of supplies, commodities, or equipment to be used on the ranch, farm, orchard, or dairy, or in the infrequent or seasonal transportation by one farmer for another for any purpose other than commercial hire of products of the farm, orchard, or dairy, or of supplies or commodities to be used on the farm, orchard, or dairy, and on;

(b) one truck tractor and lowboy trailer used by contractors engaged exclusively in soil conservation work

and land leveling activities that result in direct benefit to agriculture; and

(c) fertilizer spreader trucks and spreader trailers used exclusively to transport and apply fertilizer to agricultural fields and plots.

(2) The applicant under the fertilizer exception for special fees under subsection (1)(c) shall show, when the fee is paid as provided in 61-10-222, a valid fertilizer dealer license issued by the department of agriculture as provided in 80-10-202.

(3) However, the The minimum fee so paid shall be is \$6. The terms "trailers and semitrailers" as used herein shall not include farm wagons.

Section 17. Section 61-10-209, MCA, is amended to read:

"61-10-209. Monthly payment -- quarterly payment -- penalty for failure to pay fee. (1) When the gross weight of a vehicle exceeds 24,000 pounds, the gross weight or special fees for trucks, trailers, tractors, pole trailers, or semitrailers buses may be paid for a 1-month period for one-twelfth the regular fee or for a 3-month period for one-fourth the regular fee at the beginning of any quarter of the calendar year. For each fee so paid other than at the time of payment of the annual vehicle registration fee, an additional fee of \$5 shall must be charged. The department may adopt rules relative to the issuance and display of

certificates or insignia, which ~~shall~~ must state the months for which the vehicle is licensed.

(2) A vehicle licensed under this section may not be operated over the public highways after the expiration of:

(a) the 1-month period until the owner pays the required fee for a license for an additional 1-month or 3-month period or for the remainder of the year; or

(b) the 3-month period unless the owner or operator of the vehicle, within 10 calendar days or 7 business days as provided by law, whichever is greater, pays the required fee for a license for an additional 1-month or 3-month period or for the remainder of the year.

(3) A person who operates a vehicle upon the public highways in violation of subsection (2) is guilty of a misdemeanor. In addition ~~he shall be~~ the person is required to purchase a gross weight license for the vehicle involved at the fee covering an entire year's license for operation of the vehicle less the fees for the period of the year already paid.

(4) ~~If, within 5 days thereafter-no~~ after a requirement under subsection (3) is applicable, a license for a full year has not been purchased as required, the Montana highway patrol, county sheriff, or city police may impound the vehicle in the manner ~~which that~~ that is directed for these cases by the department until the requirement is met."

Section 18. Section 61-12-201, MCA, is amended to read:

"61-12-201. Appointment of employees as peace officers.

The director of transportation may appoint employees of the department as peace officers to carry out this part. The employees appointed may include only those employees of the department who are employed in the administration of the ~~gross-vehicle-weight~~ motor carrier services functions of the department. Each employee appointed ~~shall~~ must be issued a certificate of appointment and execute an oath of office, which ~~shall~~ must be entered into the records of the department."

Section 19. Section 61-12-206, MCA, is amended to read:

"61-12-206. Offenses for which arrest authorized. (1)

Employees appointed under 61-12-201 may make arrests for violations of the following statutory provisions only:

(a) part 1, chapter 10, of this title;

(b) part 3, chapter 4, of this title;

(c) sections 15-24-201 through 15-24-205;

(d) sections 15-70-302 through 15-70-307;

(e) sections 15-70-311 through 15-70-314;

(f) sections 15-71-101 through 15-71-105;

(g) section 61-3-502(1);

(h) sections 61-10-201, 61-10-203, 61-10-206, 61-10-209, and 61-10-211 through 61-10-215;

(i) sections 61-10-222 through 61-10-224;

1 (j) sections 61-10-231 through 61-10-233.

2 (2) These employees may not arrest for violations other
3 than specified in this section."

4 NEW SECTION. **Section 20.** Repealer. Sections 61-10-202,
5 61-10-204, 61-10-205, 61-10-207, 61-10-208, and 61-10-210,
6 MCA, are repealed.

7 NEW SECTION. **Section 21.** Codification instruction.
8 [Section 9] is intended to be codified as an integral part
9 of Title 15, chapter 24, and the provisions of Title 15,
10 chapter 24, apply to [section 9].

11 NEW SECTION. **Section 22.** Effective date. [This act] is
12 effective January 1, 1994.

-End-

STATE OF MONTANA - FISCAL NOTE

Form BD-15

In compliance with a written request, there is hereby submitted a Fiscal Note for HB0651, as introduced.

DESCRIPTION OF PROPOSED LEGISLATION:

An act restructuring the fee tables and fee classes for gross vehicle weight fees; eliminating the property tax on trailers and semitrailers licensed for 26,000 pounds or more; levying a 45-mill levy on trucks and truck tractors over 26,000 pounds; providing for the distribution of the funds raised from the mill levy; increasing the tax on gasoline and special fuels from 20 cents per gallon to 20.75 cents per gallon; providing for buses to be taxed by gross weight rather than by seats; including fertilizer spreaders in the agricultural fee class; correcting references to the motor carrier services division; increasing the weight threshold for vehicles required to enter weigh stations; and providing a delayed effective date.

ASSUMPTIONS:

- Using projected revenue levels of \$15,909,294, the cost study prepared by M.S.U. states that combining Schedule I and II GVW fees into one schedule will result in a loss in revenue of \$1,118,184.
- The cost study prepared by M.S.U. states that elimination of all fee classes, except farm fees which are increased from 16% to 35%, would result in a revenue increase of \$1,425,333.
- The GVW fees in this bill have all been reduced by 25%, resulting in an overall loss of revenue of \$3,746,961 in a complete calendar year.
- In FY94, the net revenue loss is projected to be \$2,772,751. 74% of GVW fees are collected in the 2nd six months of the fiscal year. The amount of revenue loss in FY94 is adjusted to account for the bill not taking effect until January 1, 1994.
- Revenue Oversight Committee figures for gallons were used to determine gas tax revenue for FY94 and FY95.
- American Ethanol Corp will be producing alcohol in FY95 and collecting \$1,500,000 in alcohol incentive payments in FY95.

FISCAL IMPACT:Revenue:

	FY '94			FY '95		
	<u>Current Law</u>	<u>Proposed Law</u>	<u>Difference</u>	<u>Current Law</u>	<u>Proposed Law</u>	<u>Difference</u>
Vehicle Licenses and Permits	\$ 26,632,793	\$ 23,860,042	\$ (2,772,751)	\$ 26,439,500	\$ 22,692,539	\$ (3,746,961)
Gas Tax	83,653,851	85,231,784	1,577,933	81,207,945	84,364,610	3,156,665
Diesel Tax	26,227,509	26,715,023	487,514	26,394,536	27,387,309	992,773
Snowmobile	446,920	455,287	8,367	442,122	458,869	16,747
Motor Boat	804,456	819,517	15,061	795,819	825,964	30,145
Off-Highway Vehicle	111,730	113,822	2,092	110,530	114,717	4,187
Aeronautics	35,754	36,423	669	35,370	36,709	1,339
Total	\$137,913,013	\$137,231,898	\$ (681,115)	\$135,425,822	\$135,880,717	\$ 454,895

(Continued)

David Lewis 2-23-93

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

3/2/93
DAVID WANZENREID, PRIMARY SPONSOR DATE

Fiscal Note for HB0651, as introduced

HB651

FISCAL IMPACT:

Net Impact:

Highway Special Revenue Account	\$ (707,304)	\$402,477
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Because registration fees would no longer be collected from non-resident trailers licensed by a proportional agreement, the state general fund could lose as much as \$32,985 and the highway patrol retirement funds could lose as much as \$1,319 per year.

EFFECT ON COUNTY OR OTHER LOCAL REVENUES OR EXPENDITURES:

1. All trailers and semi-trailers over 26,000 pounds will be exempt from property tax, resulting in a projected revenue loss of \$1,600,000 from the county general funds. To offset this loss, an additional 45 mill levy has been placed on all trucks and truck-trailers over 26,000 pounds. The net result to the County General Fund will be zero.
2. Local county road funds could lose as much as \$64,210 because registration fees would no longer be collected from non-resident trailers licensed by a proportional agreement.

APPROVED BY COMMITTEE
ON TAXATION

HOUSE BILL NO. 651

INTRODUCED BY WANZENRIED, HARP, GILBERT
BY REQUEST OF THE DEPARTMENT OF TRANSPORTATION

A BILL FOR AN ACT ENTITLED: "AN ACT RESTRUCTURING THE FEE TABLES AND FEE CLASSES FOR GROSS VEHICLE WEIGHT FEES; ELIMINATING THE PROPERTY TAX ON TRAILERS AND SEMITRAILERS LICENSED FOR 26,000 POUNDS OR MORE; LEVYING A 45-MILL LEVY ON TRUCKS AND TRUCK TRACTORS OVER 26,000 POUNDS; PROVIDING FOR THE DISTRIBUTION OF THE FUNDS RAISED FROM THE MILL LEVY; INCREASING THE TAX ON GASOLINE AND SPECIAL FUELS FROM 20 CENTS PER GALLON TO 20.75 CENTS PER GALLON; PROVIDING FOR BUSES TO BE TAXED BY GROSS WEIGHT RATHER THAN BY SEATS; INCLUDING FERTILIZER SPREADERS IN THE AGRICULTURAL FEE CLASS; REVISING TRANSIT FEES; CORRECTING REFERENCES TO THE MOTOR CARRIER SERVICES DIVISION; INCREASING THE WEIGHT THRESHOLD FOR VEHICLES REQUIRED TO ENTER WEIGH STATIONS; AMENDING SECTIONS 15-6-138, 15-6-201, 15-70-204, 15-70-311, 15-70-321, 15-71-102, 61-1-134, 61-3-321, 61-3-502, 61-3-521, 61-4-301, 61-4-302, 61-10-124, 61-10-141, 61-10-201, 61-10-203, 61-10-206, 61-10-209, 61-12-201, AND 61-12-206, MCA; REPEALING SECTIONS 61-10-202, 61-10-204, 61-10-205, 61-10-207, 61-10-208, AND 61-10-210, MCA; AND PROVIDING A DELAYED EFFECTIVE DATE."

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

Section 1. Section 15-6-138, MCA, is amended to read:

"15-6-138. Class eight property -- description -- taxable percentage. (1) Class eight property includes:

(a) all agricultural implements and equipment;

(b) all mining machinery, fixtures, equipment, tools that are not exempt under 15-6-201(1)(r), and supplies except those included in class five;

(c) all manufacturing machinery, fixtures, equipment, tools that are not exempt under 15-6-201(1)(r), and supplies except those included in class five;

(d) all trailers and semitrailers, including those prorated under 15-24-102, except those subject to taxation under 61-3-504(2) or exempt under 15-6-201(1)(v);

(e) all goods and equipment intended for rent or lease, except goods and equipment specifically included and taxed in another class;

(f) buses and trucks having a rated capacity of more than 1 ton, including those prorated under 15-24-102;

(g) truck toppers weighing more than 300 pounds;

(h) furniture, fixtures, and equipment, except that specifically included in another class, used in commercial establishments as defined in this section;

(i) x-ray and medical and dental equipment;

(j) citizens' band radios and mobile telephones;

1 (k) radio and television broadcasting and transmitting
 2 equipment;
 3 (l) cable television systems;
 4 (m) coal and ore haulers;
 5 (n) theater projectors and sound equipment; and
 6 (o) all other property not included in any other class
 7 in this part, except that property subject to a fee in lieu
 8 of a property tax.

9 (2) As used in this section, "coal and ore haulers"
 10 means nonhighway vehicles that exceed 18,000 pounds per axle
 11 and that are primarily designed and used to transport coal,
 12 ore, or other earthen material in a mining or quarrying
 13 environment.

14 (3) "Commercial establishment" includes any hotel;
 15 motel; office; petroleum marketing station; or service,
 16 wholesale, retail, or food-handling business.

17 (4) Class eight property is taxed at 9% of its market
 18 value."

19 **Section 2.** Section 15-6-201, MCA, is amended to read:

20 "15-6-201. **Exempt categories.** (1) The following
 21 categories of property are exempt from taxation:

22 (a) the property of:

23 (i) the United States, the state, counties, cities,
 24 towns, school districts, except, if congress passes
 25 legislation that allows the state to tax property owned by

1 an agency created by congress to transmit or distribute
 2 electrical energy, the property constructed, owned, or
 3 operated by a public agency created by the congress to
 4 transmit or distribute electric energy produced at privately
 5 owned generating facilities (not including rural electric
 6 cooperatives);

7 (ii) irrigation districts organized under the laws of
 8 Montana and not operating for profit;

9 (iii) municipal corporations; and

10 (iv) public libraries;

11 (b) buildings, with land they occupy and furnishings
 12 therein in the buildings, owned by a church and used for
 13 actual religious worship or for residences of the clergy,
 14 together with adjacent land reasonably necessary for
 15 convenient use of the buildings;

16 (c) property used exclusively for agricultural and
 17 horticultural societies, for educational purposes, and for
 18 nonprofit health care facilities, as defined in 50-5-101,
 19 licensed by the department of health and environmental
 20 sciences and organized under Title 35, chapter 2 or 3. A
 21 health care facility that is not licensed by the department
 22 of health and environmental sciences and organized under
 23 Title 35, chapter 2 or 3, is not exempt.

24 (d) property that meets the following conditions:

25 (i) is owned and held by any association or corporation

1 organized under Title 35, chapter 2, 3, 20, or 21;

2 (ii) is devoted exclusively to use in connection with a
3 cemetery or cemeteries for which a permanent care and
4 improvement fund has been established as provided for in
5 Title 35, chapter 20, part 3; and

6 (iii) is not maintained and operated for private or
7 corporate profit;

8 (e) property owned by institutions of purely public
9 charity and directly used for purely public charitable
10 purposes;

11 (f) evidence of debt secured by mortgages of record
12 upon real or personal property in the state of Montana;

13 (g) public museums, art galleries, zoos, and
14 observatories not used or held for private or corporate
15 profit;

16 (h) all household goods and furniture, including but
17 not limited to clocks, musical instruments, sewing machines,
18 and wearing apparel of members of the family, used by the
19 owner for personal and domestic purposes or for furnishing
20 or equipping the family residence;

21 (i) a truck canopy cover or topper weighing less than
22 300 pounds and having no accommodations attached. This
23 property is also exempt from taxation under 61-3-504(2) and
24 61-3-537.

25 (j) a bicycle, as defined in 61-1-123, used by the

1 owner for personal transportation purposes;

2 (k) motor homes, travel trailers, and campers;

3 (l) all watercraft;

4 (m) motor vehicles, land, fixtures, buildings, and
5 improvements owned by a cooperative association or nonprofit
6 corporation organized to furnish potable water to its
7 members or customers for uses other than the irrigation of
8 agricultural land;

9 (n) the right of entry that is a property right
10 reserved in land or received by mesne conveyance (exclusive
11 of leasehold interests), devise, or succession to enter land
12 whose surface title is held by another to explore, prospect,
13 or dig for oil, gas, coal, or minerals;

14 (o) property owned and used by a corporation or
15 association organized and operated exclusively for the care
16 of the developmentally disabled, mentally ill, or
17 vocationally handicapped as defined in 18-5-101, which is
18 not operated for gain or profit, and property owned and used
19 by an organization owning and operating facilities for the
20 care of the retired, aged, or chronically ill, which are not
21 operated for gain or profit;

22 (p) all farm buildings with a market value of less than
23 \$500 and all agricultural implements and machinery with a
24 market value of less than \$100;

25 (q) property owned by a nonprofit corporation organized

1 to provide facilities primarily for training and practice
 2 for or competition in international sports and athletic
 3 events and not held or used for private or corporate gain or
 4 profit. For purposes of this subsection (q), "nonprofit
 5 corporation" means an organization exempt from taxation
 6 under section 501(c) of the Internal Revenue Code and
 7 incorporated and admitted under the Montana Nonprofit
 8 Corporation Act.

9 (r) provided the tools are owned by the taxpayer, the
 10 first \$15,000 or less of market value of tools that are
 11 customarily hand-held and that are used to:

12 (i) construct, repair, and maintain improvements to
 13 real property; or

14 (ii) repair and maintain machinery, equipment,
 15 appliances, or other personal property;

16 (s) harness, saddlery, and other tack equipment;

17 (t) a title plant owned by a title insurer or a title
 18 insurance producer, as those terms are defined in 33-25-105;
 19 and

20 (u) beginning January 1, 1994, timber as defined in
 21 15-44-102-; and

22 (v) all trailers and semitrailers with a licensed gross
 23 weight of 26,000 pounds or more. FOR PURPOSES OF THIS
 24 SUBSECTION (V), THE TERMS "TRAILER" AND "SEMITRAILER" MEAN A
 25 VEHICLE WITH OR WITHOUT MOTIVE POWER THAT IS:

1 (I) DESIGNED AND USED ONLY FOR CARRYING PROPERTY;

2 (II) DESIGNED AND USED TO BE DRAWN BY A MOTOR VEHICLE;

3 AND

4 (III) EITHER CONSTRUCTED SO THAT NO PART OF ITS WEIGHT
 5 RESTS UPON THE TOWING VEHICLE OR CONSTRUCTED SO THAT SOME
 6 PART OF ITS WEIGHT AND THE WEIGHT OF ITS LOAD RESTS UPON OR
 7 IS CARRIED BY ANOTHER VEHICLE.

8 (2) (a) The term "institutions of purely public
 9 charity" includes any organization that meets the following
 10 requirements:

11 (i) The organization qualifies as a tax-exempt
 12 organization under the provisions of section 501(c)(3),
 13 Internal Revenue Code, as amended.

14 (ii) The organization accomplishes its activities
 15 through absolute gratuity or grants; however, the
 16 organization may solicit or raise funds by the sale of
 17 merchandise, memberships, or tickets to public performances
 18 or entertainment or by other similar types of fundraising
 19 activities.

20 (b) For the purposes of subsection (1)(g), the term
 21 "public museums, art galleries, zoos, and observatories"
 22 means governmental entities or nonprofit organizations whose
 23 principal purpose is to hold property for public display or
 24 for use as a museum, art gallery, zoo, or observatory. The
 25 exempt property includes all real and personal property

1 reasonably necessary for use in connection with the public
2 display or observatory use. Unless the property is leased
3 for a profit to a governmental entity or nonprofit
4 organization by an individual or for-profit organization,
5 real and personal property owned by other persons is exempt
6 if it is:

- 7 (i) actually used by the governmental entity or
8 nonprofit organization as a part of its public display;
- 9 (ii) held for future display; or
- 10 (iii) used to house or store a public display.
- 11 (3) The following portions of the appraised value of a
12 capital investment made after January 1, 1979, in a
13 recognized nonfossil form of energy generation or low
14 emission wood or biomass combustion devices, as defined in
15 15-32-102, are exempt from taxation for a period of 10 years
16 following installation of the property:

- 17 (a) \$20,000 in the case of a single-family residential
18 dwelling;
- 19 (b) \$100,000 in the case of a multifamily residential
20 dwelling or a nonresidential structure."

21 **Section 3.** Section 15-70-204, MCA, is amended to read:

22 "15-70-204. Gasoline license tax -- rate. (1) Every
23 distributor shall pay to the department of transportation a
24 license tax for the privilege of engaging in and carrying on
25 business in this state in an amount equal to 1 cent for each

1 gallon of aviation gasoline, which ~~shall~~ must be allocated
2 to the department of transportation as provided by 67-1-301,
3 ~~as amended~~, and ~~20~~ 20.75 cents for each gallon of all other
4 gasoline distributed by him the distributor within the state
5 and upon which the gasoline license tax has not been paid by
6 any other distributor.

