

House BILL NO. 96

INTRODUCED BY Rasmussen

A BILL FOR AN ACT ENTITLED: "AN ACT EXEMPTING VEHICLES OWNED BY SPECIAL DISTRICTS FROM VEHICLE REGISTRATION FEES, THE WEED CONTROL FEE, AND THE NEW CAR SALES TAX; ALLOWING VEHICLES OWNED BY SPECIAL DISTRICTS TO HAVE EXEMPT LICENSE PLATES; AND AMENDING SECTIONS 61-3-321, 61-3-332, 61-3-502, AND 61-3-510, MCA."

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

Section 1. 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, housetrailers, and semitrailers, in accordance with this chapter, as follows:

- (a) motor vehicles weighing 2,850 pounds or under (other than motortrucks), \$5;
- (b) motor vehicles weighing over 2,850 pounds (other than motortrucks), \$10;
- (c) electrically driven passenger vehicles, \$10;
- (d) all motorcycles and quadricycles, \$2;
- (e) tractors ~~and/or~~ or trucks, \$10;
- (f) buses, which are classed as motortrucks, ~~and~~ licensed accordingly;
- (g) trailers and semitrailers less than 2,500 pounds maximum gross loaded weight and housetrailers of all weights, \$2;
- (h) trailers and semitrailers over 2,500 up to 6,000 pounds maximum gross loaded weight (except housetrailers), \$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,

1 regardless of size or capacity.

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

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

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

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

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

16 (7) The provisions of this part with respect to the payment of registration fees do not apply to and  
17 are not binding upon motor vehicles, trailers, ~~or~~ semitrailers, or tractors owned or controlled by the United  
18 States of America or any state, county, ~~or~~ city, or special district, as defined in 18-8-202.

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

22

23 **Section 2.** Section 61-3-332, MCA, is amended to read:

24 **"61-3-332. Number plates.** (1) A motor vehicle that is driven upon the streets or highways of  
25 Montana must display both front and rear number plates, bearing the distinctive number assigned to the  
26 vehicle. The number plates are in 10 series: one series for owners of motorcars, one for owners of motor  
27 vehicles of the motorcycle or quadricycle type, one for trailers, one for trucks, one for dealers in vehicles  
28 of the motorcycle or quadricycle type that bear the distinctive letters "MCD" or the letters "MC" and the  
29 word "DEALER", one for franchised dealers in new motorcars (including trucks and trailers) or new and  
30 used motorcars (including trucks and trailers) that bear the distinctive letter "D" or the word "DEALER",

1 one for dealers in used motorcars only (including used trucks and trailers) that bear the distinctive letters  
2 "UD" or the letter "U" and the word "DEALER", one for dealers in trailers and/or semitrailers (new or used)  
3 that bear the distinctive letters "DTR" or the letters "TR" and the word "DEALER", one for dealers in  
4 recreational vehicles that bear the distinctive letters "RV" or the letter "R" and the word "DEALER", and  
5 one for special license plates. All markings for the various kinds of dealers' plates must be placed on the  
6 number plates assigned to the dealer, in the position that the department designates.

7 (2) All number plates for motor vehicles must be issued for a minimum period of 4 years, bear a  
8 distinctive marking, and be furnished by the state. In years when number plates are not issued, the  
9 department shall provide nonremovable stickers bearing appropriate registration numbers that must be  
10 affixed to the license plates in use.

11 (3) Subject to the provisions of this section, the department shall create a new design for number  
12 plates as provided in this section.

13 (4) In the case of motorcars and trucks, plates must be of metal 6 inches wide and 12 inches in  
14 length. The outline of the state of Montana must be used as a distinctive border on the license plates, and  
15 the word "Montana" and the year must be placed across the plates. Registration plates must be treated  
16 with a reflectorized background material according to specifications prescribed by the department.

17 (5) The distinctive registration numbers must begin with a number one or with a letter-number  
18 combination, such as "A 1" or "AA 1", or any other similar combination of letters and numbers. The  
19 distinctive registration number or letter-number combination assigned to the vehicle must appear on the  
20 plate preceded by the number of the county and appearing in horizontal order on the same horizontal  
21 baseline. The county number must be separated from the distinctive registration number by a separation  
22 mark unless a letter-number combination is used. The dimensions of the numerals and letters must be  
23 determined by the department, and all county and registration numbers must be of equal height.

24 (6) For the use of tax-exempt motor vehicles, in addition to the markings provided in this section,  
25 number plates must bear the following distinctive markings:

26 (a) For vehicles owned by the state, the department may designate the prefix number for the  
27 various state departments. All numbered plates issued to state departments must bear the words "State  
28 Owned", and a year number may not be indicated on the plates because these numbered plates are of a  
29 permanent nature and will be replaced by the department only when the physical condition of numbered  
30 plates requires it.

1 (b) For vehicles that are owned by the counties, municipalities, ~~irrigation districts and special~~  
2 ~~districts, as defined in 18-8-202,~~ organized under the laws of Montana and not operating for profit, ~~and~~  
3 ~~school districts~~ and that are used and operated by officials and employees in the line of duty and for  
4 vehicles on loan from the United States government or the state of Montana to, or owned by, the civil air  
5 patrol and used and operated by officials and employees in the line of duty, there must be placed on the  
6 number plates assigned, in a position that the department may designate, the letter "X" or the word  
7 "EXEMPT". Distinctive registration numbers for plates assigned to motor vehicles of each of the counties  
8 in the state and those of the municipalities and ~~school~~ special districts ~~situated within each of the counties~~  
9 ~~and those of the irrigation districts~~ that obtain plates within each county must begin with number one and  
10 be numbered consecutively. Because these number plates are of a permanent nature, they are subject to  
11 replacement by the department only when the physical condition of the number plates requires it and a year  
12 number may not be displayed on the number plates.

