

HOUSE BILL 53

Introduced by Raney

12/02 Introduced  
12/02 Referred to Taxation  
12/02 First Reading  
12/02 Fiscal Note Requested  
12/08 Hearing  
12/09 Fiscal Note Received  
12/09 Fiscal Note Printed  
12/10 Tabled in Committee  
12/15 Motion Failed to Take From Committee  
Place on 2nd Reading  
(3/5 Vote Required for this Motion to Pass)

22           (2) To assist members of the legislature in  
23     ascertaining the magnitude of the problem and crafting  
24     possible solutions, the director of revenue shall report, as  
25     provided in 5-11-210, to the 54th legislature:

1 (a) the value, type, area, and number of parcels of  
2 property that are owned by persons who reside outside the  
3 state and who do not pay state income taxes or state  
4 corporate license taxes; and

5 (b) the dollar amount, determined both per parcel and  
6 per acre, that represents the amount of money state income  
7 and corporate taxpayers spend to provide state general fund  
8 services that are used or available to nonresident property  
9 owners who do not pay either state income taxes or state  
10 corporate license taxes.

11 NEW SECTION. **Section 2.** Effective date. [This act] is  
12 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 HB0053, as introduced.

DESCRIPTION OF PROPOSED LEGISLATION:

An act relating to nonresident ownership of nonproductive land; requiring the Director of Revenue to report to the 54th Legislature regarding nonproductive land owned by nonresidents who do not pay either Montana income or corporate license taxes; requiring the report to quantify the subsidy paid by state income and corporate taxpayers in the form of services provided to those nonresident landowners; and providing an immediate effective date.

ASSUMPTIONS:

1. The Department of Revenue would identify the value, type, area, and number of parcels of nonproductive land owned by persons who reside outside the state. This requires a definition of "reside outside the state", "nonproductive land" and a matching of nonresidents with nonproductive land.
2. The department would next determine those nonresident owners of nonproductive land who pay no individual income or corporate income taxes. The department is currently contemplating how to best develop the data necessary to provide for crossmatching of property parcels with income tax data. The department would have to consider how we are to treat nonproductive land held by a corporation owned by both resident and nonresident stockholders.
3. The department would identify those types of state services that are provided to the owners of nonproductive land, and then further identify those that are provided through the use of state general fund dollars, and quantify the total dollar amount of state general fund dollars spent in providing those services.

FISCAL IMPACT:

The proposed legislation would require a substantial investment of personnel time, operating expenses, and computer time by the Department. The extent of this investment is unknown.

*David Lewis 12-8*

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

*12-9-93*  
BOB RANEY, PRIMARY SPONSOR      DATE  
Fiscal Note for HB0053, as introduced.

**HB 53**