7 (2) Gasoline exported ~~shall~~ may not be included in the
8 measure of the distributor's license tax.

9 (3) Alcohol that is blended or is to be blended with
10 gasoline to be sold as gasohol is subject to a tax per
11 gallon equal to the license tax imposed on nonaviation
12 gasoline distributors under subsection (1)."

13 **Section 4.** Section 15-70-311, MCA, is amended to read:

14 "15-70-311. Special fuel user's temporary trip permits
15 -- nonresident agricultural harvesting equipment special
16 fuel permit. (1) Any person operating a special fuel-powered
17 vehicle upon the public roads and highways of this state who
18 fails or neglects to carry in the vehicle a valid special
19 fuel vehicle permit or registration card indicating the
20 special fuel use permit number, as provided by 15-70-302,
21 ~~shall-be~~ is required to purchase a special fuel user's
22 temporary trip permit. The permits ~~will~~ must be issued by
23 scale house personnel, ~~gross--vehicle--weight--patrol--crews~~
24 motor carrier services division personnel, Montana highway
25 patrol officers, and ~~such~~ other enforcing agents as that the

1 department may prescribe by order or rule.

2 (2) Any nonresident upon entering the state with
3 agricultural harvesting equipment powered by special fuel
4 and operating upon the public roads and highways of this
5 state who fails or neglects to carry in or on equipment a
6 valid special fuel vehicle permit, as provided by 15-70-302,
7 ~~shall-be~~ is required to purchase a nonresident agricultural
8 harvesting equipment special fuel permit. The permit ~~will~~
9 must be issued by scale house personnel, ~~gross--vehicle~~
10 ~~weight---patrol---crews~~ motor carrier services division
11 personnel, Montana highway patrol officers, and such other
12 enforcing agents as that the department may prescribe by
13 order or rule."

14 **Section 5.** Section 15-70-321, MCA, is amended to read:

15 "15-70-321. **Tax on diesel fuel and volatile liquids.**
16 The department shall, under the provisions of rules issued
17 by it, collect or cause to be collected from the owners or
18 operators of motor vehicles a tax in an amount equal to 28
19 20.75 cents for each gallon of diesel fuel or other volatile
20 liquid, except liquid petroleum gas, of less than 46 degrees
21 A.P.I. (American petroleum institute) gravity test when
22 actually sold or used to produce motor power to propel motor
23 vehicles upon the public highways or streets within the
24 state or used in motor vehicles, motorized equipment, and
25 the internal combustion of ~~any-and-all~~ engines, including

1 stationary engines, used in connection with ~~any-and-all~~ work
2 performed under ~~any-and--all~~ contracts pertaining to the
3 construction, reconstruction, or improvement of any a
4 highway or street and ~~their~~ its appurtenances awarded by any
5 ~~and-all~~ public agencies, including federal, state, county,
6 municipal, or other political subdivisions."

7 **Section 6.** Section 15-71-102, MCA, is amended to read:

8 "15-71-102. **Temporary trip permit required.** (1) Upon
9 entering the state, a nonresident operating any motor
10 vehicle powered by liquefied petroleum gas is required to
11 purchase a liquid petroleum gas temporary trip permit. The
12 permits ~~will~~ must be issued by scale house personnel, ~~gross~~
13 ~~vehicle--weight-patrol-crews~~ motor carrier services division
14 personnel, Montana highway patrol officers, and such other
15 enforcing agents as that the department of transportation
16 may prescribe.

17 (2) A temporary liquid petroleum gas permit ~~shall--cost~~
18 costs \$20. The permit is valid for a period of time not to
19 exceed 72 hours and ~~will-be~~ is automatically void if the
20 vehicle leaves the state during this period. Special liquid
21 petroleum gas permits, remittance forms, and any other
22 papers necessary for the enforcement of this chapter ~~shall~~
23 must be furnished by the department."

24 **Section 7.** Section 61-1-134, MCA, is amended to read:

25 "61-1-134. **Commercial motor vehicle defined** --

1 exceptions. (1) "Commercial motor vehicle" means a motor
2 vehicle used to transport passengers or property if the
3 vehicle:

4 (a) has a gross vehicle weight of 26,001 pounds or
5 more;

6 (b) is designed to transport more than 15 passengers,
7 including the driver; or

8 (c) is used to transport hazardous material.

9 (2) Commercial motor vehicles under this section do not
10 include vehicles operated within the state of Montana that
11 are:

12 (a) registered as paying the ~~16%~~ 35% gross weight fee
13 under 61-10-206;

14 (b) used for firefighting and that are bearing Montana
15 tax-exempt plates; or

16 (c) police emergency response and safety education
17 units.

18 (3) Vehicles that are operated within the state of
19 Montana by farmers or persons employed by farmers who are
20 transporting farm products or farm supplies and that are
21 operated within 150 miles of the farm headquarters are not
22 considered commercial motor vehicles under this section."

23 **Section 8.** Section 61-3-321, MCA, is amended to read:

24 "61-3-321. Registration fees of vehicles --
25 public-owned vehicles exempt from license or registration

1 fees -- disposition of fees. (1) Registration or license
2 fees must be paid upon registration or reregistration of
3 motor vehicles, trailers, housetrailers, and semitrailers,
4 in accordance with this chapter, as follows:

5 (a) motor vehicles weighing 2,850 pounds or under
6 (other than motortrucks), \$5;

7 (b) motor vehicles weighing over 2,850 pounds (other
8 than motortrucks), \$10;

9 (c) electrically driven passenger vehicles, \$10;

10 (d) all motorcycles and quadricycles, \$2;

11 (e) tractors and/or trucks, \$10;

12 (f) buses are classed as motortrucks and licensed
13 accordingly;

14 (g) trailers and semitrailers less than 2,500 pounds
15 maximum gross loaded weight and housetrailers of all
16 weights, \$2;

17 (h) trailers and semitrailers over 2,500 up to 6,000
18 pounds maximum gross loaded weight (except housetrailers),
19 \$5;

20 (i) trailers and semitrailers over 6,000 pounds maximum
21 gross loaded weight, \$10, except trailers and semitrailers
22 registered in other jurisdictions and registered through a
23 proportional registration agreement;

24 (j) trailers used exclusively in the transportation of
25 logs in the forest or in the transportation of oil and gas

well machinery, road machinery, or bridge materials, new and secondhand, \$15 annually, regardless of size or capacity.

(2) All rates are 25% higher for motor vehicles, trailers, and semitrailers not equipped with pneumatic tires.

(3) "Tractor", as specified in this section, means any motor vehicle, except passenger cars, used for towing a trailer or semitrailer.

(4) If any motor vehicle, housetrailer, trailer, or semitrailer is originally registered 6 months after the time of registration as set by law, the registration or license fee for the remainder of the year is one-half of the regular fee.

(5) An additional fee of \$5.25 per year for each registration of a vehicle, except trailers and semitrailers registered in other jurisdictions and registered through a proportional registration agreement, must be collected as a registration fee. Revenue from this fee must be forwarded by the respective county treasurers to the state treasurer for deposit in the general fund. The department shall distribute 25 cents from the motor vehicle registration fee for payment of supplemental benefits provided for in 19-6-709.

(6) A fee of \$2 for each set of new number plates must be collected when number plates provided for under 61-3-332(3) are issued. Revenue from this fee must be

deposited as provided in subsection (5).

(7) The provisions of this part with respect to the payment of registration fees do not apply to and are not binding upon motor vehicles, trailers or semitrailers, or tractors owned or controlled by the United States of America or any state, county, or city.

(8) The provisions of this section relating to the payment of registration fees or new number plate fees do not apply when number plates are transferred to a replacement vehicle under 61-3-317, 61-3-332, or 61-3-335."

NEW SECTION. Section 9. Tax levy on trucks and truck tractors over 26,000 pounds. In addition to all other levies, including those under part 1, there is levied upon the taxable value of all trucks and truck tractors of 26,000 pounds or more licensed weight or gross vehicle weight 45 mills to offset the decrease in the amount of property tax caused by the exemption in 15-6-201(1)(v). The funds raised from the levy must be distributed in the relative proportions required by the levies for state, county, school district, and municipal purposes in the same manner as personal property taxes are distributed.

Section 10. Section 61-3-502, MCA, is amended to read:

"61-3-502. (Temporary) Sales tax on new motor vehicles -- exemptions. (1) In consideration of the right to use the highways of the state, there is imposed a tax upon all sales

1 of new motor vehicles, excluding trailers, semitrailers, and
 2 housetrailleurs, for which a license is sought and an original
 3 application for title is made. The tax must be paid by the
 4 purchaser when he the purchaser applies for his an original
 5 Montana license through the county treasurer.

6 (2) Except as provided in subsections (4) and (5), the
 7 sales tax is:

8 (a) 1 1/2% of the f.o.b. factory list price or f.o.b.
 9 port-of-entry list price, during the first quarter of the
 10 year or for a registration period other than a calendar year
 11 or calendar quarter;

12 (b) 1 1/8% of the list price during the second quarter
 13 of the year;

14 (c) 3/4 of 1% during the third quarter of the year;

15 (d) 3/8 of 1% during the fourth quarter of the year.

16 (3) If the manufacturer or importer fails to furnish
 17 the f.o.b. factory list price or f.o.b. port-of-entry list
 18 price, the department may use published price lists.

19 (4) The new car sales tax on vehicles subject to the
 20 provisions of 61-3-313 through 61-3-316 is 1 1/2% of the
 21 f.o.b. factory list price or f.o.b. port-of-entry list price
 22 regardless of the month in which the new vehicle is
 23 purchased.

24 (5) The sales tax on new motor vehicles registered as
 25 part of a fleet under 61-3-318 is 3/4 of 1% of the f.o.b.

1 factory list price or f.o.b. port-of-entry list price.

2 (6) Except as provided in 61-3-551, the proceeds from
 3 this tax must be remitted to the state treasurer every 30
 4 days for credit to the state highway account of the state
 5 special revenue fund. The county treasurer shall retain 5%
 6 of the taxes collected to pay for the cost of
 7 administration.

8 (7) The new vehicle is not subject to any other
 9 assessment, fee in lieu of tax, or tax during the calendar
 10 year in which the original application for title is made.

11 (8) (a) The applicant for original registration of any
 12 new and unused motor vehicle, or a new motor vehicle
 13 furnished without charge by a dealer to a school district
 14 for use as a traffic education motor vehicle by a school
 15 district operating a state-approved traffic education
 16 program within the state, whether or not previously licensed
 17 or titled to the school district (except a mobile home as
 18 defined in 15-1-101(1)), acquired by original contract after
 19 January 1 of any year, is required, whenever the vehicle has
 20 not been otherwise assessed, to pay the motor vehicle sales
 21 tax provided by this section irrespective of whether the
 22 vehicle was in the state of Montana on January 1 of the
 23 year.

24 (b) No A motor vehicle may not be registered or
 25 licensed under the provisions of this subsection unless the

1 application for registration is accompanied by a statement
 2 of origin to be furnished by the dealer selling the vehicle,
 3 showing that the vehicle has not previously been registered
 4 or owned, except as otherwise provided herein in this
 5 section, by any person, firm, corporation, or association
 6 that is not a new motor vehicle dealer holding a franchise
 7 or distribution agreement from a new car manufacturer,
 8 distributor, or importer.

9 (9) (a) Motor vehicles operating exclusively for
 10 transportation of persons for hire within the limits of
 11 incorporated cities or towns and within 15 miles from such
 12 the limits are exempt from subsection (1).

13 (b) Motor vehicles brought or driven into Montana by a
 14 nonresident, migratory, bona fide agricultural worker
 15 temporarily employed in agricultural work in this state
 16 where those motor vehicles are used exclusively for
 17 transportation of agricultural workers are also exempt from
 18 subsection (1).

19 (c) Vehicles lawfully displaying a licensed dealer's
 20 plate as provided in 61-4-103 are exempt from subsection (1)
 21 when moving to or from a dealer's place of business when
 22 unloaded or loaded with dealer's property only, and in the
 23 case of vehicles having a gross loaded weight of less than
 24 24,000 pounds, while being demonstrated in the course of the
 25 dealer's business.

1 61-3-502. (Effective on receipt of taxes or fees for
 2 September 1993) Sales tax on new motor vehicles --
 3 exemptions. (1) In consideration of the right to use the
 4 highways of the state, there is imposed a tax upon all sales
 5 of new motor vehicles, excluding trailers, semitrailers, and
 6 housetrailer, for which a license is sought and an original
 7 application for title is made. The tax must be paid by the
 8 purchaser when he the purchaser applies for his an original
 9 Montana license through the county treasurer.

10 (2) Except as provided in subsections (4) and (5), the
 11 sales tax is:

12 (a) 1 1/2% of the f.o.b. factory list price or f.o.b.
 13 port-of-entry list price, during the first quarter of the
 14 year or for a registration period other than a calendar year
 15 or calendar quarter;

16 (b) 1 1/8% of the list price during the second quarter
 17 of the year;

18 (c) 3/4 of 1% during the third quarter of the year;

19 (d) 3/8 of 1% during the fourth quarter of the year.

20 (3) If the manufacturer or importer fails to furnish
 21 the f.o.b. factory list price or f.o.b. port-of-entry list
 22 price, the department may use published price lists.

23 (4) The new car sales tax on vehicles subject to the
 24 provisions of 61-3-313 through 61-3-316 is 1 1/2% of the
 25 f.o.b. factory list price or f.o.b. port-of-entry list price

1 regardless of the month in which the new vehicle is
2 purchased.

3 (5) The sales tax on new motor vehicles registered as
4 part of a fleet under 61-3-318 is 3/4 of 1% of the f.o.b.
5 factory list price or f.o.b. port-of-entry list price.

6 (6) The proceeds from this tax must be remitted to the
7 state treasurer every 30 days for credit to the state
8 highway account of the state special revenue fund. The
9 county treasurer shall retain 5% of the taxes collected to
10 pay for the cost of administration.

11 (7) The new vehicle is not subject to any other
12 assessment, fee in lieu of tax, or tax during the calendar
13 year in which the original application for title is made.

14 (8) (a) The applicant for original registration of any
15 new and unused motor vehicle, or a new motor vehicle
16 furnished without charge by a dealer to a school district
17 for use as a traffic education motor vehicle by a school
18 district operating a state-approved traffic education
19 program within the state, whether or not previously licensed
20 or titled to the school district (except a mobile home as
21 defined in 15-1-101(1)), acquired by original contract after
22 January 1 of any year, is required, whenever the vehicle has
23 not been otherwise assessed, to pay the motor vehicle sales
24 tax provided by this section irrespective of whether the
25 vehicle was in the state of Montana on January 1 of the

1 year.

2 (b) No A motor vehicle may not be registered or
3 licensed under the provisions of this subsection unless the
4 application for registration is accompanied by a statement
5 of origin to be furnished by the dealer selling the vehicle,
6 showing that the vehicle has not previously been registered
7 or owned, except as otherwise provided herein in this
8 section, by any person, firm, corporation, or association
9 that is not a new motor vehicle dealer holding a franchise
10 or distribution agreement from a new car manufacturer,
11 distributor, or importer.

12 (9) (a) Motor vehicles operating exclusively for
13 transportation of persons for hire within the limits of
14 incorporated cities or towns and within 15 miles from such
15 the limits are exempt from subsection (1).

16 (b) Motor vehicles brought or driven into Montana by a
17 nonresident, migratory, bona fide agricultural worker
18 temporarily employed in agricultural work in this state
19 where those motor vehicles are used exclusively for
20 transportation of agricultural workers are also exempt from
21 subsection (1).

22 (c) Vehicles lawfully displaying a licensed dealer's
23 plate as provided in 61-4-103 are exempt from subsection (1)
24 when moving to or from a dealer's place of business when
25 unloaded or loaded with dealer's property only, and in the

case of vehicles having a gross loaded weight of less than 24,000 pounds, while being demonstrated in the course of the dealer's business."

Section 11. Section 61-3-521, MCA, is amended to read:

"61-3-521. Fee in lieu of tax for certain vehicles. (1)

There is a fee in lieu of property tax imposed on motor homes, travel trailers, and campers. The fee is in addition to annual registration fees.

~~(2) The provisions of 61-10-208 do not apply to a vehicle that qualifies under subsection (1) above.~~

~~(3)~~ (2) The fee imposed by subsection (1) above need not be paid by a dealer for vehicles that constitute inventory of the dealership."

Section 12. Section 61-10-124, MCA, is amended to read:

"61-10-124. Special permits -- fee -- cranes. (1) As used in this section, "crane" means a self-propelled single-unit vehicle consisting of not more than four axles and used for raising, shifting, and lowering heavy weights by means of a projecting swinging arm.

(2) Except as provided in subsections (3)(b), (3)(d), and (6), in addition to the regular registration and gross vehicle weight fees, a fee of \$10 for each trip permit and a fee of \$75 for each term permit issued for size and weight in excess of that specified in 61-10-101 through 61-10-110 must be paid for all movements under special permits on the

public highways under the jurisdiction of the department of transportation.

(3) (a) Except as provided in subsections (3)(b), (3)(d), (6), and (7), term or blanket permits may not be issued for an overwidth vehicle, combination of vehicles, load, or other thing in excess of 15 feet; an overlength vehicle, combination of vehicles, load, object, or other thing in excess of 95 feet; and an overheight vehicle, combination of vehicles, load, or other thing in excess of 14 feet, or of a limit determined by the department. A vehicle, combination of vehicles, load, or other thing in excess of these dimensions is limited to trip permits. A Rocky Mountain double may not exceed 81 feet in combined trailer length, and the long semitrailer cargo unit of the combination may not exceed 48 feet in length. A Rocky Mountain double is not subject to a combination length limit. Special permits for vehicle combinations of more than two trailers or more than two units designed for or used to carry a load are not permitted except as provided in subsections (6) and (7). Special permits for vehicle combinations may specify and special permits under subsections (6) and (7) must specify highway routing and otherwise limit or prescribe conditions of operation of the vehicle or combination, including but not limited to required equipment, speed, stability, operational

1 procedures, and insurance.

2 (b) A term permit may be issued to a dealer in
3 implements of husbandry and self-propelled machinery for an
4 overwidth or overlength vehicle referred to in subsection
5 (3)(a). The fee for this permit is \$75. This permit covers a
6 period of 1 year and expires on December 31 of each year
7 with no grace period.

8 (c) With payment of the appropriate gross weight fees
9 required by 61-10-201 and ~~61-10-202~~ and with payment of the
10 fee prescribed in subsection (2), allowable gross weight of
11 a five-axle combination logging vehicle is 80,000 pounds.

12 (d) A term permit may be issued for any combination of
13 vehicles that exceeds 95 feet in length but does not exceed
14 100 feet in combination length, except a
15 truck-trailer-trailer or a truck
16 tractor-semitrailer-trailer-trailer combination, for travel
17 only on highways that are part of the federal-aid interstate
18 system, as defined in 60-1-103, or on other highways within
19 a 2-mile radius of an interchange on the interstate system
20 in order to obtain necessary services or to load or unload
21 at a terminal. When a terminal is beyond a 2-mile radius,
22 the department may authorize travel between the terminal and
23 the interchange. The fee for this permit is \$125.