13 (7) On all number plates assigned to motor vehicles of the truck and trailer type, other than  
14 tax-exempt trucks and tax-exempt trailers, there must appear the letter "T" or the word "TRUCK" on plates  
15 assigned to trucks and the letters "TR" or the word "TRAILER" on plates assigned to trailers and  
16 housetrailer. The letters "MC" or the word "CYCLE" must appear on plates assigned to vehicles of the  
17 motorcycle or quadricycle type.

18 (8) Number plates issued to a passenger car, truck, trailer, or vehicle of the motorcycle or  
19 quadricycle type may be transferred only to a replacement passenger car, truck, trailer, or motorcycle- or  
20 quadricycle-type vehicle. A registration or license fee may not be assessed upon a transfer of a number  
21 plate under 61-3-317 and 61-3-335.

22 (9) For the purpose of this chapter, the several counties of the state are assigned numbers as  
23 follows: Silver Bow, 1; Cascade, 2; Yellowstone, 3; Missoula, 4; Lewis and Clark, 5; Gallatin, 6; Flathead,  
24 7; Fergus, 8; Powder River, 9; Carbon, 10; Phillips, 11; Hill, 12; Ravalli, 13; Custer, 14; Lake, 15; Dawson,  
25 16; Roosevelt, 17; Beaverhead, 18; Chouteau, 19; Valley, 20; Toole, 21; Big Horn, 22; Musselshell, 23;  
26 Blaine, 24; Madison, 25; Pondera, 26; Richland, 27; Powell, 28; Rosebud, 29; Deer Lodge, 30; Teton, 31;  
27 Stillwater, 32; Treasure, 33; Sheridan, 34; Sanders, 35; Judith Basin, 36; Daniels, 37; Glacier, 38; Fallon,  
28 39; Sweet Grass, 40; McCone, 41; Carter, 42; Broadwater, 43; Wheatland, 44; Prairie, 45; Granite, 46;  
29 Meagher, 47; Liberty, 48; Park, 49; Garfield, 50; Jefferson, 51; Wibaux, 52; Golden Valley, 53; Mineral,  
30 54; Petroleum, 55; Lincoln, 56. Any new counties must be assigned numbers by the department as they

1 may be formed, beginning with the number 57.

2 (10) Each type of special license plate approved by the legislature, except collegiate license plates  
3 authorized in 61-3-463, must be a separate series of plates, numbered as provided in subsection (5), except  
4 that the county number must be replaced by a nonremovable design or decal designating the group or  
5 organization to which the applicant belongs. Unless otherwise specifically stated in this section, the special  
6 plates are subject to the same rules and laws as govern the issuance of regular license plates, must be  
7 placed or mounted on a vehicle owned by the person who is eligible to receive them, and must be removed  
8 upon sale or other disposition of the vehicle. The special license plates must be issued to national guard  
9 members, former prisoners of war, handicapped persons, reservists, disabled veterans, survivors of the  
10 Pearl Harbor attack, veterans of the armed services, or veterans of the armed services who were awarded  
11 the purple heart medal, who comply with the following provisions:

12 (a) An active member of the Montana national guard may be issued special license plates with a  
13 design or decal displaying the letters "NG". The adjutant general shall issue to each active member of the  
14 Montana national guard a certificate authorizing the department to issue national guard plates, numbered  
15 in sets of two with a different number on each set, and the member shall surrender the plates to the  
16 department upon becoming ineligible to use them.

17 (b) An active member of the reserve armed forces of the United States of America who is a  
18 resident of this state may be issued special license plates with a design or decal displaying the following:  
19 United States army reserve, AR (symbol); United States naval reserve, NR (anchor); United States air force  
20 reserve, AFR (symbol); and United States marine corps reserve, MCR (globe and anchor). The commanding  
21 officer of each armed forces reserve unit shall issue to each eligible member of the reserve unit a certificate  
22 authorizing the issuance of special license plates, numbered in sets of two with a different number on each  
23 set. The member shall surrender the plates to the department upon becoming ineligible to use them.

24 (c) (i) A resident of Montana who is a veteran of the armed forces of the United States and who  
25 is 100% disabled because of an injury that has been determined by the department of veterans affairs to  
26 be service-connected may, upon presentation to the department of proof of the 100% disability, be issued:  
27 (A) a special license plate under this section with a design or decal displaying the letters "DV"; or  
28 (B) one set of any other military-related plates that the disabled veteran is eligible to receive under  
29 this section.

30 (ii) The fee for original or renewal registration by a 100% disabled veteran for a passenger vehicle

1 or a truck with a GVW-rated capacity of 1 ton or less is \$5 and is in lieu of all other fees and taxes for that  
2 vehicle under this chapter.

3 (iii) Special license plates issued to a disabled veteran are not transferable to another person.

