

SENATE BILL NO. 438

INTRODUCED BY STANG
BY REQUEST OF THE SENATE TAXATION COMMITTEE

IN THE SENATE

MARCH 24, 1993	INTRODUCED AND REFERRED TO COMMITTEE ON TAXATION.
	FIRST READING.
MARCH 25, 1993	COMMITTEE RECOMMEND BILL DO PASS. REPORT ADOPTED.
MARCH 26, 1993	PRINTING REPORT.
	SECOND READING, DO PASS.
MARCH 27, 1993	ENGROSSING REPORT.
	THIRD READING, PASSED. AYES, 48; NOES, 0.
	TRANSMITTED TO HOUSE.

IN THE HOUSE

MARCH 29, 1993	INTRODUCED AND REFERRED TO COMMITTEE ON TAXATION.
	FIRST READING.
APRIL 6, 1993	ON MOTION, RULES SUSPENDED TO ALLOW SECOND AND THIRD READING SAME LEGISLATIVE DAY.
APRIL 8, 1993	COMMITTEE RECOMMEND BILL BE CONCURRED IN AS AMENDED. REPORT ADOPTED.
APRIL 14, 1993	SECOND READING, CONCURRED IN.
	THIRD READING, CONCURRED IN. AYES, 91; NOES, 6.
	RETURNED TO SENATE WITH AMENDMENTS.

IN THE SENATE

APRIL 16, 1993	SECOND READING, AMENDMENTS
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APRIL 17, 1993

CONCURRED IN.

THIRD READING, AMENDMENTS
CONCURRED IN.

APRIL 21, 1993

SENT TO ENROLLING.

REPORTED CORRECTLY ENROLLED.

SENATE BILL NO. 438

INTRODUCED BY
BY REQUEST OF THE SENATE TAXATION COMMITTEE

A BILL FOR AN ACT ENTITLED: "AN ACT REVISING THE TAXATION OF MIGRATORY PERSONAL PROPERTY BY PRORATING THE TAX TO THE TIME THAT THE PERSONAL PROPERTY IS LOCATED IN MONTANA; AMENDING SECTIONS 15-16-613 AND 15-24-303, MCA; AND PROVIDING AN IMMEDIATE EFFECTIVE DATE AND A RETROACTIVE APPLICABILITY DATE."

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

Section 1. Section 15-16-613, MCA, is amended to read:

"15-16-613. Refund of certain taxes paid on migratory property. (1) Subject to the provisions of 15-16-601 and upon proof that a tax was paid in another state on the same property, a taxpayer whose property is assessed under 15-24-303 for a period longer than the actual number of months that the property ~~has-taxable-situs~~ is located in the state is entitled to a refund, as provided in this section.

(2) To obtain a refund, a taxpayer shall file an application for refund with the county treasurer in the county where the property was originally taxed. A taxpayer shall apply for a refund allowed under this section by January 31 following the year of assessment, and the county

shall make the refund within the first quarter of the following fiscal year. The application must be made on a form provided by the department of revenue and may require information as prescribed by rule of the department.

(3) The amount of the refund is the difference between the amount of tax paid under 15-24-303 and the tax owed based upon the number of months the property ~~had-taxable situs was located~~ in the state for the year. The refund may not exceed the amount of the tax paid.

(4) For the purposes of this section, "month" means any part of a calendar month."

Section 2. Section 15-24-303, MCA, is amended to read:

"15-24-303. Proration of tax on personal property. The tax on personal property brought, driven, or coming into, or otherwise located in any-county the state on or after the assessment date must be prorated according to the ratio which-the--remaining of the number of months that the personal property is located in the state in during the year bears to the total number of months in the year. This section does not apply to motor vehicles taxed under Title 61, chapter 3, part 5."

NEW SECTION. Section 3. Effective date -- retroactive applicability. [This act] is effective on passage and approval and applies retroactively, within the meaning of 1-2-109, to tax years beginning after December 31, 1992.

-End-
-2-

SB438
INTRODUCED BILL

STATE OF MONTANA - FISCAL NOTE

Form BD-15

In compliance with a written request, there is hereby submitted a Fiscal Note for SB0438, as introduced.

DESCRIPTION OF PROPOSED LEGISLATION:

An act revising the taxation of migratory personal property by prorating the tax to the time that the personal property is located in Montana; and providing an immediate effective date and a retroactive applicability date.

FISCAL IMPACT:

This bill would reduce property tax revenues by providing for refunds of personal property taxes paid on property that leaves the state. The department does not have adequate information with which to estimate the amount of property taxes that would be refunded under the proposal.