24 (4) Except as provided in subsection (3)(b), a permit
25 may not be issued for a period of time greater than the

1 period for which the GVW license is valid as provided in
2 this title, including grace periods allowed by this title.
3 Owners of vehicles licensed in other jurisdictions may, at
4 the discretion of the department of transportation, purchase
5 permits to expire with their registration. A license
6 required by the state governs the issuance of a special
7 permit.

8 (5) The owner or operator of a crane with a gross
9 vehicle weight of less than 80,000 pounds may purchase a
10 30-day special permit for overweight if the crane has a
11 current special mobile equipment identification plate and if
12 the department of transportation has approved the
13 configuration of the crane through a weight analysis
14 completed within the same calendar year. The permit is not
15 transferable, and the fee for the permit is \$200.

16 (6) The department may issue special permits to the
17 operating company for a truck-trailer-trailer or truck
18 tractor-semitrailer-trailer-trailer combination of vehicles
19 under the following conditions:

20 (a) the combination may be operated only on highways
21 that are part of the federal-aid interstate system as
22 defined in 60-1-103 and within a 2-mile radius of an
23 interchange on the interstate system on other highways only
24 in order to obtain necessary services or to load or unload
25 at a terminal. When a terminal is beyond a 2-mile radius,

1 the department may authorize travel between the terminal and
2 the interchange.

3 (b) a combination of vehicles powered by a cab-over
4 (tilt cab) type truck-tractor or a truck may not exceed
5 overall length of 105 feet, inclusive of front and rear
6 bumpers and overhang;

7 (c) a combination of vehicles powered by a conventional
8 truck-tractor may not exceed overall length of 110 feet,
9 inclusive of front and rear bumpers and overhang;

10 (d) no an individual cargo unit of the combination may
11 not exceed 28 1/2 feet in length and 102 inches in width;

12 (e) gross weight fees under 61-10-203 must be paid on
13 the truck or truck tractor for the declared registered gross
14 weight of the special vehicle combination, but not to exceed
15 the formula in 61-10-107;

16 (f) the combination must have a restricted route permit
17 under 61-10-107(3) and a special overlength permit issued at
18 a fee of \$200 for a term permit or \$20 for each trip permit;

19 (g) travel of the combination may be restricted to
20 specific routes, hours of operation, specific days, or
21 seasonal periods; and

22 (h) the department may enforce any other restrictions
23 determined by the department to be necessary. The permit is
24 not transferable, and the fee for the permit is \$200.

25 (7) The department of transportation may issue special

1 permits under subsection (6) for vehicle combinations
2 consisting of a truck-trailer-trailer if:

3 (a) the vehicle combination's overall length inclusive
4 of front and rear bumpers is not more than 95 feet;

5 (b) a person, firm, or corporation applying for a
6 permit under this subsection (7) operated the
7 truck-trailer-trailer combination before July 1, 1987;

8 (c) truck-trailer-trailer operations are restricted to
9 the specified routes those vehicles operated on before July
10 1, 1987; and

11 (d) a person, firm, or corporation applying for a
12 permit provides the department of transportation with an
13 affidavit designating the routes the vehicle operated on
14 before July 1, 1987."

15 **Section 13.** Section 61-10-141, MCA, is amended to read:

16 "61-10-141. Officers authorized to weigh vehicles and
17 require removal of excessive loads -- enforcement of motor
18 carrier safety standards -- duty to obtain bills of lading
19 for agricultural seeds. (1) A peace officer, officer of the
20 highway patrol, or employee of the department of
21 transportation may weigh any vehicle regulated by 61-10-101
22 through 61-10-110, except recreational vehicles as defined
23 in 61-1-132, either by means of portable or stationary
24 scales, and may require that the vehicle be driven to the
25 nearest scales if those scales are within 2 miles. That

1 person may then require the driver to unload immediately
2 that portion of the load necessary to decrease the weight of
3 the vehicle to conform to the maximum allowable weights
4 specified in 61-10-101 through 61-10-110.

5 (2) Commodities and material unloaded as required by
6 this section ~~shall~~ must be cared for and removed from the
7 highway right-of-way by the owner or operator of the vehicle
8 at the risk of that owner or operator. The removal ~~shall~~
9 must be within a reasonable time designated by the person
10 who has compelled the unloading.

11 (3) The department of transportation may establish,
12 maintain, and operate weigh stations, either intermittently
13 or on a continuous schedule, and may require vehicles,
14 except passenger cars and pickup trucks under ~~8,000~~ 14,000
15 pounds G.V.W. and recreational vehicles as defined in
16 61-1-132 (that are not new or used recreational vehicles
17 traveling into or through Montana for delivery to a
18 distributor or a dealer), to enter for the purpose of
19 weighing and inspection for compliance with all laws
20 pertaining to their operation and safety requirements. The
21 department may require vehicles over 10,000 pounds to be
22 inspected and weighed by portable scale crews.

23 (4) The department of transportation shall work with
24 the highway patrol in the enforcement of safety standards
25 adopted pursuant to 44-1-1005. For the purposes of the joint

1 enforcement, the highway patrol is designated as the lead
2 agency. The highway patrol and the department of
3 transportation shall cooperate to assure minimum duplication
4 and maximum coordination of enforcement effort.

5 (5) In order to enforce compliance with safety
6 standards adopted pursuant to 44-1-1005, the department of
7 transportation shall designate employees as peace officers.
8 The designated employees must be employed in the
9 administration of the ~~gross--vehicle--weight~~ motor carrier
10 services functions of the department of transportation. Each
11 employee designated as a peace officer may:

12 (a) issue citations and make arrests in connection with
13 violations of safety standards adopted under 44-1-1005;

14 (b) issue summons;

15 (c) accept bail;

16 (d) serve warrants for arrest;

17 (e) make reasonable inspections of cargo carried by
18 commercial motor vehicles;

19 (f) make reasonable safety inspections of commercial
20 motor vehicles utilized by motor carriers; and

21 (g) require production of documents relating to the
22 cargo, driver, routing, or ownership of ~~such~~ the vehicles.

23 (6) In addition to other enforcement duties assigned
24 under this section, an employee of the department of
25 transportation has:

(a) the same authority to enforce provisions of the motor carriers law as that granted the public service commission under 69-12-203; and

(b) the duty to secure or make copies, or both, of all bills of lading or other evidence of delivery for shipment of agricultural seeds as defined in 80-5-120 that have been sold or are intended for sale in Montana and to forward the copies to the department of agriculture within 24 hours of the date the bill of lading was obtained."

Section 14. Section 61-10-201, MCA, is amended to read:

"61-10-201. Gross weight fees on motortrucks and, truck tractors, and buses. In addition to other fees for the licensing of vehicles and except as provided in 61-10-203, there ~~shall~~ must be paid and collected annually for each truck, and truck tractor, and bus, based upon the maximum gross loaded weight thereof and the maximum gross weight of any towed unit of each truck and truck tractor as set by the licensee in his the licensee's application, the following fees:

Schedule I

Up to 6,000 lbs.	\$ 7.50
6,001 through 8,000 lbs.	12.50 <u>9.50</u>
8,001 through 10,000 lbs.	17.50 <u>13.25</u>
10,001 through 12,000 lbs.	20.00 <u>15.00</u>
12,001 through 14,000 lbs.	22.50 <u>17.00</u>

14,001 through 16,000 lbs.	27.50 <u>21.00</u>
16,001 through 18,000 lbs.	37.50 <u>28.00</u>
18,001 through 20,000 lbs.	50.00 <u>37.50</u>
20,001 through 22,000 lbs.	62.50 <u>47.00</u>
22,001 through 24,000 lbs.	99.75 <u>70.00</u>
24,001 through 26,000 lbs.	125.00 <u>90.00</u>
26,001 through 28,000 lbs.	156.25 <u>110.00</u>
28,001 through 30,000 lbs.	206.25 <u>130.00</u>
30,001 through 32,000 lbs.	262.50 <u>150.00</u>
32,001 through 34,000 lbs.	318.75 <u>170.00</u>
34,001 through 36,000 lbs.	375.00 <u>190.00</u>
36,001 through 38,000 lbs.	431.25 <u>215.00</u>
38,001 through 40,000 lbs.	487.50 <u>235.00</u>
40,001 through 42,000 lbs.	543.75 <u>255.00</u>
42,001 through 44,000 lbs.	<u>275.00</u>
44,001 through 46,000 lbs.	<u>300.00</u>
46,001 through 48,000 lbs.	<u>320.00</u>
48,001 through 50,000 lbs.	<u>340.00</u>
50,001 through 52,000 lbs.	<u>360.00</u>
52,001 through 54,000 lbs.	<u>380.00</u>
54,001 through 56,000 lbs.	<u>400.00</u>
56,001 through 58,000 lbs.	<u>420.00</u>
58,001 through 60,000 lbs.	<u>440.00</u>
60,001 through 62,000 lbs.	<u>460.00</u>
62,001 through 64,000 lbs.	<u>482.50</u>

1	64,001 through 66,000 lbs.	502.50
2	66,001 through 68,000 lbs.	522.50
3	68,001 through 70,000 lbs.	545.75
4	70,001 through 72,000 lbs.	566.50
5	72,001 through 74,000 lbs.	607.50
6	74,001 through 76,000 lbs.	655.00
7	76,001 through 78,000 lbs.	695.00
8	78,001 through 80,000 lbs.	750.00
9	Over 42,000 80,000 lbs. and within the weight limits	
10	specified in 61-10-101 through 61-10-110 ...	62-50 750.00
11	plus an additional 46.00	
12	per for each ton or fraction thereof	
13	of a ton in excess of 80,000 lbs."	

SECTION 15. SECTION 61-4-301, MCA, IS AMENDED TO READ:

"61-4-301. Permit and transit plates for new vehicles being transported by driveway or towaway methods -- used mobiles homes. (1) (a) A person, firm, partnership, or corporation, regularly and lawfully engaged in the transportation of new vehicles over the highways of this state from manufacturing or assembly points to agents of manufacturers and dealers in this state or in other states, territories, or foreign countries or provinces by the driveway or towaway methods, where the vehicles being driven, towed, or transported by the saddle-mount, towbar or full-mount methods, or a lawful combination of these

methods, will be transported over the highways of the state but once, may annually apply to the department of justice for a permit to use the highways of this state and shall pay, upon filing the application, a fee of \$100. Upon processing of the application, that department shall issue an annual permit to the applicant.

(b) A person moving used mobile homes from a point outside the state to a point inside the state may apply to the department for the permit authorized pursuant to subsection (1)(a).

(2) The permitholder may also apply to the department of justice for a sufficient number of distinctive transit plates or devices showing the permit number for identification of the vehicles being transported by the permitholder, and the plates or devices may be used on a vehicle being driven, towed, or transported by and under the control of the permitholder. That department shall collect the additional sum of \$1 for each pair of transit plates or devices applied for and issued.

(3) The department of justice shall retain the permit and plate fees to defray costs of administering 61-4-301 through 61-4-308.

(4) The permit and transit plates or devices expire on December 31 of each year."

SECTION 16. SECTION 61-4-302, MCA, IS AMENDED TO READ:

*61-4-302. One-trip fee in addition to permit and plate fees payable quarterly -- exception. (1) In addition to the permit and plate fees, a permit holder shall pay to the department of justice a one-trip fee of \$5 per driven vehicle. The fee shall be paid within 15 days after the end of the calendar quarter upon forms recommended or supplied by that department.

(2) A person moving new or used mobile homes is not subject to the one-trip fee required by subsection (1)."

Section 17. Section 61-10-203, MCA, is amended to read:

*61-10-203. Alternative gross weight fees on truck trailer motortrucks and truck tractors with special trailer combinations. (1) In addition to other fees for the licensing of vehicles, there ~~may~~ must be paid and collected annually ~~instead of the fees provided in 61-10-201,~~ for each motortruck or truck tractor operating under the provisions of 61-10-124(6) and (7), based upon the maximum combined gross loaded weight of a truck tractor ~~with a semitrailer, a truck tractor with a semitrailer and a full trailer, a motortruck and a trailer,~~ or a motortruck and trailers, as set by the licensee in his the application, the following fees:

Schedule III II

~~Truck tractor with a semitrailer, a truck tractor with a semitrailer and a full trailer, a motortruck and a trailer,~~

or a motortruck and trailers:

Up to 42,000 lbs	\$ 571.00
42,001 to 44,000 lbs	631.00
44,001 to 46,000 lbs	691.00
46,001 to 48,000 lbs	752.00
48,001 to 50,000 lbs	812.00
50,001 to 52,000 lbs	871.00
52,001 to 54,000 lbs	931.00
54,001 to 56,000 lbs	992.00
56,001 to 58,000 lbs	1,052.00
58,001 to 60,000 lbs	1,112.00
60,001 to 62,000 lbs	1,172.00
62,001 to 64,000 lbs	1,233.00
64,001 to 66,000 lbs	1,293.00
66,001 to 68,000 lbs	1,352.00
68,001 to 70,000 lbs	1,412.00
70,001 to 72,000 lbs	1,473.00
72,001 to 74,000 lbs	1,533.00
74,001 to 76,000 lbs	1,593.00
76,001 to 78,000 lbs	1,653.00
78,001 and over	65.50

per ton or fraction thereof.

~~(2) Payment of the fees provided in this section exempts a semitrailer or trailer in combination with a motortruck or truck tractor so licensed from the fees~~

~~provided in 61-3-701, 61-10-202, 61-10-210, and 61-10-211.~~

(3)(2) The trailers or semitrailers must be currently registered in another country, state, or county.

~~(4) A trailer or semitrailer entering the state in combination with a truck or truck tractor licensed under the above schedule or a trailer or semitrailer registered to a Montana-based carrier with trucks or truck tractors licensed under the above schedule may be moved in the local delivery zone within a 15-mile radius of the city or town in combination with a truck or truck tractor, licensed under 61-10-201, without payment of any additional fees on the truck or truck tractor, trailer, or semitrailer.~~

Section 18. Section 61-10-206, MCA, is amended to read:

"61-10-206. **Special fees -- certain farm vehicles.** (1)

Except for motortrucks owned and operated by cooperative associations or cooperative marketing associations, there ~~shall must~~ be paid and collected annually a fee equal to ~~16%~~ 35% of the fees provided in Schedule I and Schedule II above on:

(a) ~~motortrucks, trailers, and semitrailers~~ owned and operated by ranchers or farmers in the transportation of their own ranch, farm, orchard, or dairy products from point of production to market, or of supplies, commodities, or equipment to be used on the ranch, farm, orchard, or dairy, or in the infrequent or seasonal transportation by one

farmer for another for any purpose other than commercial hire of products of the farm, orchard, or dairy, or of supplies or commodities to be used on the farm, orchard, or dairy, and on;

(b) one truck tractor and lowboy trailer used by contractors engaged exclusively in soil conservation work and land leveling activities that result in direct benefit to agriculture; and

(c) fertilizer spreader trucks and spreader trailers used exclusively to transport and apply fertilizer to agricultural fields and plots.

(2) The applicant under the fertilizer exception for special fees under subsection (1)(c) shall show, when the fee is paid as provided in 61-10-222, a valid fertilizer dealer license issued by the department of agriculture as provided in 80-10-202.

(3) ~~However, the~~ The minimum fee ~~so paid shall be~~ is \$6. ~~The terms "trailers and semitrailers" as used herein shall not include farm wagons.~~

Section 19. Section 61-10-209, MCA, is amended to read:

"61-10-209. **Monthly payment -- quarterly payment -- penalty for failure to pay fee.** (1) When the gross weight of a vehicle exceeds 24,000 pounds, the gross weight or special fees for trucks, trailers, tractors, ~~pole trailers,~~ or semitrailers buses may be paid for a 1-month period for

one-twelfth the regular fee or for a 3-month period for one-fourth the regular fee at the beginning of any quarter of the calendar year. For each fee so paid other than at the time of payment of the annual vehicle registration fee, an additional fee of \$5 ~~shall~~ must be charged. The department may adopt rules relative to the issuance and display of certificates or insignia, which ~~shall~~ must state the months for which the vehicle is licensed.

(2) A vehicle licensed under this section may not be operated over the public highways after the expiration of:

(a) the 1-month period until the owner pays the required fee for a license for an additional 1-month or 3-month period or for the remainder of the year; or

(b) the 3-month period unless the owner or operator of the vehicle, within 10 calendar days or 7 business days as provided by law, whichever is greater, pays the required fee for a license for an additional 1-month or 3-month period or for the remainder of the year.

(3) A person who operates a vehicle upon the public highways in violation of subsection (2) is guilty of a misdemeanor. In addition ~~he shall be~~ the person is required to purchase a gross weight license for the vehicle involved at the fee covering an entire year's license for operation of the vehicle less the fees for the period of the year already paid.

(4) ~~If, within 5 days thereafter-no~~ after a requirement under subsection (3) is applicable, a license for a full year has not been purchased as required, the Montana highway patrol, county sheriff, or city police may impound the vehicle in the manner which that is directed for these cases by the department until the requirement is met."

Section 20. Section 61-12-201, MCA, is amended to read:

"61-12-201. Appointment of employees as peace officers.

The director of transportation may appoint employees of the department as peace officers to carry out this part. The employees appointed may include only those employees of the department who are employed in the administration of the gross-vehicle-weight motor carrier services functions of the department. Each employee appointed ~~shall~~ must be issued a certificate of appointment and execute an oath of office, which ~~shall~~ must be entered into the records of the department."

Section 21. Section 61-12-206, MCA, is amended to read:

"61-12-206. Offenses for which arrest authorized. (1) Employees appointed under 61-12-201 may make arrests for violations of the following statutory provisions only:

- (a) part 1, chapter 10, of this title;
- (b) part 3, chapter 4, of this title;
- (c) sections 15-24-201 through 15-24-205;
- (d) sections 15-70-302 through 15-70-307;

1 (e) sections 15-70-311 through 15-70-314;
2 (f) sections 15-71-101 through 15-71-105;
3 (g) section 61-3-502(1);
4 (h) sections 61-10-201, 61-10-203, 61-10-206,
5 61-10-209, and 61-10-211 through 61-10-215;
6 (i) sections 61-10-222 through 61-10-224;
7 (j) sections 61-10-231 through 61-10-233.
8 (2) These employees may not arrest for violations other
9 than specified in this section."
10 **NEW SECTION. Section 22. Repealer.** Sections 61-10-202,
11 61-10-204, 61-10-205, 61-10-207, 61-10-208, and 61-10-210,
12 MCA, are repealed.
13 **NEW SECTION. Section 23. Codification instruction.**
14 [Section 9] is intended to be codified as an integral part
15 of Title 15, chapter 24, and the provisions of Title 15,
16 chapter 24, apply to [section 9].
17 **NEW SECTION. Section 24. Effective date.** [This act] is
18 effective January 1, 1994.