4 (iv) A disabled veteran is not entitled to a special disabled veteran's license plate for more than one  
5 vehicle.

6 (v) A vehicle lawfully displaying a disabled veteran's plate and that is conveying a 100% disabled  
7 veteran is entitled to the parking privileges allowed a handicapped person's vehicle under this title.

8 (d) A Montana resident who is a veteran of the armed forces of the United States and was  
9 captured and held prisoner by a military force of a foreign nation, documented by the veteran's service  
10 record, may upon application and presentation of proof be issued special license plates, numbered in sets  
11 of two with a different number on each set, with a design or decal displaying the words "ex-prisoner of  
12 war" or an abbreviation the department considers appropriate.

13 (e) Except as provided in subsection (10)(c), upon payment of all taxes and fees required by parts  
14 3 and 5 of this chapter and upon furnishing proof satisfactory to the department that the applicant meets  
15 the requirements of this subsection (e), the department shall issue to a Montana resident who is a veteran  
16 of the armed services of the United States special license plates, numbered in sets of two with a different  
17 number on each set, designed to indicate that the applicant is a survivor of the Pearl Harbor attack if the  
18 applicant was a member of the United States armed forces on December 7, 1941, was on station on  
19 December 7, 1941, during the hours of 7:55 a.m. to 9:45 a.m. (Hawaii time) at Pearl Harbor, the island  
20 of Oahu, or offshore at a distance of not more than 3 miles, and received an honorable discharge from the  
21 United States armed forces. If special license plates issued under this subsection are lost, stolen, or  
22 mutilated, the recipient of the plates is entitled to replacement plates upon request and without charge.

23 (f) A motor vehicle owner and resident of this state who is a veteran or the surviving spouse of  
24 a veteran of the armed services of the United States may be issued license plates inscribed as provided in  
25 subsection (10)(f)(i) if the veteran was separated from the armed services under other than dishonorable  
26 circumstances or was awarded the purple heart medal:

27 (i) Upon submission of a department of defense form 214(DD-214) or its successor or documents  
28 showing an other-than-dishonorable discharge or a ~~re-enlistment~~ reenlistment, proper identification, and other  
29 relevant documents to show an applicant's qualification under this subsection, there must be issued to the  
30 applicant, in lieu of the regular license plates prescribed by law, special license plates numbered in sets of

1 two with a different number on each set. The plates must display:

2 (A) the word "VETERAN" and a symbol signifying the United States army, United States navy,  
3 United States air force, United States marine corps, or United States coast guard, according to the record  
4 of service verified in the application; or

5 (B) a symbol representing the purple heart medal.

6 (ii) Plates must be furnished by the department to the county treasurer, who shall issue them to a  
7 qualified veteran or to the veteran's surviving spouse. The plates must be placed or mounted on the vehicle  
8 owned by the veteran or the veteran's surviving spouse designated in the application and must be removed  
9 upon sale or other disposition of the vehicle.

10 (iii) Except as provided in subsection (10)(c), a veteran or surviving spouse who receives special  
11 license plates under this subsection (10)(f) is liable for payment of all taxes and fees required under parts  
12 3 and 4 of this chapter and a special veteran's or purple heart medal license plate fee of \$10. Upon an  
13 original application for a license under this subsection (10)(f), the county treasurer shall:

14 (A) deposit \$3 of the special fee in the county general fund;

15 (B) remit \$1 for deposit in the state general fund; and

16 (C) deposit the remainder of the special fee in the state special revenue account established in  
17 10-2-603 for administration, construction, operation, and maintenance of the state veterans' cemetery.

18 (iv) Upon subsequent annual renewal of registration, the county treasurer shall deposit all of the  
19 special fee as provided in subsection (10)(f)(iii)(C).

20 (g) A Montana resident who is eligible to receive a special parking permit under 49-4-301 may,  
21 upon written application on a form prescribed by the department, be issued a special license plate with a  
22 design or decal bearing a representation of a wheelchair as the symbol of the handicapped person."  
23

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

25 **"61-3-502. Sales tax on new motor vehicles -- exemptions.** (1) In consideration of the right to use  
26 the highways of the state, there is imposed a tax upon all sales of new motor vehicles, excluding trailers,  
27 semitrailers, and housetrailers, for which a license is sought and an original application for title is made. The  
28 tax must be paid by the purchaser when the purchaser applies for an original Montana license through the  
29 county treasurer.

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

1 (a) 1 ½ % of the f.o.b. factory list price or f.o.b. port-of-entry list price, during the first quarter of  
2 the year or for a registration period other than a calendar year or calendar quarter;

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

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

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

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

8 (4) The new car sales tax on vehicles subject to the provisions of 61-3-313 through 61-3-316 is  
9 1 ½ % of the f.o.b. factory list price or f.o.b. port-of-entry list price regardless of the month in which the  
10 new vehicle is purchased.

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

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

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

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

25 (b) A motor vehicle may not be registered or licensed under the provisions of this subsection unless  
26 the application for registration is accompanied by a statement of origin to be furnished by the dealer selling  
27 the vehicle, showing that the vehicle has not previously been registered or owned, except as otherwise  
28 provided in this section, by any person, firm, corporation, or association that is not a new motor vehicle  
29 dealer holding a franchise or distribution agreement from a new car manufacturer, distributor, or importer.

