

HOUSE BILL 29

Introduced by Foster, et al.

11/30 Introduced
11/30 Referred to Taxation
11/30 First Reading
11/30 Fiscal Note Requested
12/02 Hearing
12/03 Fiscal Note Received
12/03 Fiscal Note Printed
12/07 Committee Report--Bill Passed as Amended
12/07 Revised Fiscal Note Printed
12/07 2nd Reading Passed as Amended
12/08 Revised Fiscal Note Received
12/08 Revised Fiscal Note Printed
12/08 3rd Reading Passed

Transmitted to Senate
12/09 First Reading
12/09 Referred to Taxation
12/13 Hearing
12/17 Committee Report - Bill Concurred as
Amended
12/17 2nd Reading Concurred
12/17 3rd Reading Concurred
Returned to House with Amendments
12/18 2nd Reading Amendments Not Concurred
12/18 Free Conference Committee Appointed

Senate
12/18 Free Conference Committee Appointed

Died in Process

1 House BILL NO. 29
2 INTRODUCED BY Foster
3 BY REQUEST OF THE GOVERNOR
4

5 A BILL FOR AN ACT ENTITLED: "AN ACT PROVIDING PROPERTY TAX
6 REBATES TO ELIGIBLE CLASS FOUR RESIDENTIAL PROPERTY
7 TAXPAYERS; PROVIDING ELIGIBILITY CRITERIA FOR A REBATE; AND
8 PROVIDING AN IMMEDIATE EFFECTIVE DATE."
9

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

11 NEW SECTION. **Section 1.** Property tax rebate. (1) It is
12 the policy of the state to rebate the dollar amount of
13 general property tax increase that exceeds 10% and that
14 results from reappraisal or the imposition of additional
15 nonvoted millage on property currently classified as class
16 four residential property that was assessed in 1992.

17 (2) In order to implement the policy, the department of
18 revenue shall determine the amount of eligible property tax
19 rebate on each property. The department shall:

20 (a) compare the actual dollar amount of mill levies
21 assessed for the property in tax year 1993 to the actual
22 dollar amount of mill levies assessed in tax year 1992; and

23 (b) if the amount of mill levies assessed in tax year
24 1993 is greater than the amount assessed in tax year 1992,
25 exclude the amount of mill levies assessed in the current

1 year that is attributable to voted mill levies imposed for
2 the first time in the taxing jurisdiction in which the
3 property is located.

4 (3) If the amount determined under subsection (2)(b)
5 exceeds the amount of mill levies assessed in tax year 1992
6 by 10%, the property taxpayer is eligible for a rebate in
7 the amount equal to the amount in excess of 10%.

8 (4) A transfer of class four residential property after
9 [the effective date of this act] removes the property from
10 eligibility. A property taxpayer is eligible for a rebate
11 upon payment of the property taxes assessed against the
12 property. The department shall provide for two rebate
13 periods according to the payment dates of property taxes.
14 Payment, when due, of the first property tax installment is
15 required for eligibility for one-half of the total rebate,
16 and payment, when due, of the second installment is required
17 for eligibility for the remainder of the property tax
18 rebate. Payment of delinquent taxes does not make a property
19 taxpayer eligible for a rebate in the tax year in which the
20 taxes were delinquent.

21 (5) If a taxpayer has paid property taxes under
22 protest, a rebate may not be issued until there has been a
23 final determination. The rebate must be calculated based on
24 the finally determined property value. Interest may not be
25 paid.

1 (6) If a revised assessment is issued by the
2 department, the rebate must be redetermined based on the
3 revised value. The department shall pay a rebate if owed and
4 collect any rebate that was overpaid. Interest is not
5 payable by the department or the taxpayer.

6 (7) The department shall provide for the payment of
7 rebates by issuing state warrants to the eligible taxpayers.

8 NEW SECTION. **Section 2.** Codification instruction.
9 [Section 1] is intended to be codified as an integral part
10 of Title 15, chapter 1, part 2, and the provisions of Title
11 15, chapter 1, part 2, apply to [section 1].

12 NEW SECTION. **Section 3.** Effective date. [This act] is
13 effective on passage and approval.

-End-

STATE OF MONTANA - FISCAL NOTE

Form BD-15

In compliance with a written request, there is hereby submitted a Fiscal Note for HB0029, as introduced.

DESCRIPTION OF PROPOSED LEGISLATION: An act providing property tax rebates to eligible class four residential property taxpayers; providing eligibility criteria for a rebate; and providing an immediate effective date.

ASSUMPTIONS:

1. The number of class four residential parcels eligible for the property tax rebate is 176,540 in FY94.
2. The average property tax rebate is \$109 in FY94.
3. The turnover of eligible parcels is 10% a year. The property tax rebates decline 10% in FY95 and subsequent fiscal years.
4. The State Auditor's Office would have additional costs for the property tax rebates. The total fixed cost per warrant would be \$0.346. There will two rebate payments each fiscal year.

FISCAL IMPACT:Expenditures:

	<u>FY94</u>	<u>FY95</u>
Property Tax Rebates	\$19,200,000	\$17,300,000
<u>State Auditor Administrative Costs</u>	<u>122,000</u>	<u>110,000</u>
Total	\$19,322,000	\$17,410,000
 Funding: General Fund	 \$19,322,000	 \$17,410,000

LONG-RANGE EFFECTS OF PROPOSED LEGISLATION:

With the turnover of eligible parcels at 10% a year, the cost of the property tax rebates would decline 10% a year.

Dave Lewis 12-3
DAVE LEWIS, BUDGET DIRECTOR DATE
Office of Budget and Program Planning

Mike Foster 12-3-93
MIKE FOSTER, PRIMARY SPONSOR DATE
Fiscal Note for HB0029, as introduced

HB 29

STATE OF MONTANA - FISCAL NOTE

Form BD-15

In compliance with a written request, there is hereby submitted a Fiscal Note for HB0029, second reading.

DESCRIPTION OF PROPOSED LEGISLATION: An act providing property tax rebates and income tax credits to eligible residential and commercial property taxpayers; providing eligibility criteria; and providing an immediate effective date.