-End-

1 HOUSE BILL NO. 651

2 INTRODUCED BY WANZENRIED, HARP, GILBERT

3 BY REQUEST OF THE DEPARTMENT OF TRANSPORTATION

4
5 A BILL FOR AN ACT ENTITLED: "AN ACT RESTRUCTURING THE FEE
6 TABLES AND FEE CLASSES FOR GROSS VEHICLE WEIGHT FEES;
7 ELIMINATING THE PROPERTY TAX ON TRAILERS AND SEMITRAILERS
8 LICENSED FOR 26,000 POUNDS OR MORE; LEVYING A 45-MILL LEVY
9 ON TRUCKS AND TRUCK TRACTORS OVER 26,000 POUNDS; PROVIDING
10 FOR THE DISTRIBUTION OF THE FUNDS RAISED FROM THE MILL LEVY;
11 INCREASING THE TAX ON GASOLINE-AND SPECIAL FUELS FROM 20
12 CENTS PER GALLON TO 20.75 CENTS PER GALLON; PROVIDING FOR
13 BUSES TO BE TAXED BY GROSS WEIGHT RATHER THAN BY SEATS;
14 INCLUDING FERTILIZER SPREADERS IN THE AGRICULTURAL FEE
15 CLASS; REVISING TRANSIT FEES; CORRECTING REFERENCES TO THE
16 MOTOR CARRIER SERVICES DIVISION; INCREASING THE WEIGHT
17 THRESHOLD FOR VEHICLES REQUIRED TO ENTER WEIGH STATIONS;
18 AMENDING SECTIONS 15-6-138, 15-6-201, ~~15-70-204~~, 15-70-311,
19 15-70-321, 15-71-102, 61-1-134, 61-3-321, 61-3-502,
20 61-3-521, 61-4-301, 61-4-302, 61-10-124, 61-10-141,
21 61-10-201, 61-10-203, 61-10-206, 61-10-209, 61-12-201, AND
22 61-12-206, MCA; REPEALING SECTIONS 61-10-202, 61-10-204,
23 61-10-205, 61-10-207, 61-10-208, AND 61-10-210, MCA; AND
24 PROVIDING A DELAYED EFFECTIVE DATE."
25

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

2 Section 1. Section 15-6-138, MCA, is amended to read:

3 "15-6-138. Class eight property -- description --
4 taxable percentage. (1) Class eight property includes:

5 (a) all agricultural implements and equipment;

6 (b) all mining machinery, fixtures, equipment, tools
7 that are not exempt under 15-6-201(1)(r), and supplies
8 except those included in class five;9 (c) all manufacturing machinery, fixtures, equipment,
10 tools that are not exempt under 15-6-201(1)(r), and supplies
11 except those included in class five;12 (d) all trailers and semitrailers, including those
13 prorated under 15-24-102, except those subject to taxation
14 under 61-3-504(2) or exempt under 15-6-201(1)(v);15 (e) all goods and equipment intended for rent or lease,
16 except goods and equipment specifically included and taxed
17 in another class;18 (f) buses and trucks having a rated capacity of more
19 than 1 ton, including those prorated under 15-24-102;

20 (g) truck toppers weighing more than 300 pounds;

21 (h) furniture, fixtures, and equipment, except that
22 specifically included in another class, used in commercial
23 establishments as defined in this section;

24 (i) x-ray and medical and dental equipment;

25 (j) citizens' band radios and mobile telephones;

(k) radio and television broadcasting and transmitting equipment;

(l) cable television systems;

(m) coal and ore haulers;

(n) theater projectors and sound equipment; and

(o) all other property not included in any other class in this part, except that property subject to a fee in lieu of a property tax.

(2) As used in this section, "coal and ore haulers" means nonhighway vehicles that exceed 18,000 pounds per axle and that are primarily designed and used to transport coal, ore, or other earthen material in a mining or quarrying environment.

(3) "Commercial establishment" includes any hotel; motel; office; petroleum marketing station; or service, wholesale, retail, or food-handling business.

(4) Class eight property is taxed at 9% of its market value."

Section 2. Section 15-6-201, MCA, is amended to read:

"15-6-201. **Exempt categories.** (1) The following categories of property are exempt from taxation:

(a) the property of:

(i) the United States, the state, counties, cities, towns, school districts, except, if congress passes legislation that allows the state to tax property owned by

an agency created by congress to transmit or distribute electrical energy, the property constructed, owned, or operated by a public agency created by the congress to transmit or distribute electric energy produced at privately owned generating facilities (not including rural electric cooperatives);

(ii) irrigation districts organized under the laws of Montana and not operating for profit;

(iii) municipal corporations; and

(iv) public libraries; AND

(V) RURAL FIRE DISTRICTS AND OTHER ENTITIES PROVIDING FIRE PROTECTION UNDER TITLE 7, CHAPTER 33;

(b) buildings, with land they occupy and furnishings therein in the buildings, owned by a church and used for actual religious worship or for residences of the clergy, together with adjacent land reasonably necessary for convenient use of the buildings;

(c) property used exclusively for agricultural and horticultural societies, for educational purposes, and for nonprofit health care facilities, as defined in 50-5-101, licensed by the department of health and environmental sciences and organized under Title 35, chapter 2 or 3. A health care facility that is not licensed by the department of health and environmental sciences and organized under Title 35, chapter 2 or 3, is not exempt.

1 (d) property that meets the following conditions:

2 (i) is owned and held by any association or corporation
3 organized under Title 35, chapter 2, 3, 20, or 21;

4 (ii) is devoted exclusively to use in connection with a
5 cemetery or cemeteries for which a permanent care and
6 improvement fund has been established as provided for in
7 Title 35, chapter 20, part 3; and

8 (iii) is not maintained and operated for private or
9 corporate profit;

10 (e) property owned by institutions of purely public
11 charity and directly used for purely public charitable
12 purposes;

13 (f) evidence of debt secured by mortgages of record
14 upon real or personal property in the state of Montana;

15 (g) public museums, art galleries, zoos, and
16 observatories not used or held for private or corporate
17 profit;

18 (h) all household goods and furniture, including but
19 not limited to clocks, musical instruments, sewing machines,
20 and wearing apparel of members of the family, used by the
21 owner for personal and domestic purposes or for furnishing
22 or equipping the family residence;

23 (i) a truck canopy cover or topper weighing less than
24 300 pounds and having no accommodations attached. This
25 property is also exempt from taxation under 61-3-504(2) and

1 61-3-537.

2 (j) a bicycle, as defined in 61-1-123, used by the
3 owner for personal transportation purposes;

4 (k) motor homes, travel trailers, and campers;

5 (l) all watercraft;

6 (m) motor vehicles, land, fixtures, buildings, and
7 improvements owned by a cooperative association or nonprofit
8 corporation organized to furnish potable water to its
9 members or customers for uses other than the irrigation of
10 agricultural land;

11 (n) the right of entry that is a property right
12 reserved in land or received by mesne conveyance (exclusive
13 of leasehold interests), devise, or succession to enter land
14 whose surface title is held by another to explore, prospect,
15 or dig for oil, gas, coal, or minerals;

16 (o) property owned and used by a corporation or
17 association organized and operated exclusively for the care
18 of the developmentally disabled, mentally ill, or
19 vocationally handicapped as defined in 18-5-101, which is
20 not operated for gain or profit, and property owned and used
21 by an organization owning and operating facilities for the
22 care of the retired, aged, or chronically ill, which are not
23 operated for gain or profit;

24 (p) all farm buildings with a market value of less than
25 \$500 and all agricultural implements and machinery with a

1 market value of less than \$100;

2 (q) property owned by a nonprofit corporation organized
3 to provide facilities primarily for training and practice
4 for or competition in international sports and athletic
5 events and not held or used for private or corporate gain or
6 profit. For purposes of this subsection (q), "nonprofit
7 corporation" means an organization exempt from taxation
8 under section 501(c) of the Internal Revenue Code and
9 incorporated and admitted under the Montana Nonprofit
10 Corporation Act.

11 (r) provided the tools are owned by the taxpayer, the
12 first \$15,000 or less of market value of tools that are
13 customarily hand-held and that are used to:

14 (i) construct, repair, and maintain improvements to
15 real property; or

16 (ii) repair and maintain machinery, equipment,
17 appliances, or other personal property;

18 (s) harness, saddlery, and other tack equipment;

19 (t) a title plant owned by a title insurer or a title
20 insurance producer, as those terms are defined in 33-25-105;
21 and

22 (u) beginning January 1, 1994, timber as defined in
23 15-44-102; and

24 (v) all trailers and semitrailers with a licensed gross
25 weight of 26,000 pounds or more. FOR PURPOSES OF THIS

1 SUBSECTION (V), THE TERMS "TRAILER" AND "SEMITRAILER" MEAN A
2 VEHICLE WITH OR WITHOUT MOTIVE POWER THAT IS:

3 (I) DESIGNED AND USED ONLY FOR CARRYING PROPERTY;

4 (II) DESIGNED AND USED TO BE DRAWN BY A MOTOR VEHICLE;

5 AND

6 (III) EITHER CONSTRUCTED SO THAT NO PART OF ITS WEIGHT
7 RESTS UPON THE TOWING VEHICLE OR CONSTRUCTED SO THAT SOME
8 PART OF ITS WEIGHT AND THE WEIGHT OF ITS LOAD RESTS UPON OR
9 IS CARRIED BY ANOTHER VEHICLE.

10 (2) (a) The term "institutions of purely public
11 charity" includes any organization that meets the following
12 requirements:

13 (i) The organization qualifies as a tax-exempt
14 organization under the provisions of section 501(c)(3),
15 Internal Revenue Code, as amended.

16 (ii) The organization accomplishes its activities
17 through absolute gratuity or grants; however, the
18 organization may solicit or raise funds by the sale of
19 merchandise, memberships, or tickets to public performances
20 or entertainment or by other similar types of fundraising
21 activities.

22 (b) For the purposes of subsection (1)(g), the term
23 "public museums, art galleries, zoos, and observatories"
24 means governmental entities or nonprofit organizations whose
25 principal purpose is to hold property for public display or

for use as a museum, art gallery, zoo, or observatory. The exempt property includes all real and personal property reasonably necessary for use in connection with the public display or observatory use. Unless the property is leased for a profit to a governmental entity or nonprofit organization by an individual or for-profit organization, real and personal property owned by other persons is exempt if it is:

(i) actually used by the governmental entity or nonprofit organization as a part of its public display;

(ii) held for future display; or

(iii) used to house or store a public display.

(3) The following portions of the appraised value of a capital investment made after January 1, 1979, in a recognized nonfossil form of energy generation or low emission wood or biomass combustion devices, as defined in 15-32-102, are exempt from taxation for a period of 10 years following installation of the property:

(a) \$20,000 in the case of a single-family residential dwelling;

(b) \$100,000 in the case of a multifamily residential dwelling or a nonresidential structure."

Section 3. ~~Section 15-70-204, MCA, is amended to read:~~

~~"15-70-204. Gasoline license tax-----rate. (1) Every distributor shall pay to the department of transportation a~~

~~license tax for the privilege of engaging in and carrying on business in this state in an amount equal to 1 cent for each gallon of aviation gasoline, which shall must be allocated to the department of transportation as provided by 67-1-301, as amended, and 20 20.75 cents for each gallon of all other gasoline distributed by him the distributor within the state and upon which the gasoline license tax has not been paid by any other distributor.~~

~~(2) Gasoline exported shall may not be included in the measure of the distributor's license tax.~~

~~(3) Alcohol that is blended or is to be blended with gasoline to be sold as gasohol is subject to a tax per gallon equal to the license tax imposed on nonaviation gasoline distributors under subsection (1)."~~

Section 3. Section 15-70-311, MCA, is amended to read:

"15-70-311. Special fuel user's temporary trip permits -- nonresident agricultural harvesting equipment special fuel permit. (1) Any person operating a special fuel-powered vehicle upon the public roads and highways of this state who fails or neglects to carry in the vehicle a valid special fuel vehicle permit or registration card indicating the special fuel use permit number, as provided by 15-70-302, shall be is required to purchase a special fuel user's temporary trip permit. The permits will must be issued by scale house personnel, gross vehicle weight patrol crews

motor carrier services division personnel, Montana highway patrol officers, and such other enforcing agents as that the department may prescribe by order or rule.

(2) Any nonresident upon entering the state with agricultural harvesting equipment powered by special fuel and operating upon the public roads and highways of this state who fails or neglects to carry in or on equipment a valid special fuel vehicle permit, as provided by 15-70-302, ~~shall--be~~ is required to purchase a nonresident agricultural harvesting equipment special fuel permit. The permit ~~will~~ must be issued by scale house personnel, ~~gross-vehicle weight--patrol--crews~~ motor carrier services division personnel, Montana highway patrol officers, and such other enforcing agents as that the department may prescribe by order or rule."

Section 4. Section 15-70-321, MCA, is amended to read:

"15-70-321. Tax on diesel fuel and volatile liquids. The department shall, under the provisions of rules issued by it, collect or cause to be collected from the owners or operators of motor vehicles a tax in an amount equal to 20.75 cents for each gallon of diesel fuel or other volatile liquid, except liquid petroleum gas, of less than 46 degrees A.P.I. (American petroleum institute) gravity test when actually sold or used to produce motor power to propel motor vehicles upon the public highways or streets within the

state or used in motor vehicles, motorized equipment, and the internal combustion of ~~any-and--all~~ engines, including stationary engines, used in connection with ~~any-and--all~~ work performed under ~~any--and--all~~ contracts pertaining to the construction, reconstruction, or improvement of any a highway or street and their its appurtenances awarded by any ~~and--all~~ public agencies, including federal, state, county, municipal, or other political subdivisions."

Section 5. Section 15-71-102, MCA, is amended to read:

"15-71-102. Temporary trip permit required. (1) Upon entering the state, a nonresident operating any motor vehicle powered by liquefied petroleum gas is required to purchase a liquid petroleum gas temporary trip permit. The permits ~~will~~ must be issued by scale house personnel, ~~gross vehicle-weight-patrol-crews~~ motor carrier services division personnel, Montana highway patrol officers, and such other enforcing agents as that the department of transportation may prescribe.

(2) A temporary liquid petroleum gas permit ~~shall--cost~~ costs \$20. The permit is valid for a period of time not to exceed 72 hours and ~~will--be~~ is automatically void if the vehicle leaves the state during this period. Special liquid petroleum gas permits, remittance forms, and any other papers necessary for the enforcement of this chapter ~~shall~~ must be furnished by the department."

Section 6. Section 61-1-134, MCA, is amended to read:

"61-1-134. Commercial motor vehicle defined -- exceptions. (1) "Commercial motor vehicle" means a motor vehicle used to transport passengers or property if the vehicle:

(a) has a gross vehicle weight of 26,001 pounds or more;

(b) is designed to transport more than 15 passengers, including the driver; or

(c) is used to transport hazardous material.

(2) Commercial motor vehicles under this section do not include vehicles operated within the state of Montana that are:

(a) registered as paying the ~~16~~ 35 gross weight fee under 61-10-206;

(b) used for firefighting and that are bearing Montana tax-exempt plates; or

(c) police emergency response and safety education units.

(3) Vehicles that are operated within the state of Montana by farmers or persons employed by farmers who are transporting farm products or farm supplies and that are operated within 150 miles of the farm headquarters are not considered commercial motor vehicles under this section."

Section 7. Section 61-3-321, MCA, is amended to read:

"61-3-321. Registration fees of vehicles -- public-owned vehicles exempt from license or registration fees -- disposition of fees. (1) Registration or license fees must be paid upon registration or reregistration of motor vehicles, trailers, house trailers, and semitrailers, in accordance with this chapter, as follows:

(a) motor vehicles weighing 2,850 pounds or under (other than motor trucks), \$5;

(b) motor vehicles weighing over 2,850 pounds (other than motor trucks), \$10;

(c) electrically driven passenger vehicles, \$10;

(d) all motorcycles and quadricycles, \$2;

(e) tractors and/or trucks, \$10;

(f) buses are classed as motor trucks and licensed accordingly;

(g) trailers and semitrailers less than 2,500 pounds maximum gross loaded weight and house trailers of all weights, \$2;

(h) trailers and semitrailers over 2,500 up to 6,000 pounds maximum gross loaded weight (except house trailers), \$5;

(i) trailers and semitrailers over 6,000 pounds maximum gross loaded weight, \$10, except trailers and semitrailers registered in other jurisdictions and registered through a proportional registration agreement;

(j) trailers used exclusively in the transportation of logs in the forest or in the transportation of oil and gas well machinery, road machinery, or bridge materials, new and secondhand, \$15 annually, regardless of size or capacity.

(2) All rates are 25% higher for motor vehicles, trailers, and semitrailers not equipped with pneumatic tires.

(3) "Tractor", as specified in this section, means any motor vehicle, except passenger cars, used for towing a trailer or semitrailer.

(4) If any motor vehicle, housetrailer, trailer, or semitrailer is originally registered 6 months after the time of registration as set by law, the registration or license fee for the remainder of the year is one-half of the regular fee.

(5) An additional fee of \$5.25 per year for each registration of a vehicle, except trailers and semitrailers registered in other jurisdictions and registered through a proportional registration agreement, must be collected as a registration fee. Revenue from this fee must be forwarded by the respective county treasurers to the state treasurer for deposit in the general fund. The department shall distribute 25 cents from the motor vehicle registration fee for payment of supplemental benefits provided for in 19-6-709.

(6) A fee of \$2 for each set of new number plates must

be collected when number plates provided for under 61-3-332(3) are issued. Revenue from this fee must be deposited as provided in subsection (5).

(7) The provisions of this part with respect to the payment of registration fees do not apply to and are not binding upon motor vehicles, trailers or semitrailers, or tractors owned or controlled by the United States of America or any state, county, or city.

(8) The provisions of this section relating to the payment of registration fees or new number plate fees do not apply when number plates are transferred to a replacement vehicle under 61-3-317, 61-3-332, or 61-3-335."

NEW SECTION. Section 8. Tax levy on trucks and truck tractors over 26,000 pounds. In addition to all other levies, including those under part 1, there is levied upon the taxable value of all trucks and truck tractors of 26,000 pounds or more licensed weight or gross vehicle weight 45 mills to offset the decrease in the amount of property tax caused by the exemption in 15-6-201(1)(v). The funds raised from the levy must be distributed in the relative proportions required by the levies for state, county, school district, and municipal purposes in the same manner as personal property taxes are distributed.

Section 9. Section 61-3-502, MCA, is amended to read:

"61-3-502. (Temporary) Sales tax on new motor vehicles

-- exemptions. (1) In consideration of the right to use the highways of the state, there is imposed a tax upon all sales of new motor vehicles, excluding trailers, semitrailers, and housetrailer, for which a license is sought and an original application for title is made. The tax must be paid by the purchaser when he the purchaser applies for his an original Montana license through the county treasurer.

(2) Except as provided in subsections (4) and (5), the sales tax is:

(a) 1 1/2% of the f.o.b. factory list price or f.o.b. port-of-entry list price, during the first quarter of the year or for a registration period other than a calendar year or calendar quarter;

(b) 1 1/8% of the list price during the second quarter of the year;

(c) 3/4 of 1% during the third quarter of the year;

(d) 3/8 of 1% during the fourth quarter of the year.

(3) If the manufacturer or importer fails to furnish the f.o.b. factory list price or f.o.b. port-of-entry list price, the department may use published price lists.

(4) The new car sales tax on vehicles subject to the provisions of 61-3-313 through 61-3-316 is 1 1/2% of the f.o.b. factory list price or f.o.b. port-of-entry list price regardless of the month in which the new vehicle is purchased.

(5) The sales tax on new motor vehicles registered as part of a fleet under 61-3-318 is 3/4 of 1% of the f.o.b. factory list price or f.o.b. port-of-entry list price.

(6) Except as provided in 61-3-551, the proceeds from this tax must be remitted to the state treasurer every 30 days for credit to the state highway account of the state special revenue fund. The county treasurer shall retain 5% of the taxes collected to pay for the cost of administration.

(7) The new vehicle is not subject to any other assessment, fee in lieu of tax, or tax during the calendar year in which the original application for title is made.