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



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

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

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

10 (d) Motor vehicles owned or controlled by a special district, as defined in 18-8-202, are exempt  
11 from subsection (1)."

12

13 **Section 4.** Section 61-3-510, MCA, is amended to read:

14 **"61-3-510. Weed control fee.** (1) A special weed control fee of \$1.50 must be assessed on the  
15 annual registration or reregistration of each motor vehicle subject to registration. The fee must be collected  
16 by the county treasurer.

17 (2) For purposes of this section, motor vehicle includes:

- 18 (a) a motor vehicle as defined in 61-1-102;  
19 (b) a motorcycle as defined in 61-1-105;  
20 (c) a motor-driven cycle as defined in 61-1-106; and  
21 (d) a quadricycle as defined in 61-1-133.

22 (3) The following vehicles are exempt from the fee:

23 (a) vehicles owned or controlled by the United States or a state, county, ~~or~~ city, or special district,  
24 as defined in 18-8-202;

25 (b) vehicles exempt from payment of registration fees by 61-3-321(8); and

26 (c) vehicles or equipment ~~which~~ that is not self-propelled or ~~which~~ that requires towing when  
27 moved upon a highway of this state."

28

-END-

STATE OF MONTANA - FISCAL NOTE

Fiscal Note for HB0096, as introduced

DESCRIPTION OF PROPOSED LEGISLATION:

An act exempting vehicles owned by special districts from vehicle registration fees, the weed control fee, and the new car sales tax.

ASSUMPTIONS:

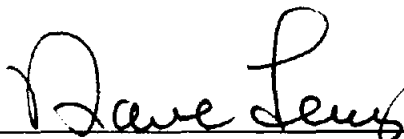
1. The proposed changes are being presented to clarify Montana statutes.
2. The number of special district vehicles currently paying vehicle fees and taxes is considered minimal, if any at all.

FISCAL IMPACT:

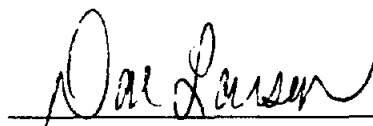
Passage of HB96 will have an immaterial fiscal impact on state government.

EFFECT ON COUNTY OR OTHER LOCAL REVENUES OR EXPENDITURES:

Passage of HB96 will have an immaterial fiscal impact on county governments.

 1-10-95

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



DON LARSON, PRIMARY SPONSOR      DATE

Fiscal Note for HB0096, as introduced

HB 96

## 1 HOUSE BILL NO. 96

2 INTRODUCED BY LARSON

3  
4 A BILL FOR AN ACT ENTITLED: "AN ACT EXEMPTING VEHICLES OWNED BY SPECIAL DISTRICTS FROM  
5 VEHICLE REGISTRATION FEES, THE WEED CONTROL FEE, AND THE NEW CAR SALES TAX; ALLOWING  
6 VEHICLES OWNED BY SPECIAL DISTRICTS TO HAVE EXEMPT LICENSE PLATES; ~~AND~~ AMENDING  
7 SECTIONS 61-3-321, 61-3-332, 61-3-502, AND 61-3-510, MCA; AND PROVIDING AN IMMEDIATE  
8 EFFECTIVE DATE."

9  
10 WHEREAS, THE LEGISLATURE HAS SPECIFICALLY EXEMPTED VEHICLES OWNED BY SPECIAL  
11 DISTRICTS FROM VARIOUS VEHICLE FEES BECAUSE IT CONSIDERS THE USE OF TAXPAYER MONEY TO  
12 PAY TAXES TO OTHER TAX ENTITIES TO BE COUNTER TO GOOD GOVERNMENT; AND

13 WHEREAS, A PRIVATE BUSINESS THAT COMPETES WITH GOVERNMENTAL ENTITIES IS  
14 REQUIRED TO PAY FEES THAT THE GOVERNMENTAL ENTITY DOES NOT HAVE TO PAY, YET WHEN  
15 COMPARING COSTS OF SERVICES PROVIDED BY GOVERNMENT AND BY PRIVATE BUSINESS, THIS  
16 CONSIDERATION IS OFTEN NOT FACTORED INTO THE EQUATION.

17 THEREFORE, THE LEGISLATURE RECOGNIZES THE COSTS AND CONSEQUENCES OF THIS  
18 SITUATION AND ENCOURAGES ALL PARTIES, WHEN COMPARING PRIVATE VERSUS GOVERNMENT  
19 COSTS, TO CONSIDER COSTS THAT ARE INCURRED BY PRIVATE BUSINESS BUT NOT BY GOVERNMENT.