ASSUMPTIONS:

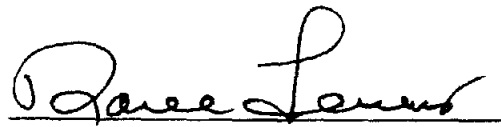
1. The number of residential parcels eligible for the property tax rebate is 99,760 in FY94.
2. The average property tax rebate for residential property is \$87 in FY94.
3. The number of commercial parcels eligible for the property tax rebate is 54,026 in FY94.
4. The average property tax rebate for commercial property is \$112 in FY94.
5. Property tax rebates will total \$9,329,000; all issued in FY 94.
6. In FY 95, relief will be granted through income tax credits. Estimated credits totalling \$4,664,000 will be issued for the November, 1994 property tax payments. Administrative costs will be absorbed within normal income tax processing costs.
7. The State Auditor's Office would have additional costs for the property tax rebates. The total fixed cost per warrant would be \$0.346. There will be two rebate payments in FY 94.

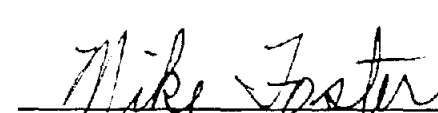
FISCAL IMPACT:Expenditures:

	<u>FY94</u>	<u>FY95</u>
Property Tax Rebates/Tax Credits	\$9,329,000	\$4,664,000
<u>State Auditor Administrative Costs</u>	<u>106,420</u>	<u>0</u>
Total	\$9,435,420	\$4,664,000
 Funding: General Fund	 \$9,435,420	 \$4,664,000

LONG-RANGE EFFECTS OF PROPOSED LEGISLATION:

Income tax credits will continue into next biennium. The FY 96 amount will be as shown above for FY 95.

 12-4
 DAVE LEWIS, BUDGET DIRECTOR DATE
 Office of Budget and Program Planning

 12/7/93
 MIKE FOSTER, PRIMARY SPONSOR DATE
 Fiscal Note for HB0029, second reading
 HB 29-#2

APPROVED BY COMMITTEE
ON TAXATION

HOUSE BILL NO. 29

INTRODUCED BY FOSTER, DRISCOLL

BY REQUEST OF THE GOVERNOR

A BILL FOR AN ACT ENTITLED: "AN ACT PROVIDING PROPERTY TAX
REBATES TO ELIGIBLE CLASS FOUR ~~RESIDENTIAL~~ PROPERTY
TAXPAYERS; PROVIDING ELIGIBILITY CRITERIA FOR A REBATE;
PROVIDING FOR PAYMENT OF REBATES THROUGH STATE WARRANTS AND
CREDITS AGAINST INDIVIDUAL INCOME TAXES AND CORPORATION
LICENSE OR INCOME TAXES; AND PROVIDING AN IMMEDIATE
EFFECTIVE DATE AND AN APPLICABILITY DATE."

STATEMENT OF INTENT

THE DEPARTMENT OF REVENUE IS REQUIRED TO ADOPT
ADMINISTRATIVE RULES TO IMPLEMENT THIS LEGISLATION. THE
RULES WILL NEED TO ADDRESS ISSUES CONCERNING OWNERSHIP OF
PROPERTY, CALCULATION OF THE REBATE, APPLICATION OF THE
REBATE TO PARTICULAR PROPERTIES, DEPARTMENT CALCULATION OF
THE REBATE AMOUNT DURING THE FIRST REBATE YEAR, TAX RETURN
REQUIREMENTS IN ORDER TO CLAIM THE REBATE, AND OTHER
ADMINISTRATIVE ISSUES.

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

NEW SECTION. Section 1. Property tax rebate. (1) It is
the policy of the state to rebate the dollar amount of

general property tax increase that exceeds 10% and that
results from reappraisal or the imposition of additional
~~nonvoted~~ millage NOT IMPOSED BY A VOTE OF THE ELECTORATE on
property currently classified as class four ~~residential~~
property that was assessed in 1992. THE REBATE FOR PROPERTY
DESCRIBED IN 15-6-134(1)(E) MUST BE CALCULATED AS IF THE
TAXABLE PERCENTAGE FOR THE 1993 TAX YEAR WERE THE SAME AS
THE TAXABLE PERCENTAGE FOR THIS PROPERTY IN THE 1994 TAX
YEAR.

(2) In order to implement the policy, the department of
revenue shall determine the amount of eligible property tax
rebate on each property FOR WHICH A SEPARATE GEOCODE EXISTS.
The department shall:

(a) compare the actual dollar amount of TAX ASSESSED BY
mill levies ~~assessed~~ for the property in tax year 1993 to
the actual dollar amount of TAX ASSESSED BY mill levies
~~assessed~~ in tax year 1992; and

(b) if the amount of TAX ASSESSED BY mill levies
~~assessed~~ in tax year 1993 is greater than the amount
~~assessed~~ in tax year 1992, exclude the amount of TAX
ASSESSED BY mill levies ~~assessed~~ in the current year that is
attributable to ~~voted~~ mill levies imposed PURSUANT TO A VOTE
OF THE ELECTORATE for the first time in the taxing
jurisdiction in which the property is located.

(3) If the amount determined under subsection (2)(b)

exceeds the amount of TAX ASSESSED BY mill levies assessed in tax year 1992 by 10% AND EXCEEDS \$25 FOR RESIDENTIAL PROPERTY AND \$50 FOR COMMERCIAL PROPERTY, the property taxpayer is eligible for a rebate in the amount ~~equal-to-the amount-in~~ OF THE excess of-10%. THE AMOUNT OF THE REBATE MAY NOT EXCEED \$200 FOR ANY PROPERTY WITH A SEPARATE GEOCODE.

(4) A transfer of class four ~~residential~~ property after [the effective date of this act] removes the property from eligibility. A property taxpayer is eligible for a rebate upon payment of the property taxes assessed against the property. ~~The department--shall--provide--for--two--rebate periods--according--to--the--payment--dates--of--property--taxes~~ REBATE MUST BE BY STATE WARRANT FOR THE NOVEMBER 1993 PROPERTY TAX PAYMENT AND BY REFUNDABLE TAX CREDIT, AS PROVIDED IN [SECTION 2], FOR THE MAY 1994 PAYMENT, THE NOVEMBER 1994 PAYMENT, AND THE MAY 1995 PAYMENT.

(5) IN ORDER TO REBATE THE NOVEMBER 1993 PROPERTY TAX PAYMENT IN CALENDAR YEAR 1994, THE DEPARTMENT SHALL CALCULATE THE AMOUNT OF THE ENTIRE REBATE, AS PROVIDED IN SUBSECTION (3), AND PROVIDE FOR ONE REBATE PAYMENT OF ONE-HALF OF THE CALCULATED AMOUNT. Payment, when due, of the first property tax installment is required for eligibility for one-half of the total rebate, ~~and payment, when due, of the second--installment--is--required--for--eligibility--for--the remainder--of--the--property--tax--rebate.~~ Payment of delinquent

taxes does not make a property taxpayer eligible for a rebate in the tax year in which the taxes were delinquent.