(8) (a) The applicant for original registration of any new and unused motor vehicle, or a new motor vehicle furnished without charge by a dealer to a school district for use as a traffic education motor vehicle by a school district operating a state-approved traffic education program within the state, whether or not previously licensed or titled to the school district (except a mobile home as defined in 15-1-101(1)), acquired by original contract after January 1 of any year, is required, whenever the vehicle has not been otherwise assessed, to pay the motor vehicle sales tax provided by this section irrespective of whether the vehicle was in the state of Montana on January 1 of the year.

1 (b) No A motor vehicle may not be registered or
 2 licensed under the provisions of this subsection unless the
 3 application for registration is accompanied by a statement
 4 of origin to be furnished by the dealer selling the vehicle,
 5 showing that the vehicle has not previously been registered
 6 or owned, except as otherwise provided herein in this
 7 section, by any person, firm, corporation, or association
 8 that is not a new motor vehicle dealer holding a franchise
 9 or distribution agreement from a new car manufacturer,
 10 distributor, or importer.

11 (9) (a) Motor vehicles operating exclusively for
 12 transportation of persons for hire within the limits of
 13 incorporated cities or towns and within 15 miles from such
 14 the limits are exempt from subsection (1).

15 (b) Motor vehicles brought or driven into Montana by a
 16 nonresident, migratory, bona fide agricultural worker
 17 temporarily employed in agricultural work in this state
 18 where those motor vehicles are used exclusively for
 19 transportation of agricultural workers are also exempt from
 20 subsection (1).

21 (c) Vehicles lawfully displaying a licensed dealer's
 22 plate as provided in 61-4-103 are exempt from subsection (1)
 23 when moving to or from a dealer's place of business when
 24 unloaded or loaded with dealer's property only, and in the
 25 case of vehicles having a gross loaded weight of less than

1 24,000 pounds, while being demonstrated in the course of the
 2 dealer's business.

3 61-3-502. (Effective on receipt of taxes or fees for
 4 September 1993) Sales tax on new motor vehicles --
 5 exemptions. (1) In consideration of the right to use the
 6 highways of the state, there is imposed a tax upon all sales
 7 of new motor vehicles, excluding trailers, semitrailers, and
 8 housetrailers, for which a license is sought and an original
 9 application for title is made. The tax must be paid by the
 10 purchaser when he the purchaser applies for his an original
 11 Montana license through the county treasurer.

12 (2) Except as provided in subsections (4) and (5), the
 13 sales tax is:

14 (a) 1 1/2% of the f.o.b. factory list price or f.o.b.
 15 port-of-entry list price, during the first quarter of the
 16 year or for a registration period other than a calendar year
 17 or calendar quarter;

18 (b) 1 1/8% of the list price during the second quarter
 19 of the year;

20 (c) 3/4 of 1% during the third quarter of the year;

21 (d) 3/8 of 1% during the fourth quarter of the year.

22 (3) If the manufacturer or importer fails to furnish
 23 the f.o.b. factory list price or f.o.b. port-of-entry list
 24 price, the department may use published price lists.

25 (4) The new car sales tax on vehicles subject to the

provisions of 61-3-313 through 61-3-316 is 1 1/2% of the f.o.b. factory list price or f.o.b. port-of-entry list price regardless of the month in which the new vehicle is purchased.

(5) The sales tax on new motor vehicles registered as part of a fleet under 61-3-318 is 3/4 of 1% of the f.o.b. factory list price or f.o.b. port-of-entry list price.

(6) The proceeds from this tax must be remitted to the state treasurer every 30 days for credit to the state highway account of the state special revenue fund. The county treasurer shall retain 5% of the taxes collected to pay for the cost of administration.

(7) The new vehicle is not subject to any other assessment, fee in lieu of tax, or tax during the calendar year in which the original application for title is made.

(8) (a) The applicant for original registration of any new and unused motor vehicle, or a new motor vehicle furnished without charge by a dealer to a school district for use as a traffic education motor vehicle by a school district operating a state-approved traffic education program within the state, whether or not previously licensed or titled to the school district (except a mobile home as defined in 15-1-101(1)), acquired by original contract after January 1 of any year, is required, whenever the vehicle has not been otherwise assessed, to pay the motor vehicle sales

tax provided by this section irrespective of whether the vehicle was in the state of Montana on January 1 of the year.

(b) No A motor vehicle may not be registered or licensed under the provisions of this subsection unless the application for registration is accompanied by a statement of origin to be furnished by the dealer selling the vehicle, showing that the vehicle has not previously been registered or owned, except as otherwise provided herein in this section, by any person, firm, corporation, or association that is not a new motor vehicle dealer holding a franchise or distribution agreement from a new car manufacturer, distributor, or importer.

(9) (a) Motor vehicles operating exclusively for transportation of persons for hire within the limits of incorporated cities or towns and within 15 miles from such the limits are exempt from subsection (1).

(b) Motor vehicles brought or driven into Montana by a nonresident, migratory, bona fide agricultural worker temporarily employed in agricultural work in this state where those motor vehicles are used exclusively for transportation of agricultural workers are also exempt from subsection (1).

(c) Vehicles lawfully displaying a licensed dealer's plate as provided in 61-4-103 are exempt from subsection (1)

when moving to or from a dealer's place of business when unloaded or loaded with dealer's property only, and in the case of vehicles having a gross loaded weight of less than 24,000 pounds, while being demonstrated in the course of the dealer's business."

Section 10. Section 61-3-521, MCA, is amended to read:

"61-3-521. Fee in lieu of tax for certain vehicles. (1) There is a fee in lieu of property tax imposed on motor homes, travel trailers, and campers. The fee is in addition to annual registration fees.

~~{2}--The--provisions--of--61-10-208--do--not--apply--to--a vehicle--that--qualifies--under--subsection--(1)--above.~~

~~{3}~~(2) The fee imposed by subsection (1) above need not be paid by a dealer for vehicles that constitute inventory of the dealership."

Section 11. Section 61-10-124, MCA, is amended to read:

"61-10-124. Special permits -- fee -- cranes. (1) As used in this section, "crane" means a self-propelled single-unit vehicle consisting of not more than four axles and used for raising, shifting, and lowering heavy weights by means of a projecting swinging arm.

(2) Except as provided in subsections (3)(b), (3)(d), and (6), in addition to the regular registration and gross vehicle weight fees, a fee of \$10 for each trip permit and a fee of \$75 for each term permit issued for size and weight

in excess of that specified in 61-10-101 through 61-10-110 must be paid for all movements under special permits on the public highways under the jurisdiction of the department of transportation.

(3) (a) Except as provided in subsections (3)(b), (3)(d), (6), and (7), term or blanket permits may not be issued for an overwidth vehicle, combination of vehicles, load, or other thing in excess of 15 feet; an overlength vehicle, combination of vehicles, load, object, or other thing in excess of 95 feet; and an overheight vehicle, combination of vehicles, load, or other thing in excess of 14 feet, or of a limit determined by the department. A vehicle, combination of vehicles, load, or other thing in excess of these dimensions is limited to trip permits. A Rocky Mountain double may not exceed 81 feet in combined trailer length, and the long semitrailer cargo unit of the combination may not exceed 48 feet in length. A Rocky Mountain double is not subject to a combination length limit. Special permits for vehicle combinations of more than two trailers or more than two units designed for or used to carry a load are not permitted except as provided in subsections (6) and (7). Special permits for vehicle combinations may specify and special permits under subsections (6) and (7) must specify highway routing and otherwise limit or prescribe conditions of operation of the

1 vehicle or combination, including but not limited to
2 required equipment, speed, stability, operational
3 procedures, and insurance.

4 (b) A term permit may be issued to a dealer in
5 implements of husbandry and self-propelled machinery for an
6 overwidth or overlength vehicle referred to in subsection
7 (3)(a). The fee for this permit is \$75. This permit covers a
8 period of 1 year and expires on December 31 of each year
9 with no grace period.

10 (c) With payment of the appropriate gross weight fees
11 required by 61-10-201 and ~~61-10-202~~ and with payment of the
12 fee prescribed in subsection (2), allowable gross weight of
13 a five-axle combination logging vehicle is 80,000 pounds.

14 (d) A term permit may be issued for any combination of
15 vehicles that exceeds 95 feet in length but does not exceed
16 100 feet in combination length, except a
17 truck-trailer-trailer or a truck
18 tractor-semitrailer-trailer-trailer combination, for travel
19 only on highways that are part of the federal-aid interstate
20 system, as defined in 60-1-103, or on other highways within
21 a 2-mile radius of an interchange on the interstate system
22 in order to obtain necessary services or to load or unload
23 at a terminal. When a terminal is beyond a 2-mile radius,
24 the department may authorize travel between the terminal and
25 the interchange. The fee for this permit is \$125.

1 (4) Except as provided in subsection (3)(b), a permit
2 may not be issued for a period of time greater than the
3 period for which the GVW license is valid as provided in
4 this title, including grace periods allowed by this title.
5 Owners of vehicles licensed in other jurisdictions may, at
6 the discretion of the department of transportation, purchase
7 permits to expire with their registration. A license
8 required by the state governs the issuance of a special
9 permit.

10 (5) The owner or operator of a crane with a gross
11 vehicle weight of less than 80,000 pounds may purchase a
12 30-day special permit for overweight if the crane has a
13 current special mobile equipment identification plate and if
14 the department of transportation has approved the
15 configuration of the crane through a weight analysis
16 completed within the same calendar year. The permit is not
17 transferable, and the fee for the permit is \$200.

18 (6) The department may issue special permits to the
19 operating company for a truck-trailer-trailer or truck
20 tractor-semitrailer-trailer-trailer combination of vehicles
21 under the following conditions:

22 (a) the combination may be operated only on highways
23 that are part of the federal-aid interstate system as
24 defined in 60-1-103 and within a 2-mile radius of an
25 interchange on the interstate system on other highways only

1 in order to obtain necessary services or to load or unload
2 at a terminal. When a terminal is beyond a 2-mile radius,
3 the department may authorize travel between the terminal and
4 the interchange.

5 (b) a combination of vehicles powered by a cab-over
6 (tilt cab) type truck-tractor or a truck may not exceed
7 overall length of 105 feet, inclusive of front and rear
8 bumpers and overhang;

9 (c) a combination of vehicles powered by a conventional
10 truck-tractor may not exceed overall length of 110 feet,
11 inclusive of front and rear bumpers and overhang;

12 (d) no an individual cargo unit of the combination may
13 not exceed 28 1/2 feet in length and 102 inches in width;

14 (e) gross weight fees under 61-10-203 must be paid on
15 the truck or truck tractor for the declared registered gross
16 weight of the special vehicle combination, but not to exceed
17 the formula in 61-10-107;

18 (f) the combination must have a restricted route permit
19 under 61-10-107(3) and a special overlength permit issued at
20 a fee of \$200 for a term permit or \$20 for each trip permit;

21 (g) travel of the combination may be restricted to
22 specific routes, hours of operation, specific days, or
23 seasonal periods; and

24 (h) the department may enforce any other restrictions
25 determined by the department to be necessary. The permit is

1 not transferable, and the fee for the permit is \$200.

2 (7) The department of transportation may issue special
3 permits under subsection (6) for vehicle combinations
4 consisting of a truck-trailer-trailer if:

5 (a) the vehicle combination's overall length inclusive
6 of front and rear bumpers is not more than 95 feet;

7 (b) a person, firm, or corporation applying for a
8 permit under this subsection (7) operated the
9 truck-trailer-trailer combination before July 1, 1987;

10 (c) truck-trailer-trailer operations are restricted to
11 the specified routes those vehicles operated on before July
12 1, 1987; and

13 (d) a person, firm, or corporation applying for a
14 permit provides the department of transportation with an
15 affidavit designating the routes the vehicle operated on
16 before July 1, 1987."

17 **Section 12.** Section 61-10-141, MCA, is amended to read:

18 "61-10-141. Officers authorized to weigh vehicles and
19 require removal of excessive loads -- enforcement of motor
20 carrier safety standards -- duty to obtain bills of lading
21 for agricultural seeds. (1) A peace officer, officer of the
22 highway patrol, or employee of the department of
23 transportation may weigh any vehicle regulated by 61-10-101
24 through 61-10-110, except recreational vehicles as defined
25 in 61-1-132, either by means of portable or stationary

scales, and may require that the vehicle be driven to the nearest scales if those scales are within 2 miles. That person may then require the driver to unload immediately that portion of the load necessary to decrease the weight of the vehicle to conform to the maximum allowable weights specified in 61-10-101 through 61-10-110.

(2) Commodities and material unloaded as required by this section ~~shall~~ must be cared for and removed from the highway right-of-way by the owner or operator of the vehicle at the risk of that owner or operator. The removal ~~shall~~ must be within a reasonable time designated by the person who has compelled the unloading.

(3) The department of transportation may establish, maintain, and operate weigh stations, either intermittently or on a continuous schedule, and may require vehicles, except passenger cars and pickup trucks under ~~8,000~~ 14,000 pounds G.V.W. and recreational vehicles as defined in 61-1-132 (that are not new or used recreational vehicles traveling into or through Montana for delivery to a distributor or a dealer), to enter for the purpose of weighing and inspection for compliance with all laws pertaining to their operation and safety requirements. The department may require vehicles over 10,000 pounds to be inspected and weighed by portable scale crews.

(4) The department of transportation shall work with

the highway patrol in the enforcement of safety standards adopted pursuant to 44-1-1005. For the purposes of the joint enforcement, the highway patrol is designated as the lead agency. The highway patrol and the department of transportation shall cooperate to assure minimum duplication and maximum coordination of enforcement effort.

(5) In order to enforce compliance with safety standards adopted pursuant to 44-1-1005, the department of transportation shall designate employees as peace officers. The designated employees must be employed in the administration of the ~~gross--vehicle-weight~~ motor carrier services functions of the department of transportation. Each employee designated as a peace officer may:

(a) issue citations and make arrests in connection with violations of safety standards adopted under 44-1-1005;

(b) issue summons;

(c) accept bail;

(d) serve warrants for arrest;

(e) make reasonable inspections of cargo carried by commercial motor vehicles;

(f) make reasonable safety inspections of commercial motor vehicles utilized by motor carriers; and

(g) require production of documents relating to the cargo, driver, routing, or ownership of such the vehicles.

(6) In addition to other enforcement duties assigned

under this section, an employee of the department of transportation has:

(a) the same authority to enforce provisions of the motor carriers law as that granted the public service commission under 69-12-203; and

(b) the duty to secure or make copies, or both, of all bills of lading or other evidence of delivery for shipment of agricultural seeds as defined in 80-5-120 that have been sold or are intended for sale in Montana and to forward the copies to the department of agriculture within 24 hours of the date the bill of lading was obtained."

Section 13. Section 61-10-201, MCA, is amended to read:

"61-10-201. Gross weight fees on motortrucks and, truck tractors, and buses. In addition to other fees for the licensing of vehicles and except as provided in 61-10-203, there shall must be paid and collected annually for each truck, and truck tractor, and bus, based upon the maximum gross loaded weight thereof and the maximum gross weight of any towed unit of each truck and truck tractor as set by the licensee in his the licensee's application, the following fees:

Schedule I

Up to 6,000 lbs.	\$ 7.50
6,001 through 8,000 lbs.	12.50 9.50
8,001 through 10,000 lbs.	17.50 13.25

10,001 through 12,000 lbs.	20.00 15.00
12,001 through 14,000 lbs.	22.50 17.00
14,001 through 16,000 lbs.	27.50 21.00
16,001 through 18,000 lbs.	37.50 28.00
18,001 through 20,000 lbs.	50.00 37.50
20,001 through 22,000 lbs.	62.50 47.00
22,001 through 24,000 lbs.	93.75 70.00
24,001 through 26,000 lbs.	125.00 90.00
26,001 through 28,000 lbs.	156.25 110.00
28,001 through 30,000 lbs.	206.25 130.00
30,001 through 32,000 lbs.	262.50 150.00
32,001 through 34,000 lbs.	318.75 170.00
34,001 through 36,000 lbs.	375.00 190.00
36,001 through 38,000 lbs.	431.25 215.00
38,001 through 40,000 lbs.	487.50 235.00
40,001 through 42,000 lbs.	543.75 255.00
42,001 through 44,000 lbs.	275.00
44,001 through 46,000 lbs.	300.00
46,001 through 48,000 lbs.	320.00
48,001 through 50,000 lbs.	340.00
50,001 through 52,000 lbs.	360.00
52,001 through 54,000 lbs.	380.00
54,001 through 56,000 lbs.	400.00
56,001 through 58,000 lbs.	420.00
58,001 through 60,000 lbs.	440.00

1	<u>60,001 through 62,000 lbs.</u>	<u>460.00</u>
2	<u>62,001 through 64,000 lbs.</u>	<u>482.50</u>
3	<u>64,001 through 66,000 lbs.</u>	<u>502.50</u>
4	<u>66,001 through 68,000 lbs.</u>	<u>522.50</u>
5	<u>68,001 through 70,000 lbs.</u>	<u>545.75</u>
6	<u>70,001 through 72,000 lbs.</u>	<u>566.50</u>
7	<u>72,001 through 74,000 lbs.</u>	<u>607.50</u>
8	<u>74,001 through 76,000 lbs.</u>	<u>655.00</u>
9	<u>76,001 through 78,000 lbs.</u>	<u>695.00</u>
10	<u>78,001 through 80,000 lbs.</u>	<u>750.00</u>
11	Over 42,000 <u>80,000</u> lbs. and within the weight limits	
12	specified in 61-10-101 through 61-10-110 ... 62.50 <u>750.00</u>	
13	plus an additional <u>46.00</u>	
14	per for each ton or fraction thereof	
15	of a ton in excess of <u>80,000 lbs.</u> "	

SECTION 14. SECTION 61-4-301, MCA, IS AMENDED TO READ:

"61-4-301. Permit and transit plates for new vehicles being transported by driveway or towaway methods -- used mobiles homes. (1) (a) A person, firm, partnership, or corporation, regularly and lawfully engaged in the transportation of new vehicles over the highways of this state from manufacturing or assembly points to agents of manufacturers and dealers in this state or in other states, territories, or foreign countries or provinces by the driveway or towaway methods, where the vehicles being

driven, towed, or transported by the saddle-mount, towbar or full-mount methods, or a lawful combination of these methods, will be transported over the highways of the state but once, may annually apply to the department of justice for a permit to use the highways of this state and shall pay, upon filing the application, a fee of \$100. Upon processing of the application, that department shall issue an annual permit to the applicant.

(b) A person moving used mobile homes from a point outside the state to a point inside the state may apply to the department for the permit authorized pursuant to subsection (1)(a).

(2) The permitholder may also apply to the department of justice for a sufficient number of distinctive transit plates or devices showing the permit number for identification of the vehicles being transported by the permitholder, and the plates or devices may be used on a vehicle being driven, towed, or transported by and under the control of the permitholder. That department shall collect the additional sum of \$1 for each pair of transit plates or devices applied for and issued.

(3) The department of justice shall retain the permit and plate fees to defray costs of administering 61-4-301 through 61-4-308.

(4) The permit and transit plates or devices expire on

December 31 of each year."

SECTION 15. SECTION 61-4-302, MCA, IS AMENDED TO READ:

"61-4-302. One-trip fee in addition to permit and plate fees payable quarterly -- exception. (1) In addition to the permit and plate fees, a permit holder shall pay to the department of justice a one-trip fee of \$5 per driven vehicle. The fee shall be paid within 15 days after the end of the calendar quarter upon forms recommended or supplied by that department.