20  
21 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

22  
23 **Section 1.** Section 61-3-321, MCA, is amended to read:

24 **"61-3-321. Registration fees of vehicles -- public-owned vehicles exempt from license or**  
25 **registration fees -- disposition of fees.** (1) Registration or license fees must be paid upon registration or  
26 reregistration of motor vehicles, trailers, housetrailer, and semitrailers, in accordance with this chapter,  
27 as follows:

- 28 (a) motor vehicles weighing 2,850 pounds or under (other than motortrucks), \$5;  
29 (b) motor vehicles weighing over 2,850 pounds (other than motortrucks), \$10;  
30 (c) electrically driven passenger vehicles, \$10;

- 1 (d) all motorcycles and quadricycles, \$2;
- 2 (e) tractors ~~and/or~~ or trucks, \$10;
- 3 (f) buses, which are classed as motortrucks, ~~and~~ licensed accordingly;
- 4 (g) trailers and semitrailers less than 2,500 pounds maximum gross loaded weight and housetrailers  
5 of all weights, \$2;
- 6 (h) trailers and semitrailers over 2,500 up to 6,000 pounds maximum gross loaded weight (except  
7 housetrailers), \$5;
- 8 (i) trailers and semitrailers over 6,000 pounds maximum gross loaded weight, \$10, except trailers  
9 and semitrailers registered in other jurisdictions and registered through a proportional registration  
10 agreement;
- 11 (j) trailers used exclusively in the transportation of logs in the forest or in the transportation of oil  
12 and gas well machinery, road machinery, or bridge materials, new and secondhand, \$15 annually,  
13 regardless of size or capacity.
- 14 (2) All rates are 25% higher for motor vehicles, trailers, and semitrailers that are not equipped with  
15 pneumatic tires.
- 16 (3) "Tractor", as specified in this section, means any motor vehicle, except a passenger car,  
17 that is used for towing a trailer or semitrailer.
- 18 (4) If any motor vehicle, housetrailer, trailer, or semitrailer is originally registered 6 months after  
19 the time of registration as set by law, the registration or license fee for the remainder of the year is one-half  
20 of the regular fee.
- 21 (5) An additional fee of \$5.25 ~~per~~ a year for each registration of a vehicle, except trailers and  
22 semitrailers registered in other jurisdictions and registered through a proportional registration agreement,  
23 must be collected as a registration fee. Revenue from this fee must be forwarded by the respective county  
24 treasurers to the state treasurer for deposit in the general fund. The department shall distribute 25 cents  
25 from the motor vehicle registration fee for payment of supplemental benefits provided for in 19-6-709.
- 26 (6) A fee of \$2 for each set of new number plates must be collected when number plates provided  
27 for under 61-3-332(3) are issued. Revenue from this fee must be deposited as provided in subsection (5).
- 28 (7) The provisions of this part with respect to the payment of registration fees do not apply to and  
29 are not binding upon motor vehicles, trailers, ~~or~~ semitrailers, or tractors owned or controlled by the United  
30 States of America or any state, county, ~~or~~ city, or special district, as defined in 18-8-202.

1 (8) The provisions of this section relating to the payment of registration fees or new number plate  
2 fees do not apply when number plates are transferred to a replacement vehicle under 61-3-317, 61-3-332,  
3 or 61-3-335."  
4

5 **Section 2.** Section 61-3-332, MCA, is amended to read:

6 **"61-3-332. Number plates.** (1) A motor vehicle that is driven upon the streets or highways of  
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9 vehicles of the motorcycle or quadricycle type, one for trailers, one for trucks, one for dealers in vehicles  
10 of the motorcycle or quadricycle type that bear the distinctive letters "MCD" or the letters "MC" and the  
11 word "DEALER", one for franchised dealers in new motorcars (including trucks and trailers) or new and  
12 used motorcars (including trucks and trailers) that bear the distinctive letter "D" or the word "DEALER",  
13 one for dealers in used motorcars only (including used trucks and trailers) that bear the distinctive letters  
14 "UD" or the letter "U" and the word "DEALER", one for dealers in trailers and/or semitrailers (new or used)  
15 that bear the distinctive letters "DTR" or the letters "TR" and the word "DEALER", one for dealers in  
16 recreational vehicles that bear the distinctive letters "RV" or the letter "R" and the word "DEALER", and  
17 one for special license plates. All markings for the various kinds of dealers' plates must be placed on the  
18 number plates assigned to the dealer, in the position that the department designates.

19 (2) All number plates for motor vehicles must be issued for a minimum period of 4 years, bear a  
20 distinctive marking, and be furnished by the state. In years when number plates are not issued, the  
21 department shall provide nonremovable stickers bearing appropriate registration numbers that must be  
22 affixed to the license plates in use.

23 (3) Subject to the provisions of this section, the department shall create a new design for number  
24 plates as provided in this section.

25 (4) In the case of motorcars and trucks, plates must be of metal 6 inches wide and 12 inches in  
26 length. The outline of the state of Montana must be used as a distinctive border on the license plates, and  
27 the word "Montana" and the year must be placed across the plates. Registration plates must be treated  
28 with a reflectorized background material according to specifications prescribed by the department.

29 (5) The distinctive registration numbers must begin with a number one or with a letter-number  
30 combination, such as "A 1" or "AA 1", or any other similar combination of letters and numbers. The

1 distinctive registration number or letter-number combination assigned to the vehicle must appear on the  
2 plate preceded by the number of the county and appearing in horizontal order on the same horizontal  
3 baseline. The county number must be separated from the distinctive registration number by a separation  
4 mark unless a letter-number combination is used. The dimensions of the numerals and letters must be  
5 determined by the department, and all county and registration numbers must be of equal height.

6 (6) For the use of tax-exempt motor vehicles, in addition to the markings provided in this section,  
7 number plates must bear the following distinctive markings:

8 (a) For vehicles owned by the state, the department may designate the prefix number for the  
9 various state departments. All numbered plates issued to state departments must bear the words "State  
10 Owned", and a year number may not be indicated on the plates because these numbered plates are of a  
11 permanent nature and will be replaced by the department only when the physical condition of numbered  
12 plates requires it.