~~(5)(6)~~ If a taxpayer has paid property taxes under protest, a rebate may not be issued until there has been a final determination. The rebate must be calculated based on the finally determined property value. Interest may not be paid.

~~(6)(7)~~ If a revised assessment is issued by the department, the rebate must be redetermined based on the revised value. The department shall pay a rebate if owed and collect any rebate that was overpaid. Interest is not payable by the department or the taxpayer.

~~(7)(8)~~ The department shall:

(A) CALCULATE THE REBATE AS PROVIDED IN SUBSECTION (3);

(B) provide for the payment of rebates by issuing state warrants to the eligible taxpayers IN 1994 FOR THE FIRST ONE-HALF OF THE 1993 PROPERTY TAX YEAR PAYMENT AND GRANT REFUNDABLE CREDITS FOR THE SECOND ONE-HALF OF THE 1993 TAX YEAR PAYMENT; AND

(C) GRANT THE 1994 TAX YEAR PAYMENTS FOR ELIGIBLE PROPERTIES AS PROVIDED IN [SECTION 2].

NEW SECTION. SECTION 2. CREDIT FOR PROPERTY TAX REBATES. (1) TAXPAYERS WHO ARE ENTITLED TO A REBATE OF PROPERTY TAXES PURSUANT TO [SECTION 1] THAT ARE DUE IN MAY 1994, NOVEMBER 1994, AND MAY 1995 ARE ENTITLED TO A CREDIT

1 AGAINST TAXES IMPOSED BY THIS CHAPTER. PROPERTY TAXES MUST
 2 BE PAID WHEN DUE IN THE LICENSE OR INCOME TAX YEAR FOR WHICH
 3 THE CREDIT IS CLAIMED. HOWEVER, IF A TAXPAYER PAID ALL OF
 4 THE 1993 TAX YEAR PROPERTY TAXES IN CALENDAR YEAR 1993,
 5 ONE-HALF OF THE 1993 TAX YEAR PROPERTY TAXES MAY BE CLAIMED
 6 IN THE SUCCEEDING TAX YEAR.

7 (2) IF THE AMOUNT OF THE CREDIT IS GREATER THAN THE
 8 TAXPAYER'S LIABILITY, THE AMOUNT OF UNUSED CREDIT MUST BE
 9 REFUNDED BY STATE WARRANT OR THE TAXPAYER MAY ELECT TO CARRY
 10 THE UNUSED CREDIT FORWARD TO SUBSEQUENT TAX YEARS.

11 (3) IF THE PROPERTY ELIGIBLE FOR THE CREDIT IN
 12 SUBSECTION (1) IS OWNED BY A PARTNERSHIP, LIMITED LIABILITY
 13 COMPANY AS DEFINED IN 35-8-102, OR A SMALL BUSINESS
 14 CORPORATION AS DESCRIBED IN 15-31-201, THE CREDIT MUST BE
 15 REFUNDED BY STATE WARRANT TO THE ENTITY PAYING THE TAX.

16 (4) INTEREST MAY NOT BE PAID ON CREDITS OR REFUNDS,
 17 INCLUDING ANY CREDITS THAT ARE CARRIED FORWARD.

18 (5) THE REBATES PROVIDED FOR IN [SECTION 1], WHETHER
 19 PAID BY STATE WARRANT OR BY CREDIT, ARE NOT TAXABLE INCOME
 20 OF THE RECIPIENT.

21 NEW SECTION. Section 3. Codification instruction. (1)
 22 [Section 1] is intended to be codified as an integral part
 23 of Title 15, chapter 1, part 2, and the provisions of Title
 24 15, chapter 1, part 2, apply to [section 1].

25 (2) [SECTION 2] IS INTENDED TO BE CODIFIED AS AN

1 INTEGRAL PART OF TITLE 15, CHAPTERS 30 AND 31, AND THE
 2 PROVISIONS OF TITLE 15, CHAPTERS 30 AND 31, APPLY TO
 3 [SECTION 2].

4 NEW SECTION. SECTION 4. APPLICABILITY. [THIS ACT]
 5 APPLIES TO PROPERTY TAX YEARS 1993 AND 1994.

6 NEW SECTION. Section 5. Effective date. [This act] is
 7 effective on passage and approval.

-End-

HOUSE BILL NO. 29

INTRODUCED BY FOSTER, DRISCOLL

BY REQUEST OF THE GOVERNOR

A BILL FOR AN ACT ENTITLED: "AN ACT PROVIDING PROPERTY TAX
REBATES TO ELIGIBLE CLASS FOUR RESIDENTIAL PROPERTY
TAXPAYERS; PROVIDING ELIGIBILITY CRITERIA FOR A REBATE;
PROVIDING FOR PAYMENT OF REBATES THROUGH STATE-WARRANTS-AND
CREDITS AGAINST INDIVIDUAL INCOME TAXES AND CORPORATION
LICENSE OR INCOME TAXES; AND PROVIDING AN IMMEDIATE
EFFECTIVE DATE AND AN APPLICABILITY DATE."

STATEMENT OF INTENT

THE DEPARTMENT OF REVENUE IS REQUIRED TO ADOPT
ADMINISTRATIVE RULES TO IMPLEMENT THIS LEGISLATION. THE
RULES WILL NEED TO ADDRESS ISSUES CONCERNING OWNERSHIP OF
PROPERTY, CALCULATION OF THE REBATE, APPLICATION OF THE
REBATE TO PARTICULAR PROPERTIES, DEPARTMENT CALCULATION OF
THE REBATE AMOUNT DURING THE FIRST REBATE YEAR, TAX RETURN
REQUIREMENTS IN ORDER TO CLAIM THE REBATE, AND OTHER
ADMINISTRATIVE ISSUES.

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

NEW SECTION. Section 1. Property tax rebate. (1) It is
the policy of the state to rebate the dollar amount of

general property tax increase that exceeds 10% and that
results from reappraisal or the imposition of additional
nonvoted millage NOT IMPOSED BY A VOTE OF THE ELECTORATE on
CERTAIN property currently classified as class four
residential property that was assessed in 1992. THE REBATE
FOR PROPERTY DESCRIBED IN 15-6-134(1)(E) MUST BE CALCULATED
AS IF THE TAXABLE PERCENTAGE FOR THE 1993 TAX YEAR WERE THE
SAME AS THE TAXABLE PERCENTAGE FOR THIS PROPERTY IN THE 1994
TAX YEAR.