Dave Lewis 3-26-93
DAVID LEWIS, BUDGET DIRECTOR DATE
Office of Budget and Program Planning

Barry Stang 3/27/93
BARRY STANG, PRIMARY SPONSOR DATE
Fiscal Note for SB0438, as introduced.
SB 438

1 *Sen. Mary* BILL NO. 438
2 INTRODUCED BY *Mary*
3 BY REQUEST OF THE SENATE TAXATION COMMITTEE
4
5 A BILL FOR AN ACT ENTITLED: "AN ACT REVISING THE TAXATION
6 OF MIGRATORY PERSONAL PROPERTY BY PRORATING THE TAX TO THE
7 TIME THAT THE PERSONAL PROPERTY IS LOCATED IN MONTANA;
8 AMENDING SECTIONS 15-16-613 AND 15-24-303, MCA; AND
9 PROVIDING AN IMMEDIATE EFFECTIVE DATE AND A RETROACTIVE
10 APPLICABILITY DATE."
11

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

13 Section 1. Section 15-16-613, MCA, is amended to read:

14 "15-16-613. Refund of certain taxes paid on migratory
15 property. (1) Subject to the provisions of 15-16-601 and
16 upon proof that a tax was paid in another state on the same
17 property, a taxpayer whose property is assessed under
18 15-24-303 for a period longer than the actual number of
19 months that the property has-taxable-situs is located in the
20 state is entitled to a refund, as provided in this section.

21 (2) To obtain a refund, a taxpayer shall file an
22 application for refund with the county treasurer in the
23 county where the property was originally taxed. A taxpayer
24 shall apply for a refund allowed under this section by
25 January 31 following the year of assessment, and the county

1 shall make the refund within the first quarter of the
2 following fiscal year. The application must be made on a
3 form provided by the department of revenue and may require
4 information as prescribed by rule of the department.

5 (3) The amount of the refund is the difference between
6 the amount of tax paid under 15-24-303 and the tax owed
7 based upon the number of months the property had-taxable
8 situs was located in the state for the year. The refund may
9 not exceed the amount of the tax paid.

10 (4) For the purposes of this section, "month" means any
11 part of a calendar month."

12 Section 2. Section 15-24-303, MCA, is amended to read:

13 "15-24-303. Proration of tax on personal property. The
14 tax on personal property brought, driven, or coming into, or
15 otherwise located in any-county the state on or after the
16 assessment date must be prorated according to the ratio
17 which-the--remaining of the number of months that the
18 personal property is located in the state in during the year
19 bears to the total number of months in the year. This
20 section does not apply to motor vehicles taxed under Title
21 61, chapter 3, part 5."

22 NEW SECTION. Section 3. Effective date -- retroactive
23 applicability. [This act] is effective on passage and
24 approval and applies retroactively, within the meaning of
25 1-2-109, to tax years beginning after December 31, 1992.

-End-
-2-

SB438

THIRD READING

HOUSE STANDING COMMITTEE REPORT

April 8, 1993

Page 1 of 1

Mr. Speaker: We, the committee on Taxation report that Senate Bill 438 (third reading copy -- blue) be concurred in as amended .

Signed: Bob Gilbert
Bob Gilbert, Chair

Carried by: Rep. Elliott

And, that such amendments read:

1. Page 2, line 13.

Following: "property"

Insert: "-- refund"

Following: "."

Insert: "(1)"

2. Page 2, line 17.

Strike: "of the"

Insert: "that the remaining"

3. Page 2, lines 17 and 18.

Strike: "that the personal property is located in the state"

Strike: "during"

Insert: "in"

4. Page 2, line 19.

Following: "~~bears~~"

Insert: "bears"

5. Page 2.

Following: line 21

Insert: "(2) If property upon which taxes have been paid is removed from the state, the taxpayer may obtain a refund of a prorated portion of the taxes, subject to the requirements of 15-16-613."

-END-

HOUSE

Committee Vote:
Yes 20, No 0.

SB 438
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BY REQUEST OF THE SENATE TAXATION COMMITTEE

A BILL FOR AN ACT ENTITLED: "AN ACT REVISING THE TAXATION OF MIGRATORY PERSONAL PROPERTY BY PRORATING THE TAX TO THE TIME THAT THE PERSONAL PROPERTY IS LOCATED IN MONTANA; AMENDING SECTIONS 15-16-613 AND 15-24-303, MCA; AND PROVIDING AN IMMEDIATE EFFECTIVE DATE AND A RETROACTIVE APPLICABILITY DATE."

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(2) To obtain a refund, a taxpayer shall file an application for refund with the county treasurer in the county where the property was originally taxed. A taxpayer shall apply for a refund allowed under this section by January 31 following the year of assessment, and the county

shall make the refund within the first quarter of the following fiscal year. The application must be made on a form provided by the department of revenue and may require information as prescribed by rule of the department.

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(4) For the purposes of this section, "month" means any part of a calendar month."

Section 2. Section 15-24-303, MCA, is amended to read:

"15-24-303. Proration of tax on personal property -- REFUND. (1) The tax on personal property brought, driven, or coming into, or otherwise located in any county the state on or after the assessment date must be prorated according to the ratio ~~which--the--remaining of-the~~ THAT THE REMAINING number of months ~~that-the-personal-property--is--located--in the--state in during~~ IN the year bears BEARS to the total number of months in the year. This section does not apply to motor vehicles taxed under Title 61, chapter 3, part 5.

(2) IF PROPERTY UPON WHICH TAXES HAVE BEEN PAID IS REMOVED FROM THE STATE, THE TAXPAYER MAY OBTAIN A REFUND OF A PRORATED PORTION OF THE TAXES, SUBJECT TO THE REQUIREMENTS OF 15-16-613."

SB 0438/02

1 NEW SECTION. **Section 3.** Effective date -- retroactive
2 applicability. [This act] is effective on passage and
3 approval and applies retroactively, within the meaning of
4 1-2-109, to tax years beginning after December 31, 1992.

-End-