13 (b) For vehicles that are owned by the counties, municipalities, ~~irrigation districts~~ and special  
14 districts, as defined in 18-8-202, organized under the laws of Montana and not operating for profit, ~~and~~  
15 ~~school districts~~ and that are used and operated by officials and employees in the line of duty and for  
16 vehicles on loan from the United States government or the state of Montana to, or owned by, the civil air  
17 patrol and used and operated by officials and employees in the line of duty, there must be placed on the  
18 number plates assigned, in a position that the department may designate, the letter "X" or the word  
19 "EXEMPT". Distinctive registration numbers for plates assigned to motor vehicles of each of the counties  
20 in the state and those of the municipalities and ~~school~~ special districts ~~situated within each of the counties~~  
21 ~~and those of the irrigation districts~~ that obtain plates within each county must begin with number one and  
22 be numbered consecutively. Because these number plates are of a permanent nature, they are subject to  
23 replacement by the department only when the physical condition of the number plates requires it and a year  
24 number may not be displayed on the number plates.

25 (7) On all number plates assigned to motor vehicles of the truck and trailer type, other than  
26 tax-exempt trucks and tax-exempt trailers, there must appear the letter "T" or the word "TRUCK" on plates  
27 assigned to trucks and the letters "TR" or the word "TRAILER" on plates assigned to trailers and  
28 housetrainers. The letters "MC" or the word "CYCLE" must appear on plates assigned to vehicles of the  
29 motorcycle or quadricycle type.

30 (8) Number plates issued to a passenger car, truck, trailer, or vehicle of the motorcycle or

1 quadricycle type may be transferred only to a replacement passenger car, truck, trailer, or motorcycle- or  
2 quadricycle-type vehicle. A registration or license fee may not be assessed upon a transfer of a number  
3 plate under 61-3-317 and 61-3-335.

4 (9) For the purpose of this chapter, the several counties of the state are assigned numbers as  
5 follows: Silver Bow, 1; Cascade, 2; Yellowstone, 3; Missoula, 4; Lewis and Clark, 5; Gallatin, 6; Flathead,  
6 7; Fergus, 8; Powder River, 9; Carbon, 10; Phillips, 11; Hill, 12; Ravalli, 13; Custer, 14; Lake, 15; Dawson,  
7 16; Roosevelt, 17; Beaverhead, 18; Chouteau, 19; Valley, 20; Toole, 21; Big Horn, 22; Musselshell, 23;  
8 Blaine, 24; Madison, 25; Pondera, 26; Richland, 27; Powell, 28; Rosebud, 29; Deer Lodge, 30; Teton, 31;  
9 Stillwater, 32; Treasure, 33; Sheridan, 34; Sanders, 35; Judith Basin, 36; Daniels, 37; Glacier, 38; Fallon,  
10 39; Sweet Grass, 40; McCone, 41; Carter, 42; Broadwater, 43; Wheatland, 44; Prairie, 45; Granite, 46;  
11 Meagher, 47; Liberty, 48; Park, 49; Garfield, 50; Jefferson, 51; Wibaux, 52; Golden Valley, 53; Mineral,  
12 54; Petroleum, 55; Lincoln, 56. Any new counties must be assigned numbers by the department as they  
13 may be formed, beginning with the number 57.

14 (10) Each type of special license plate approved by the legislature, except collegiate license plates  
15 authorized in 61-3-463, must be a separate series of plates, numbered as provided in subsection (5), except  
16 that the county number must be replaced by a nonremovable design or decal designating the group or  
17 organization to which the applicant belongs. Unless otherwise specifically stated in this section, the special  
18 plates are subject to the same rules and laws as govern the issuance of regular license plates, must be  
19 placed or mounted on a vehicle owned by the person who is eligible to receive them, and must be removed  
20 upon sale or other disposition of the vehicle. The special license plates must be issued to national guard  
21 members, former prisoners of war, handicapped persons, reservists, disabled veterans, survivors of the  
22 Pearl Harbor attack, veterans of the armed services, or veterans of the armed services who were awarded  
23 the purple heart medal, who comply with the following provisions:

24 (a) An active member of the Montana national guard may be issued special license plates with a  
25 design or decal displaying the letters "NG". The adjutant general shall issue to each active member of the  
26 Montana national guard a certificate authorizing the department to issue national guard plates, numbered  
27 in sets of two with a different number on each set, and the member shall surrender the plates to the  
28 department upon becoming ineligible to use them.

29 (b) An active member of the reserve armed forces of the United States of America who is a  
30 resident of this state may be issued special license plates with a design or decal displaying the following:

1 United States army reserve, AR (symbol); United States naval reserve, NR (anchor); United States air force  
2 reserve, AFR (symbol); and United States marine corps reserve, MCR (globe and anchor). The commanding  
3 officer of each armed forces reserve unit shall issue to each eligible member of the reserve unit a certificate  
4 authorizing the issuance of special license plates, numbered in sets of two with a different number on each  
5 set. The member shall surrender the plates to the department upon becoming ineligible to use them.

6 (c) (i) A resident of Montana who is a veteran of the armed forces of the United States and who  
7 is 100% disabled because of an injury that has been determined by the department of veterans affairs to  
8 be service-connected may, upon presentation to the department of proof of the 100% disability, be issued:

9 (A) a special license plate under this section with a design or decal displaying the letters "DV"; or

10 (B) one set of any other military-related plates that the disabled veteran is eligible to receive under  
11 this section.