(2) In order to implement the policy, the department of
revenue shall determine the amount of eligible property tax
rebate on each property FOR WHICH A SEPARATE GEOCODE EXISTS.
IN ORDER FOR RESIDENTIAL PROPERTY TO BE ELIGIBLE FOR A
REBATE, THE PROPERTY MUST BE OCCUPIED BY THE TAXPAYER FOR AT
LEAST 9 MONTHS OF EACH YEAR. The department shall:

(a) compare the actual dollar amount of TAX ASSESSED BY
mill levies assessed for the property in tax year 1993 to
the actual dollar amount of TAX ASSESSED BY mill levies
assessed in tax year 1992; and

(b) if the amount of TAX ASSESSED BY mill levies
assessed in tax year 1993 is greater than the amount
assessed in tax year 1992, exclude the amount of TAX
ASSESSED BY mill levies assessed in the current year that is
attributable to voted mill levies imposed PURSUANT TO A VOTE
OF THE ELECTORATE for the first time in the taxing

jurisdiction in which the property is located.

(3) If the amount determined under subsection (2)(b) exceeds the amount of TAX ASSESSED BY mill levies assessed in tax year 1992 by 10% AND EXCEEDS \$25 FOR RESIDENTIAL PROPERTY AND \$50 FOR COMMERCIAL PROPERTY, the property taxpayer is eligible for a rebate in the amount ~~equal to the amount in~~ OF THE excess of 10%. THE AMOUNT OF THE REBATE MAY NOT EXCEED \$200 FOR ANY PROPERTY WITH A SEPARATE GEOCODE.

(4) A transfer of class four ~~residential~~ property after [the effective date of this act] removes the property from eligibility. A property taxpayer is eligible for a rebate upon payment of the property taxes assessed against the property. ~~The department shall provide for two rebate periods according to the payment dates of property taxes~~ REBATE MUST BE BY STATE WARRANT FOR THE NOVEMBER 1993 PROPERTY TAX PAYMENT AND BY REFUNDABLE TAX CREDIT, AS PROVIDED IN [SECTION 2], FOR THE NOVEMBER 1993 PROPERTY TAX PAYMENT, THE MAY 1994 PAYMENT, THE NOVEMBER 1994 PAYMENT, AND THE MAY 1995 PAYMENT.

(5) IN ORDER TO REBATE THE NOVEMBER 1993 PROPERTY TAX PAYMENT IN CALENDAR YEAR 1994, THE DEPARTMENT SHALL CALCULATE THE AMOUNT OF THE ENTIRE REBATE, AS PROVIDED IN SUBSECTION (3), AND PROVIDE FOR ONE REBATE PAYMENT A CREDIT OF ONE-HALF OF THE CALCULATED AMOUNT. Payment, when due, of the first property tax installment is required for

eligibility for one-half of the total rebate ~~and payment when due of the second installment is required for eligibility for the remainder of the property tax rebate.~~ Payment of delinquent taxes does not make a property taxpayer eligible for a rebate in the tax year in which the taxes were delinquent.

~~(5)(6)~~ If a taxpayer has paid property taxes under protest, a rebate may not be issued until there has been a final determination. The rebate must be calculated based on the finally determined property value. Interest may not be paid.

~~(6)(7)~~ If a revised assessment is issued by the department, the rebate must be redetermined based on the revised value. The department shall pay a rebate if owed and collect any rebate that was overpaid. Interest is not payable by the department or the taxpayer.

~~(7)(8)~~ The department shall:

(A) CALCULATE THE REBATE AS PROVIDED IN SUBSECTION (3);

(B) provide for the payment of rebates by issuing state warrants to the eligible taxpayers IN 1994 FOR THE FIRST ONE-HALF OF THE 1993 PROPERTY TAX YEAR PAYMENT AND GRANT GRANTING REFUNDABLE CREDITS FOR THE SECOND ONE-HALF OF THE 1993 TAX YEAR PAYMENT; AND

(C) GRANT THE 1994 TAX YEAR PAYMENTS FOR ELIGIBLE PROPERTIES AS PROVIDED IN [SECTION 2].

1 NEW SECTION. SECTION 2. CREDIT FOR PROPERTY TAX
 2 REBATES. (1) TAXPAYERS WHO ARE ENTITLED TO A REBATE OF
 3 PROPERTY TAXES PURSUANT TO [SECTION 1] THAT ARE DUE IN
 4 NOVEMBER 1993, MAY 1994, NOVEMBER 1994, AND MAY 1995 ARE
 5 ENTITLED TO A CREDIT AGAINST TAXES IMPOSED BY THIS CHAPTER.
 6 PROPERTY TAXES MUST BE PAID WHEN DUE IN THE LICENSE OR
 7 INCOME TAX YEAR FOR WHICH THE CREDIT IS CLAIMED. HOWEVER, IF
 8 A TAXPAYER PAID ALL OF THE 1993 TAX YEAR PROPERTY TAXES IN
 9 CALENDAR YEAR 1993, ONE-HALF OF THE 1993 TAX YEAR PROPERTY
 10 TAXES MAY BE CLAIMED IN THE SUCCEEDING TAX YEAR.
 11 (2) IF THE AMOUNT OF THE CREDIT IS GREATER THAN THE
 12 TAXPAYER'S LIABILITY, THE AMOUNT OF UNUSED CREDIT MUST BE
 13 REFUNDED BY STATE WARRANT OR THE TAXPAYER MAY ELECT TO CARRY
 14 THE UNUSED CREDIT FORWARD TO SUBSEQUENT TAX YEARS.
 15 (3) IF THE PROPERTY ELIGIBLE FOR THE CREDIT IN
 16 SUBSECTION (1) IS OWNED BY A PARTNERSHIP, LIMITED LIABILITY
 17 COMPANY AS DEFINED IN 35-8-102, OR A SMALL BUSINESS
 18 CORPORATION AS DESCRIBED IN 15-31-201, THE CREDIT MUST BE
 19 REPUNDED--BY--STATE--WARRANT--TO CLAIMED AS A CREDIT BY THE
 20 ENTITY PAYING THE TAX.
 21 (4) INTEREST MAY NOT BE PAID ON CREDITS OR--REFUNDS,
 22 INCLUDING ANY CREDITS THAT ARE CARRIED FORWARD.
 23 (5) THE REBATES PROVIDED FOR IN [SECTION 1]--WHETHER
 24 PAID-BY-STATE-WARRANT-OR-BY-CREDIT, ARE NOT TAXABLE INCOME
 25 OF THE RECIPIENT.