(2) A person moving new or used mobile homes is not subject to the one-trip fee required by subsection (1)."

Section 16. Section 61-10-203, MCA, is amended to read:

"61-10-203. Alternative gross weight fees on truck trailer motortrucks and truck tractors with special trailer combinations. (1) In addition to other fees for the licensing of vehicles, there may must be paid and collected annually instead of the fees provided in 61-10-201, for each motortruck or truck tractor operating under the provisions of 61-10-124(6) and (7), based upon the maximum combined gross loaded weight of a truck tractor with-a-semitrailer, a truck--tractor--with--a--semitrailer--and--a--full-trailer, a motortruck-and-a-trailer, or a motortruck and trailers, as set by the licensee in his the application, the following fees:

Schedule ~~III~~ II

Truck tractor with-a-semitrailer, a-truck-tractor-with-a semitrailer-and-a-full-trailer, a-motortruck-and-a--trailer, or a motortruck and trailers:

Up to 42,000 lbs	\$ 571.00
42,001 to 44,000 lbs	631.00
44,001 to 46,000 lbs	691.00
46,001 to 48,000 lbs	752.00
48,001 to 50,000 lbs	812.00
50,001 to 52,000 lbs	871.00
52,001 to 54,000 lbs	931.00
54,001 to 56,000 lbs	992.00
56,001 to 58,000 lbs	1,052.00
58,001 to 60,000 lbs	1,112.00
60,001 to 62,000 lbs	1,172.00
62,001 to 64,000 lbs	1,233.00
64,001 to 66,000 lbs	1,293.00
66,001 to 68,000 lbs	1,352.00
68,001 to 70,000 lbs	1,412.00
70,001 to 72,000 lbs	1,473.00
72,001 to 74,000 lbs	1,533.00
74,001 to 76,000 lbs	1,593.00
76,001 to 78,000 lbs	1,653.00
78,001 and over	65.50

per ton or fraction thereof.

~~(2) --Payment--of--the--fees--provided--in--this--section~~

exempts--a--semitrailer--or--trailer--in--combination-with-a
 motortruck--or--truck--tractor--so--licensed--from--the--fees
 provided-in-61-3-701, 61-10-202, 61-10-210, and 61-10-211.

{3}(2) The trailers or semitrailers must be currently
 registered in another country, state, or county.

{4}--A-trailer-or--semitrailer--entering--the--state--in
 combination-with-a-truck-or-truck-tractor-licensed-under-the
 above--schedule--or-a-trailer-or-semitrailer-registered-to-a
 Montana-based-carrier-with-trucks-or-truck-tractors-licensed
 under-the-above-schedule-may-be-moved-in-the-local--delivery
 zone--within--a--15-mile--radius--of--the--city--or--town-in
 combination-with-a-truck-or-truck-tractor--licensed--under
 61-10-201,--without--payment--of--any-additional-fees-on-the
 truck-or-truck-tractor, trailer, or semitrailer."

Section 17. Section 61-10-206, MCA, is amended to read:

"61-10-206. Special fees -- certain farm vehicles. (1)

Except for motortrucks owned and operated by cooperative
 associations or cooperative marketing associations, there
 shall must be paid and collected annually a fee equal to 16%
 35% of the fees provided in Schedule I and Schedule II above
 on:

(a) motortrucks, trailers, and semitrailers owned and
 operated by ranchers or farmers in the transportation of
 their own ranch, farm, orchard, or dairy products from point
 of production to market, or of supplies, commodities, or

equipment to be used on the ranch, farm, orchard, or dairy,
 or in the infrequent or seasonal transportation by one
 farmer for another for any purpose other than commercial
 hire of products of the farm, orchard, or dairy, or of
 supplies or commodities to be used on the farm, orchard, or
 dairy, and on;

(b) one truck tractor and lowboy trailer used by
 contractors engaged exclusively in soil conservation work
 and land leveling activities that result in direct benefit
 to agriculture; and

(c) fertilizer spreader trucks and spreader trailers
used exclusively to transport and apply fertilizer to
agricultural fields and plots.

(2) The applicant under the fertilizer exception for
special fees under subsection (1)(c) shall show, when the
fee is paid as provided in 61-10-222, a valid fertilizer
dealer license issued by the department of agriculture as
provided in 80-10-202.

(3) However, the The minimum fee so paid--shall--be is
\$6. The--terms--"trailers--and--semitrailers"--as--used--herein
shall--not--include--farm--wagons--"

Section 18. Section 61-10-209, MCA, is amended to read:

"61-10-209. Monthly payment -- quarterly payment --
 penalty for failure to pay fee. (1) When the gross weight of
 a vehicle exceeds 24,000 pounds, the gross weight or special

fees for trucks, trailers, tractors, ~~pole--trailers~~, or semitrailers buses may be paid for a 1-month period for one-twelfth the regular fee or for a 3-month period for one-fourth the regular fee at the beginning of any quarter of the calendar year. For each fee so paid other than at the time of payment of the annual vehicle registration fee, an additional fee of \$5 ~~shall~~ must be charged. The department may adopt rules relative to the issuance and display of certificates or insignia, which ~~shall~~ must state the months for which the vehicle is licensed.

(2) A vehicle licensed under this section may not be operated over the public highways after the expiration of:

(a) the 1-month period until the owner pays the required fee for a license for an additional 1-month or 3-month period or for the remainder of the year; or

(b) the 3-month period unless the owner or operator of the vehicle, within 10 calendar days or 7 business days as provided by law, whichever is greater, pays the required fee for a license for an additional 1-month or 3-month period or for the remainder of the year.

(3) A person who operates a vehicle upon the public highways in violation of subsection (2) is guilty of a misdemeanor. In addition ~~he shall be~~ the person is required to purchase a gross weight license for the vehicle involved at the fee covering an entire year's license for operation

of the vehicle less the fees for the period of the year already paid.

(4) If, within 5 days thereafter ~~no~~ after a requirement under subsection (3) is applicable, a license for a full year has not been purchased as required, the Montana highway patrol, county sheriff, or city police may impound the vehicle in the manner which that is directed for these cases by the department until the requirement is met."

Section 19. Section 61-12-201, MCA, is amended to read:

"61-12-201. Appointment of employees as peace officers.

The director of transportation may appoint employees of the department as peace officers to carry out this part. The employees appointed may include only those employees of the department who are employed in the administration of the gross-vehicle-weight motor carrier services functions of the department. Each employee appointed ~~shall~~ must be issued a certificate of appointment and execute an oath of office, which ~~shall~~ must be entered into the records of the department."

Section 20. Section 61-12-206, MCA, is amended to read:

"61-12-206. Offenses for which arrest authorized. (1)

Employees appointed under 61-12-201 may make arrests for violations of the following statutory provisions only:

(a) part 1, chapter 10, of this title;

(b) part 3, chapter 4, of this title;

- 1 (c) sections 15-24-201 through 15-24-205;
2 (d) sections 15-70-302 through 15-70-307;
3 (e) sections 15-70-311 through 15-70-314;
4 (f) sections 15-71-101 through 15-71-105;
5 (g) section 61-3-502(1);
6 (h) sections 61-10-201, 61-10-203, 61-10-206,
7 61-10-209, and 61-10-211 through 61-10-215;
8 (i) sections 61-10-222 through 61-10-224;
9 (j) sections 61-10-231 through 61-10-233.
10 (2) These employees may not arrest for violations other
11 than specified in this section."

12 NEW SECTION. Section 21. Repealer. Sections 61-10-202,
13 61-10-204, 61-10-205, 61-10-207, 61-10-208, and 61-10-210,
14 MCA, are repealed.

15 NEW SECTION. Section 22. Codification instruction.
16 [Section 9 8] is intended to be codified as an integral part
17 of Title 15, chapter 24, and the provisions of Title 15,
18 chapter 24, apply to [section 9 8].

19 NEW SECTION. Section 23. Effective date. [This act] is
20 effective January 1, 1994.


-End-

SENATE STANDING COMMITTEE REPORT

Page 1 of 1
April 8, 1993

MR. PRESIDENT:

We, your committee on Taxation having had under consideration House Bill No. 651 (third reading copy -- blue), respectfully report that House Bill No. 651 be amended as follows and as so amended be concurred in.

Signed: 

Senator Mike Halligan, Chair

That such amendments read:

1. Page 41.

Following: line 18

Insert: "NEW SECTION. Section 23. Coordination instruction. (1)

If House Bill No. 572 is not passed and approved, then [this act] is void.

(2) If Senate Bill No. 257 is passed and approved and if it amends 15-70-321 to increase the tax on diesel fuel and volatile liquids, then:

(a) [section 4 of this act] is void; and

(b) the tax rates in Senate Bill No. 257 are increased by 3/4 cent on January 1, 1994."

Renumber: subsequent section

-END-

SENATE

HB 651

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AMW

Amd. Coord.

Sec. of Senate

Harp

Senator Carrying Bill

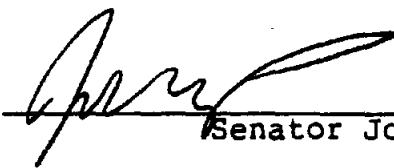
SENATE COMMITTEE OF THE WHOLE AMENDMENT

April 13, 1993 7:59 am

Mr. Chairman: I move to amend House Bill No. 651 (third reading copy -- blue).

ADOPT

REJECT

Signed: 

Senator John Harp

That such amendments read:

Amend Senate Committee on Taxation amendment dated April 8, 1993, as follows:

Amendment No. 1

Following: "tax rates" in subsection (2)(b)

Insert: "on diesel fuel and volatile liquids imposed by 15-70-321"

-END-

HB 651

SENATE

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HOUSE BILL NO. 651

INTRODUCED BY WANZENRIED, HARP, GILBERT
BY REQUEST OF THE DEPARTMENT OF TRANSPORTATION

A BILL FOR AN ACT ENTITLED: "AN ACT RESTRUCTURING THE FEE TABLES AND FEE CLASSES FOR GROSS VEHICLE WEIGHT FEES; ELIMINATING THE PROPERTY TAX ON TRAILERS AND SEMITRAILERS LICENSED FOR 26,000 POUNDS OR MORE; LEVYING A 45-MILL LEVY ON TRUCKS AND TRUCK TRACTORS OVER 26,000 POUNDS; PROVIDING FOR THE DISTRIBUTION OF THE FUNDS RAISED FROM THE MILL LEVY; INCREASING THE TAX ON GASOLINE-AND SPECIAL FUELS FROM 20 CENTS PER GALLON TO 20.75 CENTS PER GALLON; PROVIDING FOR BUSES TO BE TAXED BY GROSS WEIGHT RATHER THAN BY SEATS; INCLUDING FERTILIZER SPREADERS IN THE AGRICULTURAL FEE CLASS; REVISING TRANSIT FEES; CORRECTING REFERENCES TO THE MOTOR CARRIER SERVICES DIVISION; INCREASING THE WEIGHT THRESHOLD FOR VEHICLES REQUIRED TO ENTER WEIGH STATIONS; AMENDING SECTIONS 15-6-138, 15-6-201, ~~15-70-204~~, 15-70-311, 15-70-321, 15-71-102, 61-1-134, 61-3-321, 61-3-502, 61-3-521, 61-4-301, 61-4-302, 61-10-124, 61-10-141, 61-10-201, 61-10-203, 61-10-206, 61-10-209, 61-12-201, AND 61-12-206, MCA; REPEALING SECTIONS 61-10-202, 61-10-204, 61-10-205, 61-10-207, 61-10-208, AND 61-10-210, MCA; AND PROVIDING A DELAYED EFFECTIVE DATE."

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

Section 1. Section 15-6-138, MCA, is amended to read:

"15-6-138. Class eight property -- description -- taxable percentage. (1) Class eight property includes:

(a) all agricultural implements and equipment;

(b) all mining machinery, fixtures, equipment, tools that are not exempt under 15-6-201(1)(r), and supplies except those included in class five;

(c) all manufacturing machinery, fixtures, equipment, tools that are not exempt under 15-6-201(1)(r), and supplies except those included in class five;

(d) all trailers and semitrailers, including those prorated under 15-24-102, except those subject to taxation under 61-3-504(2) or exempt under 15-6-201(1)(v);

(e) all goods and equipment intended for rent or lease, except goods and equipment specifically included and taxed in another class;

(f) buses and trucks having a rated capacity of more than 1 ton, including those prorated under 15-24-102;

(g) truck toppers weighing more than 300 pounds;

(h) furniture, fixtures, and equipment, except that specifically included in another class, used in commercial establishments as defined in this section;

(i) x-ray and medical and dental equipment;

(j) citizens' band radios and mobile telephones;

(k) radio and television broadcasting and transmitting equipment;

(l) cable television systems;

(m) coal and ore haulers;

(n) theater projectors and sound equipment; and

(o) all other property not included in any other class in this part, except that property subject to a fee in lieu of a property tax.

(2) As used in this section, "coal and ore haulers" means nonhighway vehicles that exceed 18,000 pounds per axle and that are primarily designed and used to transport coal, ore, or other earthen material in a mining or quarrying environment.

(3) "Commercial establishment" includes any hotel; motel; office; petroleum marketing station; or service, wholesale, retail, or food-handling business.

(4) Class eight property is taxed at 9% of its market value."

Section 2. Section 15-6-201, MCA, is amended to read:

"15-6-201. **Exempt categories.** (1) The following categories of property are exempt from taxation:

(a) the property of:

(i) the United States, the state, counties, cities, towns, school districts, except, if congress passes legislation that allows the state to tax property owned by

an agency created by congress to transmit or distribute electrical energy, the property constructed, owned, or operated by a public agency created by the congress to transmit or distribute electric energy produced at privately owned generating facilities (not including rural electric cooperatives);

(ii) irrigation districts organized under the laws of Montana and not operating for profit;

(iii) municipal corporations; and

(iv) public libraries; AND

(V) RURAL FIRE DISTRICTS AND OTHER ENTITIES PROVIDING FIRE PROTECTION UNDER TITLE 7, CHAPTER 33;

(b) buildings, with land they occupy and furnishings therein in the buildings, owned by a church and used for actual religious worship or for residences of the clergy, together with adjacent land reasonably necessary for convenient use of the buildings;

(c) property used exclusively for agricultural and horticultural societies, for educational purposes, and for nonprofit health care facilities, as defined in 50-5-101, licensed by the department of health and environmental sciences and organized under Title 35, chapter 2 or 3. A health care facility that is not licensed by the department of health and environmental sciences and organized under Title 35, chapter 2 or 3, is not exempt.

1 (d) property that meets the following conditions:

2 (i) is owned and held by any association or corporation

3 organized under Title 35, chapter 2, 3, 20, or 21;

4 (ii) is devoted exclusively to use in connection with a

5 cemetery or cemeteries for which a permanent care and

6 improvement fund has been established as provided for in

7 Title 35, chapter 20, part 3; and

8 (iii) is not maintained and operated for private or

9 corporate profit;

10 (e) property owned by institutions of purely public

11 charity and directly used for purely public charitable

12 purposes;

13 (f) evidence of debt secured by mortgages of record

14 upon real or personal property in the state of Montana;

15 (g) public museums, art galleries, zoos, and

16 observatories not used or held for private or corporate

17 profit;

18 (h) all household goods and furniture, including but

19 not limited to clocks, musical instruments, sewing machines,

20 and wearing apparel of members of the family, used by the

21 owner for personal and domestic purposes or for furnishing

22 or equipping the family residence;

23 (i) a truck canopy cover or topper weighing less than

24 300 pounds and having no accommodations attached. This

25 property is also exempt from taxation under 61-3-504(2) and

1 61-3-537.

2 (j) a bicycle, as defined in 61-1-123, used by the

3 owner for personal transportation purposes;

4 (k) motor homes, travel trailers, and campers;

5 (l) all watercraft;

6 (m) motor vehicles, land, fixtures, buildings, and

7 improvements owned by a cooperative association or nonprofit

8 corporation organized to furnish potable water to its

9 members or customers for uses other than the irrigation of

10 agricultural land;

11 (n) the right of entry that is a property right

12 reserved in land or received by mesne conveyance (exclusive

13 of leasehold interests), devise, or succession to enter land

14 whose surface title is held by another to explore, prospect,

15 or dig for oil, gas, coal, or minerals;

16 (o) property owned and used by a corporation or

17 association organized and operated exclusively for the care

18 of the developmentally disabled, mentally ill, or

19 vocationally handicapped as defined in 18-5-101, which is

20 not operated for gain or profit, and property owned and used

21 by an organization owning and operating facilities for the

22 care of the retired, aged, or chronically ill, which are not

23 operated for gain or profit;

24 (p) all farm buildings with a market value of less than

25 \$500 and all agricultural implements and machinery with a

market value of less than \$100;

(q) property owned by a nonprofit corporation organized to provide facilities primarily for training and practice for or competition in international sports and athletic events and not held or used for private or corporate gain or profit. For purposes of this subsection (q), "nonprofit corporation" means an organization exempt from taxation under section 501(c) of the Internal Revenue Code and incorporated and admitted under the Montana Nonprofit Corporation Act.

(r) provided the tools are owned by the taxpayer, the first \$15,000 or less of market value of tools that are customarily hand-held and that are used to:

(i) construct, repair, and maintain improvements to real property; or

(ii) repair and maintain machinery, equipment, appliances, or other personal property;

(s) harness, saddlery, and other tack equipment;

(t) a title plant owned by a title insurer or a title insurance producer, as those terms are defined in 33-25-105; and

(u) beginning January 1, 1994, timber as defined in 15-44-102; and

(v) all trailers and semitrailers with a licensed gross weight of 26,000 pounds or more. FOR PURPOSES OF THIS

SUBSECTION (V), THE TERMS "TRAILER" AND "SEMITRAILER" MEAN A VEHICLE WITH OR WITHOUT MOTIVE POWER THAT IS:

(I) DESIGNED AND USED ONLY FOR CARRYING PROPERTY;

(II) DESIGNED AND USED TO BE DRAWN BY A MOTOR VEHICLE;

AND

(III) EITHER CONSTRUCTED SO THAT NO PART OF ITS WEIGHT RESTS UPON THE TOWING VEHICLE OR CONSTRUCTED SO THAT SOME PART OF ITS WEIGHT AND THE WEIGHT OF ITS LOAD RESTS UPON OR IS CARRIED BY ANOTHER VEHICLE.

(2) (a) The term "institutions of purely public charity" includes any organization that meets the following requirements:

(i) The organization qualifies as a tax-exempt organization under the provisions of section 501(c)(3), Internal Revenue Code, as amended.

(ii) The organization accomplishes its activities through absolute gratuity or grants; however, the organization may solicit or raise funds by the sale of merchandise, memberships, or tickets to public performances or entertainment or by other similar types of fundraising activities.

(b) For the purposes of subsection (1)(g), the term "public museums, art galleries, zoos, and observatories" means governmental entities or nonprofit organizations whose principal purpose is to hold property for public display or

for use as a museum, art gallery, zoo, or observatory. The exempt property includes all real and personal property reasonably necessary for use in connection with the public display or observatory use. Unless the property is leased for a profit to a governmental entity or nonprofit organization by an individual or for-profit organization, real and personal property owned by other persons is exempt if it is:

(i) actually used by the governmental entity or nonprofit organization as a part of its public display;

(ii) held for future display; or

(iii) used to house or store a public display.

(3) The following portions of the appraised value of a capital investment made after January 1, 1979, in a recognized nonfossil form of energy generation or low emission wood or biomass combustion devices, as defined in 15-32-102, are exempt from taxation for a period of 10 years following installation of the property:

(a) \$20,000 in the case of a single-family residential dwelling;

(b) \$100,000 in the case of a multifamily residential dwelling or a nonresidential structure."