12 (ii) The fee for original or renewal registration by a 100% disabled veteran for a passenger vehicle  
13 or a truck with a GVW-rated capacity of 1 ton or less is \$5 and is in lieu of all other fees and taxes for that  
14 vehicle under this chapter.

15 (iii) Special license plates issued to a disabled veteran are not transferable to another person.

16 (iv) A disabled veteran is not entitled to a special disabled veteran's license plate for more than one  
17 vehicle.

18 (v) A vehicle lawfully displaying a disabled veteran's plate and that is conveying a 100% disabled  
19 veteran is entitled to the parking privileges allowed a handicapped person's vehicle under this title.

20 (d) A Montana resident who is a veteran of the armed forces of the United States and was  
21 captured and held prisoner by a military force of a foreign nation, documented by the veteran's service  
22 record, may upon application and presentation of proof be issued special license plates, numbered in sets  
23 of two with a different number on each set, with a design or decal displaying the words "ex-prisoner of  
24 war" or an abbreviation the department considers appropriate.

25 (e) Except as provided in subsection (10)(c), upon payment of all taxes and fees required by parts  
26 3 and 5 of this chapter and upon furnishing proof satisfactory to the department that the applicant meets  
27 the requirements of this subsection (e), the department shall issue to a Montana resident who is a veteran  
28 of the armed services of the United States special license plates, numbered in sets of two with a different  
29 number on each set, designed to indicate that the applicant is a survivor of the Pearl Harbor attack if the  
30 applicant was a member of the United States armed forces on December 7, 1941, was on station on



1 December 7, 1941, during the hours of 7:55 a.m. to 9:45 a.m. (Hawaii time) at Pearl Harbor, the island  
2 of Oahu, or offshore at a distance of not more than 3 miles, and received an honorable discharge from the  
3 United States armed forces. If special license plates issued under this subsection are lost, stolen, or  
4 mutilated, the recipient of the plates is entitled to replacement plates upon request and without charge.

5 (f) A motor vehicle owner and resident of this state who is a veteran or the surviving spouse of  
6 a veteran of the armed services of the United States may be issued license plates inscribed as provided in  
7 subsection (10)(f)(i) if the veteran was separated from the armed services under other than dishonorable  
8 circumstances or was awarded the purple heart medal:

9 (i) Upon submission of a department of defense form 214(DD-214) or its successor or documents  
10 showing an other-than-dishonorable discharge or a ~~re-enlistment~~ reenlistment, proper identification, and other  
11 relevant documents to show an applicant's qualification under this subsection, there must be issued to the  
12 applicant, in lieu of the regular license plates prescribed by law, special license plates numbered in sets of  
13 two with a different number on each set. The plates must display:

14 (A) the word "VETERAN" and a symbol signifying the United States army, United States navy,  
15 United States air force, United States marine corps, or United States coast guard, according to the record  
16 of service verified in the application; or

17 (B) a symbol representing the purple heart medal.

18 (ii) Plates must be furnished by the department to the county treasurer, who shall issue them to a  
19 qualified veteran or to the veteran's surviving spouse. The plates must be placed or mounted on the vehicle  
20 owned by the veteran or the veteran's surviving spouse designated in the application and must be removed  
21 upon sale or other disposition of the vehicle.

22 (iii) Except as provided in subsection (10)(c), a veteran or surviving spouse who receives special  
23 license plates under this subsection (10)(f) is liable for payment of all taxes and fees required under parts  
24 3 and 4 of this chapter and a special veteran's or purple heart medal license plate fee of \$10. Upon an  
25 original application for a license under this subsection (10)(f), the county treasurer shall:

26 (A) deposit \$3 of the special fee in the county general fund;

27 (B) remit \$1 for deposit in the state general fund; and

28 (C) deposit the remainder of the special fee in the state special revenue account established in  
29 10-2-603 for administration, construction, operation, and maintenance of the state veterans' cemetery.

30 (iv) Upon subsequent annual renewal of registration, the county treasurer shall deposit all of the

1 special fee as provided in subsection (10)(f)(iii)(C).

2 (g) A Montana resident who is eligible to receive a special parking permit under 49-4-301 may,  
3 upon written application on a form prescribed by the department, be issued a special license plate with a  
4 design or decal bearing a representation of a wheelchair as the symbol of the handicapped person."  
5

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

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

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

13 (a) 1 ½ % of the f.o.b. factory list price or f.o.b. port-of-entry list price, during the first quarter of  
14 the year or for a registration period other than a calendar year or calendar quarter;

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

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

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

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

20 (4) The new car sales tax on vehicles subject to the provisions of 61-3-313 through 61-3-316 is  
21 1 ½ % of the f.o.b. factory list price or f.o.b. port-of-entry list price regardless of the month in which the  
22 new vehicle is purchased.

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

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

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

30 (8) (a) The applicant for original registration of any new and unused motor vehicle, or a new motor

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

7 (b) A motor vehicle may not be registered or licensed under the provisions of this subsection unless  
 8 the application for registration is accompanied by a statement of origin to be furnished by the dealer selling  
 9 the vehicle, showing that the vehicle has not previously been registered or owned, except as otherwise  
 10 provided in this section, by any person, firm, corporation, or association that is not a new motor vehicle  
 11 dealer holding a franchise or distribution agreement from a new car manufacturer, distributor, or importer.