1 NEW SECTION. Section 3. Codification instruction. (1)
 2 [Section 1] is intended to be codified as an integral part
 3 of Title 15, chapter 1, part 2, and the provisions of Title
 4 15, chapter 1, part 2, apply to [section 1].
 5 (2) [SECTION 2] IS INTENDED TO BE CODIFIED AS AN
 6 INTEGRAL PART OF TITLE 15, CHAPTERS 30 AND 31, AND THE
 7 PROVISIONS OF TITLE 15, CHAPTERS 30 AND 31, APPLY TO
 8 [SECTION 2].
 9 NEW SECTION. SECTION 4. APPLICABILITY. [THIS ACT]
 10 APPLIES TO PROPERTY TAX YEARS 1993 AND 1994.
 11 NEW SECTION. Section 5. Effective date. [This act] is
 12 effective on passage and approval.

-End-

SENATE STANDING COMMITTEE REPORT

Page 1 of 6
December 17, 1993

Page 2 of 6
December 17, 1993

MR. PRESIDENT:

We, your committee on Taxation having had under consideration House Bill No. 29 (third reading copy -- blue), respectfully report that House Bill No. 29 be amended as follows and as so amended be concurred in.

Signed: 
Senator Mike Halligan, Chair

That such amendments read:

1. Title, line 6.

Strike: "REBATES"

Insert: "RELIEF"

Following: "RESIDENTIAL"

Insert: "RESIDENTIAL"

2. Title, line 7.

Strike: "A REBATE"

Insert: "TAX RELIEF"

3. Title, line 8.

Strike: "REBATES"

Insert: "TAX RELIEF"

4. Title, lines 9 and 10.

Following: "TAXES" on line 9

Strike: remainder of line 9 through "TAXES" on line 10

Following: "1"

Insert: "INCREASING INCOME LEVELS UNDER THE LOW-INCOME PROPERTY TAX EXEMPTION PROGRAM; ALLOWING AN EXTENSION OF THE TIME FOR APPLICATION FOR THE 1993 PROPERTY TAX EXEMPTION PROGRAM; APPROPRIATING MONEY TO THE DEPARTMENT OF REVENUE; AMENDING SECTIONS 15-6-134 AND 15-6-151, MCA;"

5. Page 1, lines 17, 18, and 20.

Strike: "REBATE"

Insert: "credit"

6. Page 1, line 19.

Strike: the first "REBATE"

Insert: "credit"

Strike: "REBATE"

7. Page 1, line 24 through page 6, line 12.

Strike: everything after the enacting clause

Insert: "NEW SECTION. Section 1. Property tax relief. (1) It is the policy of the state to provide tax relief for the dollar amount of general property tax increase that exceeds 25% and that results from reappraisal on residential property currently classified as class four property that was assessed in 1992. The tax relief for property described in 15-6-134(1)(e) must be calculated as if the taxable percentage for the 1993 tax year were the same as the taxable percentage for this property in the 1994 tax year.

(2) In order to implement the policy, the department of revenue shall determine the amount of eligible property tax relief on each property for which a separate geocode exists. In order for residential property to be eligible for tax relief, the property must be occupied by the taxpayer for at least 9 months of each year. The department shall:

(a) compare the actual dollar amount of tax assessed by mill levies for the property in tax year 1993 to the actual dollar amount of tax assessed by mill levies in tax year 1992; and

(b) if the amount of tax assessed by mill levies in tax year 1993 is greater than the amount assessed in tax year 1992, determine the amount of the increase due to reappraisal.

(3)(a) If the amount determined under subsection (2)(b) exceeds the amount of tax assessed by mill levies in tax year 1992 by 25%, the property taxpayer is eligible for tax relief.

(b) The amount of the tax relief for eligible residential property is 50% of the amount by which the amount determined under subsection (2)(b) exceeds the amount of tax assessed by mill levies in tax year 1992 by 25%, up to a maximum of \$500.

(4) A transfer of class four residential property after [the effective date of this act] removes the property from eligibility. A property taxpayer is eligible for tax relief upon payment of the property taxes assessed against the property. The tax relief must be by refundable income tax credit, as provided in [section 2], for the November 1993 payment, the May 1994 payment, the November 1994 payment, and the May 1995 payment.

(5) In order to provide a credit for the November 1993 property tax payment in calendar year 1994, the department shall calculate the entire amount of tax relief, as provided in subsection (3), and provide for a credit of one-half of the calculated amount. Payment, when due, of the first property tax installment is required for eligibility for one-half of the total credit. Payment of delinquent taxes does not make a property taxpayer eligible for a credit in the tax year in which the taxes were delinquent.

(6) If a taxpayer has paid property taxes under protest, a credit may not be issued until there has been a final determination. The credit must be calculated based on the finally

M- Amd. Coord.
SB Sec. of Senate


Senator Mike Halligan
Senator Carrying Bill

171910SC.Sma

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determined property value. Interest may not be paid.

(7) If a revised assessment is issued by the department, the credit must be redetermined based on the revised value. The department shall allow a credit if owed and collect any credit that was overpaid. Interest is not payable by the department or the taxpayer.

(8) The department shall:

a. calculate the amount of tax relief as provided in subsection (3);

b. provide for the payment of tax relief by granting refundable credits for the second one-half of the 1993 tax year payment; and

(c) grant the 1994 tax year credits for eligible properties as provided in [section 2].

NEW SECTION. Section 2. Credit for property tax relief.

(1) Taxpayers who are entitled to property tax relief pursuant to [section 1] are entitled to a credit against taxes imposed by this chapter. Property taxes must be paid when due in the income tax year for which the credit is claimed. However, if a taxpayer paid all of the 1993 tax year property taxes in calendar year 1993, one-half of the 1993 tax year property taxes may be claimed in the succeeding tax year.

(2) If the amount of the credit is greater than the taxpayer's liability, the amount of unused credit must be refunded by state warrant or the taxpayer may elect to carry the unused credit forward to subsequent tax years. A refund warrant may not be issued for amounts less than \$25.

(3) Interest may not be paid on credits, including any credits that are carried forward.

(4) The property tax relief provided for in [section 1] is not taxable income of the recipient.

Section 3. Section 15-6-134, MCA, is amended to read:

"15-6-134. Class four property -- description -- taxable percentage. (1) Class four property includes:

(a) all land except that specifically included in another class;

(b) all improvements, including trailers or mobile homes used as a residence, except those specifically included in another class;

(c) the first \$80,000 or less of the market value of any improvement on real property, including trailers or mobile homes, and appurtenant land not exceeding 5 acres owned or under contract for deed and actually occupied for at least 10 months a year as the primary residential dwelling of any person whose total income from all sources, including net business income and otherwise tax-exempt income of all types but not including social

security income paid directly to a nursing home, is not more than \$10,000 for a single person or \$12,000 for a married couple or a head of household, as adjusted according to subsection

(2)(b)(ii). For the purposes of this subsection (c), net business income is gross income less ordinary operating expenses but before deducting depreciation or depletion allowance, or both.