Section 3. ~~Section 15-70-204, MCA, is amended to read:~~

~~"15-70-204. Gasoline license tax. --- rate. --- (1) Every distributor shall pay to the department of transportation a~~

~~license tax for the privilege of engaging in and carrying on business in this state in an amount equal to 1 cent for each gallon of aviation gasoline, which shall must be allocated to the department of transportation as provided by 67-1-301, as amended, and 20 20.75 cents for each gallon of all other gasoline distributed by him the distributor within the state and upon which the gasoline license tax has not been paid by any other distributor.~~

~~(2) Gasoline exported shall may not be included in the measure of the distributor's license tax.~~

~~(3) Alcohol that is blended or is to be blended with gasoline to be sold as gasohol is subject to a tax per gallon equal to the license tax imposed on nonaviation gasoline distributors under subsection (1)."~~

Section 3. Section 15-70-311, MCA, is amended to read:

"15-70-311. Special fuel user's temporary trip permits -- nonresident agricultural harvesting equipment special fuel permit. (1) Any person operating a special fuel-powered vehicle upon the public roads and highways of this state who fails or neglects to carry in the vehicle a valid special fuel vehicle permit or registration card indicating the special fuel use permit number, as provided by 15-70-302, shall be is required to purchase a special fuel user's temporary trip permit. The permits will must be issued by scale house personnel, gross vehicle weight patrol crews

1 motor carrier services division personnel, Montana highway
2 patrol officers, and such other enforcing agents as that the
3 department may prescribe by order or rule.

4 (2) Any nonresident upon entering the state with
5 agricultural harvesting equipment powered by special fuel
6 and operating upon the public roads and highways of this
7 state who fails or neglects to carry in or on equipment a
8 valid special fuel vehicle permit, as provided by 15-70-302,
9 ~~shall--be~~ is required to purchase a nonresident agricultural
10 harvesting equipment special fuel permit. The permit ~~will~~
11 must be issued by scale house personnel, ~~gross-vehicle~~
12 ~~weight--patrol--crews~~ motor carrier services division
13 personnel, Montana highway patrol officers, and such other
14 enforcing agents as that the department may prescribe by
15 order or rule."

16 **Section 4.** Section 15-70-321, MCA, is amended to read:

17 "15-70-321. Tax on diesel fuel and volatile liquids.
18 The department shall, under the provisions of rules issued
19 by it, collect or cause to be collected from the owners or
20 operators of motor vehicles a tax in an amount equal to ~~20~~
21 20.75 cents for each gallon of diesel fuel or other volatile
22 liquid, except liquid petroleum gas, of less than 46 degrees
23 A.P.I. (American petroleum institute) gravity test when
24 actually sold or used to produce motor power to propel motor
25 vehicles upon the public highways or streets within the

1 state or used in motor vehicles, motorized equipment, and
2 the internal combustion of ~~any-and--all~~ engines, including
3 stationary engines, used in connection with ~~any-and--all~~ work
4 performed under ~~any--and--all~~ contracts pertaining to the
5 construction, reconstruction, or improvement of ~~any~~ a
6 highway or street and ~~their~~ its appurtenances awarded by ~~any~~
7 ~~and--all~~ public agencies, including federal, state, county,
8 municipal, or other political subdivisions."

9 **Section 5.** Section 15-71-102, MCA, is amended to read:

10 "15-71-102. Temporary trip permit required. (1) Upon
11 entering the state, a nonresident operating any motor
12 vehicle powered by liquefied petroleum gas is required to
13 purchase a liquid petroleum gas temporary trip permit. The
14 permits ~~will~~ must be issued by scale house personnel, ~~gross~~
15 ~~vehicle-weight-patrol-crews~~ motor carrier services division
16 personnel, Montana highway patrol officers, and such other
17 enforcing agents as that the department of transportation
18 may prescribe.

19 (2) A temporary liquid petroleum gas permit ~~shall--cost~~
20 costs \$20. The permit is valid for a period of time not to
21 exceed 72 hours and ~~will--be~~ is automatically void if the
22 vehicle leaves the state during this period. Special liquid
23 petroleum gas permits, remittance forms, and any other
24 papers necessary for the enforcement of this chapter ~~shall~~
25 must be furnished by the department."

1 **Section 6.** Section 61-1-134, MCA, is amended to read:

2 "61-1-134. Commercial motor vehicle defined --
3 exceptions. (1) "Commercial motor vehicle" means a motor
4 vehicle used to transport passengers or property if the
5 vehicle:

6 (a) has a gross vehicle weight of 26,001 pounds or
7 more;

8 (b) is designed to transport more than 15 passengers,
9 including the driver; or

10 (c) is used to transport hazardous material.

11 (2) Commercial motor vehicles under this section do not
12 include vehicles operated within the state of Montana that
13 are:

14 (a) registered as paying the ~~16~~ 35 gross weight fee
15 under 61-10-206;

16 (b) used for firefighting and that are bearing Montana
17 tax-exempt plates; or

18 (c) police emergency response and safety education
19 units.

20 (3) Vehicles that are operated within the state of
21 Montana by farmers or persons employed by farmers who are
22 transporting farm products or farm supplies and that are
23 operated within 150 miles of the farm headquarters are not
24 considered commercial motor vehicles under this section."

25 **Section 7.** Section 61-3-321, MCA, is amended to read:

1 "61-3-321. Registration fees of vehicles --
2 public-owned vehicles exempt from license or registration
3 fees -- disposition of fees. (1) Registration or license
4 fees must be paid upon registration or reregistration of
5 motor vehicles, trailers, housetrailers, and semitrailers,
6 in accordance with this chapter, as follows:

7 (a) motor vehicles weighing 2,850 pounds or under
8 (other than motortrucks), \$5;

9 (b) motor vehicles weighing over 2,850 pounds (other
10 than motortrucks), \$10;

11 (c) electrically driven passenger vehicles, \$10;

12 (d) all motorcycles and quadricycles, \$2;

13 (e) tractors and/or trucks, \$10;

14 (f) buses are classed as motortrucks and licensed
15 accordingly;

16 (g) trailers and semitrailers less than 2,500 pounds
17 maximum gross loaded weight and housetrailers of all
18 weights, \$2;

19 (h) trailers and semitrailers over 2,500 up to 6,000
20 pounds maximum gross loaded weight (except housetrailers),
21 \$5;

22 (i) trailers and semitrailers over 6,000 pounds maximum
23 gross loaded weight, \$10, except trailers and semitrailers
24 registered in other jurisdictions and registered through a
25 proportional registration agreement;

(j) trailers used exclusively in the transportation of logs in the forest or in the transportation of oil and gas well machinery, road machinery, or bridge materials, new and secondhand, \$15 annually, regardless of size or capacity.

(2) All rates are 25% higher for motor vehicles, trailers, and semitrailers not equipped with pneumatic tires.

(3) "Tractor", as specified in this section, means any motor vehicle, except passenger cars, used for towing a trailer or semitrailer.

(4) If any motor vehicle, housetrailer, trailer, or semitrailer is originally registered 6 months after the time of registration as set by law, the registration or license fee for the remainder of the year is one-half of the regular fee.

(5) An additional fee of \$5.25 per year for each registration of a vehicle, except trailers and semitrailers registered in other jurisdictions and registered through a proportional registration agreement, must be collected as a registration fee. Revenue from this fee must be forwarded by the respective county treasurers to the state treasurer for deposit in the general fund. The department shall distribute 25 cents from the motor vehicle registration fee for payment of supplemental benefits provided for in 19-6-709.

(6) A fee of \$2 for each set of new number plates must

be collected when number plates provided for under 61-3-332(3) are issued. Revenue from this fee must be deposited as provided in subsection (5).

(7) The provisions of this part with respect to the payment of registration fees do not apply to and are not binding upon motor vehicles, trailers or semitrailers, or tractors owned or controlled by the United States of America or any state, county, or city.

(8) The provisions of this section relating to the payment of registration fees or new number plate fees do not apply when number plates are transferred to a replacement vehicle under 61-3-317, 61-3-332, or 61-3-335."

NEW SECTION. Section 8. Tax levy on trucks and truck tractors over 26,000 pounds. In addition to all other levies, including those under part 1, there is levied upon the taxable value of all trucks and truck tractors of 26,000 pounds or more licensed weight or gross vehicle weight 45 mills to offset the decrease in the amount of property tax caused by the exemption in 15-6-201(1)(v). The funds raised from the levy must be distributed in the relative proportions required by the levies for state, county, school district, and municipal purposes in the same manner as personal property taxes are distributed.

Section 9. Section 61-3-502, MCA, is amended to read:

"61-3-502. (Temporary) Sales tax on new motor vehicles

-- exemptions. (1) In consideration of the right to use the highways of the state, there is imposed a tax upon all sales of new motor vehicles, excluding trailers, semitrailers, and housetrailer, for which a license is sought and an original application for title is made. The tax must be paid by the purchaser when he the purchaser applies for his an original Montana license through the county treasurer.

(2) Except as provided in subsections (4) and (5), the sales tax is:

(a) 1 1/2% of the f.o.b. factory list price or f.o.b. port-of-entry list price, during the first quarter of the year or for a registration period other than a calendar year or calendar quarter;

(b) 1 1/8% of the list price during the second quarter of the year;

(c) 3/4 of 1% during the third quarter of the year;

(d) 3/8 of 1% during the fourth quarter of the year.

(3) If the manufacturer or importer fails to furnish the f.o.b. factory list price or f.o.b. port-of-entry list price, the department may use published price lists.

(4) The new car sales tax on vehicles subject to the provisions of 61-3-313 through 61-3-316 is 1 1/2% of the f.o.b. factory list price or f.o.b. port-of-entry list price regardless of the month in which the new vehicle is purchased.

(5) The sales tax on new motor vehicles registered as part of a fleet under 61-3-318 is 3/4 of 1% of the f.o.b. factory list price or f.o.b. port-of-entry list price.

(6) Except as provided in 61-3-551, the proceeds from this tax must be remitted to the state treasurer every 30 days for credit to the state highway account of the state special revenue fund. The county treasurer shall retain 5% of the taxes collected to pay for the cost of administration.

(7) The new vehicle is not subject to any other assessment, fee in lieu of tax, or tax during the calendar year in which the original application for title is made.

(8) (a) The applicant for original registration of any new and unused motor vehicle, or a new motor vehicle furnished without charge by a dealer to a school district for use as a traffic education motor vehicle by a school district operating a state-approved traffic education program within the state, whether or not previously licensed or titled to the school district (except a mobile home as defined in 15-1-101(1)), acquired by original contract after January 1 of any year, is required, whenever the vehicle has not been otherwise assessed, to pay the motor vehicle sales tax provided by this section irrespective of whether the vehicle was in the state of Montana on January 1 of the year.

1 (b) No A motor vehicle may not be registered or
 2 licensed under the provisions of this subsection unless the
 3 application for registration is accompanied by a statement
 4 of origin to be furnished by the dealer selling the vehicle,
 5 showing that the vehicle has not previously been registered
 6 or owned, except as otherwise provided herein in this
 7 section, by any person, firm, corporation, or association
 8 that is not a new motor vehicle dealer holding a franchise
 9 or distribution agreement from a new car manufacturer,
 10 distributor, or importer.

11 (9) (a) Motor vehicles operating exclusively for
 12 transportation of persons for hire within the limits of
 13 incorporated cities or towns and within 15 miles from such
 14 the limits are exempt from subsection (1).

15 (b) Motor vehicles brought or driven into Montana by a
 16 nonresident, migratory, bona fide agricultural worker
 17 temporarily employed in agricultural work in this state
 18 where those motor vehicles are used exclusively for
 19 transportation of agricultural workers are also exempt from
 20 subsection (1).

21 (c) Vehicles lawfully displaying a licensed dealer's
 22 plate as provided in 61-4-103 are exempt from subsection (1)
 23 when moving to or from a dealer's place of business when
 24 unloaded or loaded with dealer's property only, and in the
 25 case of vehicles having a gross loaded weight of less than

1 24,000 pounds, while being demonstrated in the course of the
 2 dealer's business.

3 61-3-502. (Effective on receipt of taxes or fees for
 4 September 1993) Sales tax on new motor vehicles --
 5 exemptions. (1) In consideration of the right to use the
 6 highways of the state, there is imposed a tax upon all sales
 7 of new motor vehicles, excluding trailers, semitrailers, and
 8 housetrailer, for which a license is sought and an original
 9 application for title is made. The tax must be paid by the
 10 purchaser when he the purchaser applies for his an original
 11 Montana license through the county treasurer.

12 (2) Except as provided in subsections (4) and (5), the
 13 sales tax is:

14 (a) 1 1/2% of the f.o.b. factory list price or f.o.b.
 15 port-of-entry list price, during the first quarter of the
 16 year or for a registration period other than a calendar year
 17 or calendar quarter;

18 (b) 1 1/8% of the list price during the second quarter
 19 of the year;

20 (c) 3/4 of 1% during the third quarter of the year;

21 (d) 3/8 of 1% during the fourth quarter of the year.

22 (3) If the manufacturer or importer fails to furnish
 23 the f.o.b. factory list price or f.o.b. port-of-entry list
 24 price, the department may use published price lists.

25 (4) The new car sales tax on vehicles subject to the

provisions of 61-3-313 through 61-3-316 is 1 1/2% of the f.o.b. factory list price or f.o.b. port-of-entry list price regardless of the month in which the new vehicle is purchased.

(5) The sales tax on new motor vehicles registered as part of a fleet under 61-3-318 is 3/4 of 1% of the f.o.b. factory list price or f.o.b. port-of-entry list price.

(6) The proceeds from this tax must be remitted to the state treasurer every 30 days for credit to the state highway account of the state special revenue fund. The county treasurer shall retain 5% of the taxes collected to pay for the cost of administration.

(7) The new vehicle is not subject to any other assessment, fee in lieu of tax, or tax during the calendar year in which the original application for title is made.

(8) (a) The applicant for original registration of any new and unused motor vehicle, or a new motor vehicle furnished without charge by a dealer to a school district for use as a traffic education motor vehicle by a school district operating a state-approved traffic education program within the state, whether or not previously licensed or titled to the school district (except a mobile home as defined in 15-1-101(1)), acquired by original contract after January 1 of any year, is required, whenever the vehicle has not been otherwise assessed, to pay the motor vehicle sales

tax provided by this section irrespective of whether the vehicle was in the state of Montana on January 1 of the year.

(b) No A motor vehicle may not be registered or licensed under the provisions of this subsection unless the application for registration is accompanied by a statement of origin to be furnished by the dealer selling the vehicle, showing that the vehicle has not previously been registered or owned, except as otherwise provided herein in this section, by any person, firm, corporation, or association that is not a new motor vehicle dealer holding a franchise or distribution agreement from a new car manufacturer, distributor, or importer.

(9) (a) Motor vehicles operating exclusively for transportation of persons for hire within the limits of incorporated cities or towns and within 15 miles from such the limits are exempt from subsection (1).

(b) Motor vehicles brought or driven into Montana by a nonresident, migratory, bona fide agricultural worker temporarily employed in agricultural work in this state where those motor vehicles are used exclusively for transportation of agricultural workers are also exempt from subsection (1).

(c) Vehicles lawfully displaying a licensed dealer's plate as provided in 61-4-103 are exempt from subsection (1)

when moving to or from a dealer's place of business when unloaded or loaded with dealer's property only, and in the case of vehicles having a gross loaded weight of less than 24,000 pounds, while being demonstrated in the course of the dealer's business."

Section 10. Section 61-3-521, MCA, is amended to read:

"61-3-521. Fee in lieu of tax for certain vehicles. (1)

There is a fee in lieu of property tax imposed on motor homes, travel trailers, and campers. The fee is in addition to annual registration fees.

~~{2}--The--provisions--of--61-10-208--do--not--apply--to--a vehicle--that--qualifies--under--subsection--(1)--above--~~

~~{3}~~(2) The fee imposed by subsection (1) above need not be paid by a dealer for vehicles that constitute inventory of the dealership."

Section 11. Section 61-10-124, MCA, is amended to read:

"61-10-124. Special permits -- fee -- cranes. (1) As used in this section, "crane" means a self-propelled single-unit vehicle consisting of not more than four axles and used for raising, shifting, and lowering heavy weights by means of a projecting swinging arm.

(2) Except as provided in subsections (3)(b), (3)(d), and (6), in addition to the regular registration and gross vehicle weight fees, a fee of \$10 for each trip permit and a fee of \$75 for each term permit issued for size and weight

in excess of that specified in 61-10-101 through 61-10-110 must be paid for all movements under special permits on the public highways under the jurisdiction of the department of transportation.

(3) (a) Except as provided in subsections (3)(b), (3)(d), (6), and (7), term or blanket permits may not be issued for an overwidth vehicle, combination of vehicles, load, or other thing in excess of 15 feet; an overlength vehicle, combination of vehicles, load, object, or other thing in excess of 95 feet; and an overheight vehicle, combination of vehicles, load, or other thing in excess of 14 feet, or of a limit determined by the department. A vehicle, combination of vehicles, load, or other thing in excess of these dimensions is limited to trip permits. A Rocky Mountain double may not exceed 81 feet in combined trailer length, and the long semitrailer cargo unit of the combination may not exceed 48 feet in length. A Rocky Mountain double is not subject to a combination length limit. Special permits for vehicle combinations of more than two trailers or more than two units designed for or used to carry a load are not permitted except as provided in subsections (6) and (7). Special permits for vehicle combinations may specify and special permits under subsections (6) and (7) must specify highway routing and otherwise limit or prescribe conditions of operation of the

1 vehicle or combination, including but not limited to
2 required equipment, speed, stability, operational
3 procedures, and insurance.

4 (b) A term permit may be issued to a dealer in
5 implements of husbandry and self-propelled machinery for an
6 overwidth or overlength vehicle referred to in subsection
7 (3)(a). The fee for this permit is \$75. This permit covers a
8 period of 1 year and expires on December 31 of each year
9 with no grace period.

10 (c) With payment of the appropriate gross weight fees
11 required by 61-10-201 and ~~61-10-202~~ and with payment of the
12 fee prescribed in subsection (2), allowable gross weight of
13 a five-axle combination logging vehicle is 80,000 pounds.

14 (d) A term permit may be issued for any combination of
15 vehicles that exceeds 95 feet in length but does not exceed
16 100 feet in combination length, except a
17 truck-trailer-trailer or a truck
18 tractor-semitrailer-trailer-trailer combination, for travel
19 only on highways that are part of the federal-aid interstate
20 system, as defined in 60-1-103, or on other highways within
21 a 2-mile radius of an interchange on the interstate system
22 in order to obtain necessary services or to load or unload
23 at a terminal. When a terminal is beyond a 2-mile radius,
24 the department may authorize travel between the terminal and
25 the interchange. The fee for this permit is \$125.

1 (4) Except as provided in subsection (3)(b), a permit
2 may not be issued for a period of time greater than the
3 period for which the GVW license is valid as provided in
4 this title, including grace periods allowed by this title.
5 Owners of vehicles licensed in other jurisdictions may, at
6 the discretion of the department of transportation, purchase
7 permits to expire with their registration. A license
8 required by the state governs the issuance of a special
9 permit.