(d) all golf courses, including land and improvements actually and necessarily used for that purpose, that consist of at least 9 nine holes and not less than 3,000 lineal yards; and

(e) all improvements on land that is eligible for valuation, assessment, and taxation as agricultural land under 15-7-202(2), including 1 acre of real property beneath the agricultural improvements. The 1 acre must be valued at market value.

(2) Class four property is taxed as follows:

(a) Except as provided in 15-24-1402 or 15-24-1501, property described in subsections (1)(a), (1)(b), and (1)(e) is taxed at 3.86% of its market value.

(b) (i) Property described in subsection (1)(c) is taxed at 3.86% of its market value multiplied by a percentage figure based on income and determined from the following table:

Income Multiplier 1	Head of Household	Single Person	Married Couple
\$0 - 1,000	\$0 - 1,200	0%	
- 3,750	- 5,000		
1,001 - 2,000	1,201 - 2,400	10%	
3,751 - 7,500	5,001 - 10,000	25%	
2,001 - 3,000	2,401 - 3,600	20%	
7,501 - 12,250	10,001 - 15,000	50%	
3,001 - 4,000	3,601 - 4,800	30%	
12,251 - 15,000	15,001 - 20,000	75%	
4,001 - 5,000	4,801 - 6,000	40%	
5,001 - 6,000	6,001 - 7,200	50%	
6,001 - 7,000	7,201 - 8,400	60%	
7,001 - 8,000	8,401 - 9,600	70%	
8,001 - 9,000	9,601 - 10,800	80%	
9,001 - 10,000	10,801 - 12,000	90%	

(ii) The income levels contained in the table in subsection (2)(b)(i) must be adjusted for inflation annually by the department of revenue. The adjustment to the income levels is determined by:

(A) multiplying the appropriate dollar amount from the table in subsection (2)(b)(i) by the ratio of the PCE for the second quarter of the year prior to the year of application to the PCE for the second quarter of 1986 1993; and

(B) rounding the product thus obtained to the nearest whole dollar amount.

(iii) "PCE" means the implicit price deflator for personal

consumption expenditures as published quarterly in the Survey of Current Business by the bureau of economic analysis of the U.S. department of commerce.

(c) Property described in subsection (1)(d) is taxed at one-half the taxable percentage rate established in subsection (2)(a).

(3) After July 1, ~~1986~~ 1993, an adjustment may not be made by the department to the taxable percentage rate for class four property until a revaluation has been made as provided in 15-7-111.

(4) Within the meaning of comparable property as defined in 15-1-101, property assessed as commercial property is comparable only to other property assessed as commercial property, and property assessed as other than commercial property is comparable only to other property assessed as other than commercial property."

Section 4. Section 15-6-151, MCA, is amended to read:

"15-6-151. Application for certain class four

classifications. (1) A person applying for classification of property described in subsection (1)(c) of 15-6-134 shall make an affidavit to the department of revenue, on a form provided by the department without cost, stating:

(a) ~~his~~ the applicant's income;

(b) the fact that ~~he~~ the applicant maintains the land and improvements as ~~his~~ the applicant's primary residential dwelling, ~~where when~~ applicable; and

(c) ~~such~~ other information as that is relevant to the applicant's eligibility.

(2) ~~(a) This Except as provided in subsection (2)(b), the~~ application must be made before March 1 of the year after the applicant becomes eligible. The application remains in effect in subsequent years unless there is a change in the applicant's eligibility. The taxpayer shall inform the department of any change in eligibility. The department may inquire by mail whether any change in eligibility has taken place and may require a new statement of eligibility at any time it considers necessary.

~~(b) For tax year 1993, application may be made until 190 days after the effective date of this act.~~

(3) The affidavit is sufficient if the applicant signs a statement affirming the correctness of the information supplied, whether or not the statement is signed before a person authorized to administer oaths, and mails the application and statement to the department of revenue. This signed statement ~~shall be~~ is treated as a statement under oath or equivalent affirmation for the purposes of 45-7-202, relating to the criminal offense of false swearing."

NEW SECTION. Section 5. Requirements for state

reimbursement of taxes to counties. (1) Based on information contained in the application provided for in 15-6-151(2)(b), the county treasurer shall mail a new tax notice to the taxpayer for the May 30, 1994, tax payment. If the taxpayer paid the entire amount of the 1993 tax year property tax in November 1993, the county treasurer shall provide a refund in the amount that the November 1993 payment exceeds the amount due on the revised amount of property tax due.

(2) A county shall calculate the entire amount due under subsection (1) for the county and shall submit a claim for that amount to the department of revenue by May 30, 1994. Failure to submit a claim by May 30, 1994, renders a county ineligible for reimbursement. The department shall make reimbursement payments by June 30, 1994.

NEW SECTION. Section 6. Appropriation. (1) There is appropriated from the general fund \$1,125,000 to the department of revenue for the purpose of providing the additional tax relief contained in [section 4]. On July 1, 1994, any portion of the appropriation that has not been used reverts to the general fund.

(2) There is appropriated from the general fund \$184,000 to the department of revenue for the purpose of calculating the amount of property tax relief due to reappraisal in calendar year 1994.

(3) There is appropriated from the general fund \$92,000 to the department of revenue for the purpose of calculating the amount of property tax relief due to reappraisal in calendar year 1995.

NEW SECTION. Section 7. Codification instruction. (1)

[Section 1] is intended to be codified as an integral part of Title 15, chapter 1, part 2, and the provisions of Title 15, chapter 1, part 2, apply to [section 1].

(2) [Section 2] is intended to be codified as an integral part of Title 15, chapter 30, and the provisions of Title 15, chapter 30, apply to [section 2].

NEW SECTION. Section 8. Applicability. [Section 3] applies to tax years beginning after December 31, 1993.

NEW SECTION. Section 9. Effective date. [This act] is effective on passage and approval."