10 (5) The owner or operator of a crane with a gross
11 vehicle weight of less than 80,000 pounds may purchase a
12 30-day special permit for overweight if the crane has a
13 current special mobile equipment identification plate and if
14 the department of transportation has approved the
15 configuration of the crane through a weight analysis
16 completed within the same calendar year. The permit is not
17 transferable, and the fee for the permit is \$200.

18 (6) The department may issue special permits to the
19 operating company for a truck-trailer-trailer or truck
20 tractor-semitrailer-trailer-trailer combination of vehicles
21 under the following conditions:

22 (a) the combination may be operated only on highways
23 that are part of the federal-aid interstate system as
24 defined in 60-1-103 and within a 2-mile radius of an
25 interchange on the interstate system on other highways only

1 in order to obtain necessary services or to load or unload
2 at a terminal. When a terminal is beyond a 2-mile radius,
3 the department may authorize travel between the terminal and
4 the interchange.

5 (b) a combination of vehicles powered by a cab-over
6 (tilt cab) type truck-tractor or a truck may not exceed
7 overall length of 105 feet, inclusive of front and rear
8 bumpers and overhang;

9 (c) a combination of vehicles powered by a conventional
10 truck-tractor may not exceed overall length of 110 feet,
11 inclusive of front and rear bumpers and overhang;

12 (d) no an individual cargo unit of the combination may
13 not exceed 28 1/2 feet in length and 102 inches in width;

14 (e) gross weight fees under 61-10-203 must be paid on
15 the truck or truck tractor for the declared registered gross
16 weight of the special vehicle combination, but not to exceed
17 the formula in 61-10-107;

18 (f) the combination must have a restricted route permit
19 under 61-10-107(3) and a special overlength permit issued at
20 a fee of \$200 for a term permit or \$20 for each trip permit;

21 (g) travel of the combination may be restricted to
22 specific routes, hours of operation, specific days, or
23 seasonal periods; and

24 (h) the department may enforce any other restrictions
25 determined by the department to be necessary. The permit is

1 not transferable, and the fee for the permit is \$200.

2 (7) The department of transportation may issue special
3 permits under subsection (6) for vehicle combinations
4 consisting of a truck-trailer-trailer if:

5 (a) the vehicle combination's overall length inclusive
6 of front and rear bumpers is not more than 95 feet;

7 (b) a person, firm, or corporation applying for a
8 permit under this subsection (7) operated the
9 truck-trailer-trailer combination before July 1, 1987;

10 (c) truck-trailer-trailer operations are restricted to
11 the specified routes those vehicles operated on before July
12 1, 1987; and

13 (d) a person, firm, or corporation applying for a
14 permit provides the department of transportation with an
15 affidavit designating the routes the vehicle operated on
16 before July 1, 1987."

17 **Section 12.** Section 61-10-141, MCA, is amended to read:

18 "61-10-141. Officers authorized to weigh vehicles and
19 require removal of excessive loads -- enforcement of motor
20 carrier safety standards -- duty to obtain bills of lading
21 for agricultural seeds. (1) A peace officer, officer of the
22 highway patrol, or employee of the department of
23 transportation may weigh any vehicle regulated by 61-10-101
24 through 61-10-110, except recreational vehicles as defined
25 in 61-1-132, either by means of portable or stationary

scales, and may require that the vehicle be driven to the nearest scales if those scales are within 2 miles. That person may then require the driver to unload immediately that portion of the load necessary to decrease the weight of the vehicle to conform to the maximum allowable weights specified in 61-10-101 through 61-10-110.

(2) Commodities and material unloaded as required by this section ~~shall~~ must be cared for and removed from the highway right-of-way by the owner or operator of the vehicle at the risk of that owner or operator. The removal ~~shall~~ must be within a reasonable time designated by the person who has compelled the unloading.

(3) The department of transportation may establish, maintain, and operate weigh stations, either intermittently or on a continuous schedule, and may require vehicles, except passenger cars and pickup trucks under 8,000 14,000 pounds G.V.W. and recreational vehicles as defined in 61-1-132 (that are not new or used recreational vehicles traveling into or through Montana for delivery to a distributor or a dealer), to enter for the purpose of weighing and inspection for compliance with all laws pertaining to their operation and safety requirements. The department may require vehicles over 10,000 pounds to be inspected and weighed by portable scale crews.

(4) The department of transportation shall work with

the highway patrol in the enforcement of safety standards adopted pursuant to 44-1-1005. For the purposes of the joint enforcement, the highway patrol is designated as the lead agency. The highway patrol and the department of transportation shall cooperate to assure minimum duplication and maximum coordination of enforcement effort.

(5) In order to enforce compliance with safety standards adopted pursuant to 44-1-1005, the department of transportation shall designate employees as peace officers. The designated employees must be employed in the administration of the ~~gross--vehicle-weight~~ motor carrier services functions of the department of transportation. Each employee designated as a peace officer may:

(a) issue citations and make arrests in connection with violations of safety standards adopted under 44-1-1005;

(b) issue summons;

(c) accept bail;

(d) serve warrants for arrest;

(e) make reasonable inspections of cargo carried by commercial motor vehicles;

(f) make reasonable safety inspections of commercial motor vehicles utilized by motor carriers; and

(g) require production of documents relating to the cargo, driver, routing, or ownership of ~~such~~ the vehicles.

(6) In addition to other enforcement duties assigned

under this section, an employee of the department of transportation has:

(a) the same authority to enforce provisions of the motor carriers law as that granted the public service commission under 69-12-203; and

(b) the duty to secure or make copies, or both, of all bills of lading or other evidence of delivery for shipment of agricultural seeds as defined in 80-5-120 that have been sold or are intended for sale in Montana and to forward the copies to the department of agriculture within 24 hours of the date the bill of lading was obtained."

Section 13. Section 61-10-201, MCA, is amended to read:

"61-10-201. Gross weight fees on motortrucks and, truck tractors, and buses. In addition to other fees for the licensing of vehicles and except as provided in 61-10-203, there shall must be paid and collected annually for each truck, and truck tractor, and bus, based upon the maximum gross loaded weight thereof and the maximum gross weight of any towed unit of each truck and truck tractor as set by the licensee in his the licensee's application, the following fees:

Schedule I

Up to 6,000 lbs.	\$ 7.50
6,001 through 8,000 lbs.	12.50 <u>9.50</u>
8,001 through 10,000 lbs.	17.50 <u>13.25</u>

10,001 through 12,000 lbs.	20.00 <u>15.00</u>
12,001 through 14,000 lbs.	22.50 <u>17.00</u>
14,001 through 16,000 lbs.	27.50 <u>21.00</u>
16,001 through 18,000 lbs.	37.50 <u>28.00</u>
18,001 through 20,000 lbs.	50.00 <u>37.50</u>
20,001 through 22,000 lbs.	62.50 <u>47.00</u>
22,001 through 24,000 lbs.	93.75 <u>70.00</u>
24,001 through 26,000 lbs.	125.00 <u>90.00</u>
26,001 through 28,000 lbs.	156.25 <u>110.00</u>
28,001 through 30,000 lbs.	206.25 <u>130.00</u>
30,001 through 32,000 lbs.	262.50 <u>150.00</u>
32,001 through 34,000 lbs.	318.75 <u>170.00</u>
34,001 through 36,000 lbs.	375.00 <u>190.00</u>
36,001 through 38,000 lbs.	431.25 <u>215.00</u>
38,001 through 40,000 lbs.	487.50 <u>235.00</u>
40,001 through 42,000 lbs.	543.75 <u>255.00</u>
42,001 through 44,000 lbs.	<u>275.00</u>
44,001 through 46,000 lbs.	<u>300.00</u>
46,001 through 48,000 lbs.	<u>320.00</u>
48,001 through 50,000 lbs.	<u>340.00</u>
50,001 through 52,000 lbs.	<u>360.00</u>
52,001 through 54,000 lbs.	<u>380.00</u>
54,001 through 56,000 lbs.	<u>400.00</u>
56,001 through 58,000 lbs.	<u>420.00</u>
58,001 through 60,000 lbs.	<u>440.00</u>

1	<u>60,001 through 62,000 lbs.</u>	<u>460.00</u>
2	<u>62,001 through 64,000 lbs.</u>	<u>482.50</u>
3	<u>64,001 through 66,000 lbs.</u>	<u>502.50</u>
4	<u>66,001 through 68,000 lbs.</u>	<u>522.50</u>
5	<u>68,001 through 70,000 lbs.</u>	<u>545.75</u>
6	<u>70,001 through 72,000 lbs.</u>	<u>566.50</u>
7	<u>72,001 through 74,000 lbs.</u>	<u>607.50</u>
8	<u>74,001 through 76,000 lbs.</u>	<u>655.00</u>
9	<u>76,001 through 78,000 lbs.</u>	<u>695.00</u>
10	<u>78,001 through 80,000 lbs.</u>	<u>750.00</u>
11	Over 42,000 <u>80,000</u> lbs. and within the weight limits	
12	specified in 61-10-101 through 61-10-110 ...	62.50 <u>750.00</u>
13	plus an additional <u>46.00</u>	
14	per for each ton or fraction thereof	
15	of a ton in excess of <u>80,000 lbs.</u> "	

16 **SECTION 14. SECTION 61-4-301, MCA, IS AMENDED TO READ:**

17 "61-4-301. Permit and transit plates for new vehicles
 18 being transported by driveway or towaway methods -- used
 19 mobiles homes. (1) (a) A person, firm, partnership, or
 20 corporation, regularly and lawfully engaged in the
 21 transportation of new vehicles over the highways of this
 22 state from manufacturing or assembly points to agents of
 23 manufacturers and dealers in this state or in other states,
 24 territories, or foreign countries or provinces by the
 25 driveway or towaway methods, where the vehicles being

1 driven, towed, or transported by the saddle-mount, towbar or
 2 full-mount methods, or a lawful combination of these
 3 methods, will be transported over the highways of the state
 4 but once, may annually apply to the department of justice
 5 for a permit to use the highways of this state and shall
 6 pay, upon filing the application, a fee of \$100. Upon
 7 processing of the application, that department shall issue
 8 an annual permit to the applicant.

9 (b) A person moving used mobile homes from a point
 10 outside the state to a point inside the state may apply to
 11 the department for the permit authorized pursuant to
 12 subsection (1)(a).

13 (2) The permitholder may also apply to the department
 14 of justice for a sufficient number of distinctive transit
 15 plates or devices showing the permit number for
 16 identification of the vehicles being transported by the
 17 permitholder, and the plates or devices may be used on a
 18 vehicle being driven, towed, or transported by and under the
 19 control of the permitholder. That department shall collect
 20 the additional sum of \$1 for each pair of transit plates or
 21 devices applied for and issued.

22 (3) The department of justice shall retain the permit
 23 and plate fees to defray costs of administering 61-4-301
 24 through 61-4-308.

25 (4) The permit and transit plates or devices expire on

December 31 of each year."

SECTION 15. SECTION 61-4-302, MCA, IS AMENDED TO READ:

"61-4-302. One-trip fee in addition to permit and plate fees payable quarterly -- exception. (1) In addition to the permit and plate fees, a permit holder shall pay to the department of justice a one-trip fee of \$5 per driven vehicle. The fee shall be paid within 15 days after the end of the calendar quarter upon forms recommended or supplied by that department.

(2) A person moving new or used mobile homes is not subject to the one-trip fee required by subsection (1)."

Section 16. Section 61-10-203, MCA, is amended to read:

"61-10-203. Alternative gross weight fees on truck trailer ~~motortrucks~~ and truck tractors with special trailer combinations. (1) In addition to other fees for the licensing of vehicles, there ~~may must~~ be paid and collected annually ~~instead-of-the-fees-provided-in-61-10-201,~~ for each motortruck or truck tractor operating under the provisions of 61-10-124(6) and (7), based upon the maximum combined gross loaded weight of a truck tractor with-a-semitrailer,-a-truck--tractor--with--a--semitrailer--and--a-full-trailer,-a-motortruck-and-a-trailer, or a motortruck and trailers, as set by the licensee in his the application, the following fees:

Schedule ~~III~~ II

Truck tractor with-a-semitrailer,-a-truck-tractor-with-a-semitrailer-and-a-full-trailer,-a-motortruck-and-a--trailer,-a-motortruck and trailers:

Up to 42,000 lbs	\$ 571.00
42,001 to 44,000 lbs	631.00
44,001 to 46,000 lbs	691.00
46,001 to 48,000 lbs	752.00
48,001 to 50,000 lbs	812.00
50,001 to 52,000 lbs	871.00
52,001 to 54,000 lbs	931.00
54,001 to 56,000 lbs	992.00
56,001 to 58,000 lbs	1,052.00
58,001 to 60,000 lbs	1,112.00
60,001 to 62,000 lbs	1,172.00
62,001 to 64,000 lbs	1,233.00
64,001 to 66,000 lbs	1,293.00
66,001 to 68,000 lbs	1,352.00
68,001 to 70,000 lbs	1,412.00
70,001 to 72,000 lbs	1,473.00
72,001 to 74,000 lbs	1,533.00
74,001 to 76,000 lbs	1,593.00
76,001 to 78,000 lbs	1,653.00
78,001 and over	65.50

per ton or fraction thereof.

(2) Payment of the fees provided in this section

~~exempts a semitrailer or trailer in combination with a motortruck or truck tractor so licensed from the fees provided in 61-3-701, 61-10-202, 61-10-210, and 61-10-211.~~

~~(3)(2)~~ The trailers or semitrailers must be currently registered in another country, state, or county.

~~(4) A trailer or semitrailer entering the state in combination with a truck or truck tractor licensed under the above schedule or a trailer or semitrailer registered to a Montana-based carrier with trucks or truck tractors licensed under the above schedule may be moved in the local delivery zone within a 15-mile radius of the city or town in combination with a truck or truck tractor, licensed under 61-10-201, without payment of any additional fees on the truck or truck tractor, trailer, or semitrailer."~~

Section 17. Section 61-10-206, MCA, is amended to read:

"61-10-206. Special fees -- certain farm vehicles. (1) Except for motortrucks owned and operated by cooperative associations or cooperative marketing associations, there ~~shall~~ must be paid and collected annually a fee equal to ~~16%~~ 35% of the fees provided in Schedule I and Schedule II above on:

(a) motortrucks, ~~trailers, and semitrailers~~ owned and operated by ranchers or farmers in the transportation of their own ranch, farm, orchard, or dairy products from point of production to market, or of supplies, commodities, or

equipment to be used on the ranch, farm, orchard, or dairy, or in the infrequent or seasonal transportation by one farmer for another for any purpose other than commercial hire of products of the farm, orchard, or dairy, or of supplies or commodities to be used on the farm, orchard, or dairy, ~~and on;~~

(b) one truck tractor and lowboy trailer used by contractors engaged exclusively in soil conservation work and land leveling activities that result in direct benefit to agriculture; and

(c) fertilizer spreader trucks and spreader trailers used exclusively to transport and apply fertilizer to agricultural fields and plots.

(2) The applicant under the fertilizer exception for special fees under subsection (1)(c) shall show, when the fee is paid as provided in 61-10-222, a valid fertilizer dealer license issued by the department of agriculture as provided in 80-10-202.

(3) ~~However, the~~ The minimum fee so paid ~~shall be~~ is \$6. ~~The terms "trailers and semitrailers" as used herein shall not include farm wagons."~~

Section 18. Section 61-10-209, MCA, is amended to read:

"61-10-209. Monthly payment -- quarterly payment -- penalty for failure to pay fee. (1) When the gross weight of a vehicle exceeds 24,000 pounds, the gross weight or special

fees for trucks, trailers, tractors, pole--trailers, or semitrailers buses may be paid for a 1-month period for one-twelfth the regular fee or for a 3-month period for one-fourth the regular fee at the beginning of any quarter of the calendar year. For each fee so paid other than at the time of payment of the annual vehicle registration fee, an additional fee of \$5 ~~shall~~ must be charged. The department may adopt rules relative to the issuance and display of certificates or insignia, which ~~shall~~ must state the months for which the vehicle is licensed.

(2) A vehicle licensed under this section may not be operated over the public highways after the expiration of:

(a) the 1-month period until the owner pays the required fee for a license for an additional 1-month or 3-month period or for the remainder of the year; or

(b) the 3-month period unless the owner or operator of the vehicle, within 10 calendar days or 7 business days as provided by law, whichever is greater, pays the required fee for a license for an additional 1-month or 3-month period or for the remainder of the year.

(3) A person who operates a vehicle upon the public highways in violation of subsection (2) is guilty of a misdemeanor. In addition ~~he-shall-be~~ the person is required to purchase a gross weight license for the vehicle involved at the fee covering an entire year's license for operation

of the vehicle less the fees for the period of the year already paid.

(4) If, within 5 days thereafter ~~no~~ after a requirement under subsection (3) is applicable, a license for a full year has not been purchased as required, the Montana highway patrol, county sheriff, or city police may impound the vehicle in the manner which that is directed for these cases by the department until the requirement is met."

Section 19. Section 61-12-201, MCA, is amended to read:

"61-12-201. Appointment of employees as peace officers.

The director of transportation may appoint employees of the department as peace officers to carry out this part. The employees appointed may include only those employees of the department who are employed in the administration of the gross-vehicle-weight motor carrier services functions of the department. Each employee appointed ~~shall~~ must be issued a certificate of appointment and execute an oath of office, which ~~shall~~ must be entered into the records of the department."

Section 20. Section 61-12-206, MCA, is amended to read:

"61-12-206. Offenses for which arrest authorized. (1)

Employees appointed under 61-12-201 may make arrests for violations of the following statutory provisions only:

(a) part 1, chapter 10, of this title;

(b) part 3, chapter 4, of this title;

1 (c) sections 15-24-201 through 15-24-205;
 2 (d) sections 15-70-302 through 15-70-307;
 3 (e) sections 15-70-311 through 15-70-314;
 4 (f) sections 15-71-101 through 15-71-105;
 5 (g) section 61-3-502(1);
 6 (h) sections 61-10-201, 61-10-203, 61-10-206,
 7 61-10-209, and 61-10-211 through 61-10-215;
 8 (i) sections 61-10-222 through 61-10-224;
 9 (j) sections 61-10-231 through 61-10-233.

10 (2) These employees may not arrest for violations other
 11 than specified in this section."

12 NEW SECTION. Section 21. Repealer. Sections 61-10-202,
 13 61-10-204, 61-10-205, 61-10-207, 61-10-208, and 61-10-210,
 14 MCA, are repealed.

15 NEW SECTION. Section 22. Codification instruction.
 16 [Section 9 8] is intended to be codified as an integral part
 17 of Title 15, chapter 24, and the provisions of Title 15,
 18 chapter 24, apply to [section 9 8].

19 NEW SECTION. SECTION 23. COORDINATION INSTRUCTION. (1)
 20 IF HOUSE BILL NO. 572 IS NOT PASSED AND APPROVED, THEN [THIS
 21 ACT] IS VOID.

22 (2) IF SENATE BILL NO. 257 IS PASSED AND APPROVED AND
 23 IF IT AMENDS 15-70-321 TO INCREASE THE TAX ON DIESEL FUEL
 24 AND VOLATILE LIQUIDS, THEN:

25 (A) [SECTION 4 OF THIS ACT] IS VOID; AND

1 (B) THE TAX RATES ON DIESEL FUEL AND VOLATILE LIQUIDS
 2 IMPOSED BY 15-70-321 IN SENATE BILL NO. 257 ARE INCREASED BY
 3 3/4 CENT ON JANUARY 1, 1994.
 4 NEW SECTION. Section 24. Effective date. [This act] is
 5 effective January 1, 1994.

-End-