-END-

HOUSE BILL NO. 29

INTRODUCED BY FOSTER, DRISCOLL

BY REQUEST OF THE GOVERNOR

A BILL FOR AN ACT ENTITLED: "AN ACT PROVIDING PROPERTY TAX
REBATES RELIEF TO ELIGIBLE CLASS FOUR RESIDENTIAL
RESIDENTIAL PROPERTY TAXPAYERS; PROVIDING ELIGIBILITY
CRITERIA FOR A-REBATE TAX RELIEF; PROVIDING FOR PAYMENT OF
REBATES TAX RELIEF THROUGH STATE--WARRANTS--AND CREDITS
AGAINST INDIVIDUAL INCOME TAXES AND-CORPORATION--LICENSE--OR
INCOME--TAXES; INCREASING INCOME LEVELS UNDER THE LOW-INCOME
PROPERTY TAX EXEMPTION PROGRAM; ALLOWING AN EXTENSION OF THE
TIME FOR APPLICATION FOR THE 1993 PROPERTY TAX EXEMPTION
PROGRAM; APPROPRIATING MONEY TO THE DEPARTMENT OF REVENUE;
AMENDING SECTIONS 15-6-134 AND 15-6-151, MCA; AND PROVIDING
AN IMMEDIATE EFFECTIVE DATE AND AN APPLICABILITY DATE."

STATEMENT OF INTENT

THE DEPARTMENT OF REVENUE IS REQUIRED TO ADOPT
ADMINISTRATIVE RULES TO IMPLEMENT THIS LEGISLATION. THE
RULES WILL NEED TO ADDRESS ISSUES CONCERNING OWNERSHIP OF
PROPERTY, CALCULATION OF THE REBATE CREDIT, APPLICATION OF
THE REBATE CREDIT TO PARTICULAR PROPERTIES, DEPARTMENT
CALCULATION OF THE REBATE CREDIT AMOUNT DURING THE FIRST
REBATE YEAR, TAX RETURN REQUIREMENTS IN ORDER TO CLAIM THE

REBATE CREDIT, AND OTHER ADMINISTRATIVE ISSUES.

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

(Refer to Third Reading Bill)

Strike everything after the enacting clause and insert:

NEW SECTION. **Section 1. Property tax relief.** (1) It is
the policy of the state to provide tax relief for the dollar
amount of general property tax increase that exceeds 25% and
that results from reappraisal on residential property
currently classified as class four property that was
assessed in 1992. The tax relief for property described in
15-6-134(1)(e) must be calculated as if the taxable
percentage for the 1993 tax year were the same as the
taxable percentage for this property in the 1994 tax year.

(2) In order to implement the policy, the department of
revenue shall determine the amount of eligible property tax
relief on each property for which a separate geocode exists.
In order for residential property to be eligible for tax
relief, the property must be occupied by the taxpayer for at
least 9 months of each year. The department shall:

(a) compare the actual dollar amount of tax assessed by
mill levies for the property in tax year 1993 to the actual
dollar amount of tax assessed by mill levies in tax year
1992; and

(b) if the amount of tax assessed by mill levies in tax

1 year 1993 is greater than the amount assessed in tax year
2 1992, determine the amount of the increase due to
3 reappraisal.

4 (3) (a) If the amount determined under subsection
5 (2)(b) exceeds the amount of tax assessed by mill levies in
6 tax year 1992 by 25%, the property taxpayer is eligible for
7 tax relief.

8 (b) The amount of the tax relief for eligible
9 residential property is 50% of the amount by which the
10 amount determined under subsection (2)(b) exceeds the amount
11 of tax assessed by mill levies in tax year 1992 by 25%, up
12 to a maximum of \$500.

13 (4) A transfer of class four residential property after
14 [the effective date of this act] removes the property from
15 eligibility. A property taxpayer is eligible for tax relief
16 upon payment of the property taxes assessed against the
17 property. The tax relief must be by refundable income tax
18 credit, as provided in [section 2], for the November 1993
19 payment, the May 1994 payment, the November 1994 payment,
20 and the May 1995 payment.

21 (5) In order to provide a credit for the November 1993
22 property tax payment in calendar year 1994, the department
23 shall calculate the entire amount of tax relief, as provided
24 in subsection (3), and provide for a credit of one-half of
25 the calculated amount. Payment, when due, of the first

1 property tax installment is required for eligibility for
2 one-half of the total credit. Payment of delinquent taxes
3 does not make a property taxpayer eligible for a credit in
4 the tax year in which the taxes were delinquent.

5 (6) If a taxpayer has paid property taxes under
6 protest, a credit may not be issued until there has been a
7 final determination. The credit must be calculated based on
8 the finally determined property value. Interest may not be
9 paid.

10 (7) If a revised assessment is issued by the
11 department, the credit must be redetermined based on the
12 revised value. The department shall allow a credit if owed
13 and collect any credit that was overpaid. Interest is not
14 payable by the department or the taxpayer.

15 (8) The department shall:

16 (a) calculate the amount of tax relief as provided in
17 subsection (3);

18 (b) provide for the payment of tax relief by granting
19 refundable credits for the second one-half of the 1993 tax
20 year payment; and

21 (c) grant the 1994 tax year credits for eligible
22 properties as provided in [section 2].

23 NEW SECTION. **Section 2.** Credit for property tax
24 relief. (1) Taxpayers who are entitled to property tax
25 relief pursuant to [section 1] are entitled to a credit

1 against taxes imposed by this chapter. Property taxes must
2 be paid when due in the income tax year for which the credit
3 is claimed. However, if a taxpayer paid all of the 1993 tax
4 year property taxes in calendar year 1993, one-half of the
5 1993 tax year property taxes may be claimed in the
6 succeeding tax year.

7 (2) If the amount of the credit is greater than the
8 taxpayer's liability, the amount of unused credit must be
9 refunded by state warrant or the taxpayer may elect to carry
10 the unused credit forward to subsequent tax years. A refund
11 warrant may not be issued for amounts less than \$25.

12 (3) Interest may not be paid on credits, including any
13 credits that are carried forward.

14 (4) The property tax relief provided for in [section 1]
15 is not taxable income of the recipient.

16 **Section 3.** Section 15-6-134, MCA, is amended to read:

17 "15-6-134. Class four property -- description --
18 taxable percentage. (1) Class four property includes:

19 (a) all land except that specifically included in
20 another class;

21 (b) all improvements, including trailers or mobile
22 homes used as a residence, except those specifically
23 included in another class;

24 (c) the first \$80,000 or less of the market value of
25 any improvement on real property, including trailers or

1 mobile homes, and appurtenant land not exceeding 5 acres
2 owned or under contract for deed and actually occupied for
3 at least 10 months a year as the primary residential
4 dwelling of any person whose total income from all sources,
5 including net business income and otherwise tax-exempt
6 income of all types but not including social security income
7 paid directly to a nursing home, is not more than \$10,000
8 for a single person or \$12,000 for a married couple or a
9 head of household, as adjusted according to subsection
10 (2)(b)(ii). For the purposes of this subsection (c), net
11 business income is gross income less ordinary operating
12 expenses but before deducting depreciation or depletion
13 allowance, or both.

14 (d) all golf courses, including land and improvements
15 actually and necessarily used for that purpose, that consist
16 of at least 9 nine holes and not less than 3,000 lineal
17 yards; and

18 (e) all improvements on land that is eligible for
19 valuation, assessment, and taxation as agricultural land
20 under 15-7-202(2), including 1 acre of real property beneath
21 the agricultural improvements. The 1 acre must be valued at
22 market value.

23 (2) Class four property is taxed as follows:

24 (a) Except as provided in 15-24-1402 or 15-24-1501,
25 property described in subsections (1)(a), (1)(b), and (1)(e)

1 is taxed at 3.86% of its market value.

2 (b) (i) Property described in subsection (1)(c) is
3 taxed at 3.86% of its market value multiplied by a
4 percentage figure based on income and determined from the
5 following table:

Income	Income	Percentage
Single Person	Married Couple	Multiplier
	Head of Household	
9 \$ 0 - \$-17,000	\$ 0 - \$-17,200	0%
10 - \$ 3,750	- \$ 5,000	
11 -17,001-----27,000	-17,201-----27,400	10%
12 3,751 - 7,500	5,001 - 10,000	25%
13 -27,001-----37,000	-27,401-----37,600	20%
14 7,501 - 12,250	10,001 - 15,000	50%
15 -37,001-----47,000	-37,601-----47,800	30%
16 12,251 - 15,000	15,001 - 20,000	75%
17 -47,001-----57,000	-47,801-----67,800	40%
18 -57,001-----67,000	-67,801-----77,200	50%
19 -67,001-----77,000	-77,201-----87,400	60%
20 -77,001-----87,000	-87,401-----97,600	70%
21 -87,001-----97,000	-97,601-----107,800	80%
22 -97,001-----107,000	-107,801-----127,000	90%

23 (ii) The income levels contained in the table in
24 subsection (2)(b)(i) must be adjusted for inflation annually
25 by the department of revenue. The adjustment to the income

1 levels is determined by:

2 (A) multiplying the appropriate dollar amount from the
3 table in subsection (2)(b)(i) by the ratio of the PCE for
4 the second quarter of the year prior to the year of
5 application to the PCE for the second quarter of 1986 1993;
6 and

7 (B) rounding the product thus obtained to the nearest
8 whole dollar amount.

9 (iii) "PCE" means the implicit price deflator for
10 personal consumption expenditures as published quarterly in
11 the Survey of Current Business by the bureau of economic
12 analysis of the U.S. department of commerce.

13 (c) Property described in subsection (1)(d) is taxed at
14 one-half the taxable percentage rate established in
15 subsection (2)(a).

16 (3) After July 1, 1986 1993, an adjustment may not be
17 made by the department to the taxable percentage rate for
18 class four property until a revaluation has been made as
19 provided in 15-7-111.

20 (4) Within the meaning of comparable property as
21 defined in 15-1-101, property assessed as commercial
22 property is comparable only to other property assessed as
23 commercial property, and property assessed as other than
24 commercial property is comparable only to other property
25 assessed as other than commercial property."

Section 4. Section 15-6-151, MCA, is amended to read:

"15-6-151. Application for certain class four classifications. (1) A person applying for classification of property described in subsection (1)(c) of 15-6-134 shall make an affidavit to the department of revenue, on a form provided by the department without cost, stating:

(a) his the applicant's income;

(b) the fact that he the applicant maintains the land and improvements as his the applicant's primary residential dwelling, where when applicable; and

(c) such other information as that is relevant to the applicant's eligibility.

(2) (a) This Except as provided in subsection (2)(b), the application must be made before March 1 of the year after the applicant becomes eligible. The application remains in effect in subsequent years unless there is a change in the applicant's eligibility. The taxpayer shall inform the department of any change in eligibility. The department may inquire by mail whether any change in eligibility has taken place and may require a new statement of eligibility at any time it considers necessary.

(b) For tax year 1993, application may be made until [90 days after the effective date of this act].

(3) The affidavit is sufficient if the applicant signs a statement affirming the correctness of the information

supplied, whether or not the statement is signed before a person authorized to administer oaths, and mails the application and statement to the department of revenue. This signed statement ~~shall be~~ is treated as a statement under oath or equivalent affirmation for the purposes of 45-7-202, relating to the criminal offense of false swearing."

NEW SECTION. Section 5. Requirements for state reimbursement of taxes to counties. (1) Based on information contained in the application provided for in 15-6-151(2)(b), the county treasurer shall mail a new tax notice to the taxpayer for the May 30, 1994, tax payment. If the taxpayer paid the entire amount of the 1993 tax year property tax in November 1993, the county treasurer shall provide a refund in the amount that the November 1993 payment exceeds the amount due on the revised amount of property tax due.

(2) A county shall calculate the entire amount due under subsection (1) for the county and shall submit a claim for that amount to the department of revenue by May 30, 1994. Failure to submit a claim by May 30, 1994, renders a county ineligible for reimbursement. The department shall make reimbursement payments by June 30, 1994.

NEW SECTION. Section 6. Appropriation. (1) There is appropriated from the general fund \$1,125,000 to the department of revenue for the purpose of providing the additional tax relief contained in [section 5]. On July 1,

1 1994, any portion of the appropriation that has not been
2 used reverts to the general fund.

3 (2) There is appropriated from the general fund
4 \$184,000 to the department of revenue for the purpose of
5 calculating the amount of property tax relief due to
6 reappraisal in calendar year 1994.

7 (3) There is appropriated from the general fund \$92,000
8 to the department of revenue for the purpose of calculating
9 the amount of property tax relief due to reappraisal in
10 calendar year 1995.

11 NEW SECTION. Section 7. Codification instruction. (1)
12 [Section 1] is intended to be codified as an integral part
13 of Title 15, chapter 1, part 2, and the provisions of Title
14 15, chapter 1, part 2, apply to [section 1].

15 (2) [Section 2] is intended to be codified as an
16 integral part of Title 15, chapter 30, and the provisions of
17 Title 15, chapter 30, apply to [section 2].

18 NEW SECTION. Section 8. Applicability. [Section 3]
19 applies to tax years beginning after December 31, 1993.

20 NEW SECTION. Section 9. Effective date. [This act] is
21 effective on passage and approval.

-End-