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

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

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

22 (d) Motor vehicles owned or controlled by a special district, as defined in 18-8-202, are exempt  
 23 from subsection (1)."

24

25 **Section 4.** Section 61-3-510, MCA, is amended to read:

26 **"61-3-510. Weed control fee.** (1) A special weed control fee of \$1.50 must be assessed on the  
 27 annual registration or reregistration of each motor vehicle subject to registration. The fee must be collected  
 28 by the county treasurer.

29 (2) For purposes of this section, motor vehicle includes:

30 (a) a motor vehicle as defined in 61-1-102;

1 (b) a motorcycle as defined in 61-1-105;

2 (c) a motor-driven cycle as defined in 61-1-106; and

3 (d) a quadricycle as defined in 61-1-133.

4 (3) The following vehicles are exempt from the fee:

5 (a) vehicles owned or controlled by the United States or a state, county, ~~or city,~~ or special district,  
6 as defined in 18-8-202;

7 (b) vehicles exempt from payment of registration fees by 61-3-321(8); and

8 (c) vehicles or equipment ~~which~~ that is not self-propelled or ~~which~~ that requires towing when  
9 moved upon a highway of this state."

10

11 NEW SECTION. SECTION 5. EFFECTIVE DATE. [THIS ACT] IS EFFECTIVE ON PASSAGE AND

12 APPROVAL.

13

14

-END-

1 HOUSE BILL NO. 96  
2 INTRODUCED BY LARSON  
3  
4 A BILL FOR AN ACT ENTITLED: "AN ACT EXEMPTING VEHICLES OWNED BY SPECIAL DISTRICTS FROM  
5 VEHICLE REGISTRATION FEES, THE WEED CONTROL FEE, AND THE NEW CAR SALES TAX; ALLOWING  
6 VEHICLES OWNED BY SPECIAL DISTRICTS TO HAVE EXEMPT LICENSE PLATES; ~~AND~~ AMENDING  
7 SECTIONS 61-3-321, 61-3-332, 61-3-502, AND 61-3-510, MCA; AND PROVIDING AN IMMEDIATE  
8 EFFECTIVE DATE."

THERE ARE NO CHANGES IN THIS BILL  
AND WILL NOT BE REPRINTED. PLEASE  
REFER TO YELLOW COPY FOR COMPLETE TEXT.

## 1 HOUSE BILL NO. 96

2 INTRODUCED BY LARSON

3  
4 A BILL FOR AN ACT ENTITLED: "AN ACT EXEMPTING VEHICLES OWNED BY SPECIAL DISTRICTS FROM  
5 VEHICLE REGISTRATION FEES, THE WEED CONTROL FEE, AND THE NEW CAR SALES TAX; ALLOWING  
6 VEHICLES OWNED BY SPECIAL DISTRICTS TO HAVE EXEMPT LICENSE PLATES; ~~AND~~ AMENDING  
7 SECTIONS 61-3-321, 61-3-332, 61-3-502, AND 61-3-510, MCA; AND PROVIDING AN IMMEDIATE  
8 EFFECTIVE DATE."

9  
10 WHEREAS, THE LEGISLATURE HAS SPECIFICALLY EXEMPTED VEHICLES OWNED BY SPECIAL  
11 DISTRICTS FROM VARIOUS VEHICLE FEES BECAUSE IT CONSIDERS THE USE OF TAXPAYER MONEY TO  
12 PAY TAXES TO OTHER TAX ENTITIES TO BE COUNTER TO GOOD GOVERNMENT; AND

13 WHEREAS, A PRIVATE BUSINESS THAT COMPETES WITH GOVERNMENTAL ENTITIES IS  
14 REQUIRED TO PAY FEES THAT THE GOVERNMENTAL ENTITY DOES NOT HAVE TO PAY, YET WHEN  
15 COMPARING COSTS OF SERVICES PROVIDED BY GOVERNMENT AND BY PRIVATE BUSINESS, THIS  
16 CONSIDERATION IS OFTEN NOT FACTORED INTO THE EQUATION.

17 THEREFORE, THE LEGISLATURE RECOGNIZES THE COSTS AND CONSEQUENCES OF THIS  
18 SITUATION AND ENCOURAGES ALL PARTIES, WHEN COMPARING PRIVATE VERSUS GOVERNMENT  
19 COSTS, TO CONSIDER COSTS THAT ARE INCURRED BY PRIVATE BUSINESS BUT NOT BY GOVERNMENT.

20  
21 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

22  
23 Section 1. Section 61-3-321, MCA, is amended to read:

24 "61-3-321. **Registration fees of vehicles -- public-owned vehicles exempt from license or**  
25 **registration fees -- disposition of fees.** (1) Registration or license fees must be paid upon registration or  
26 reregistration of motor vehicles, trailers, housetrailers, and semitrailers, in accordance with this chapter,  
27 as follows:

- 28 (a) motor vehicles weighing 2,850 pounds or under (other than motortrucks), \$5;  
29 (b) motor vehicles weighing over 2,850 pounds (other than motortrucks), \$10;  
30 (c) electrically driven passenger vehicles, \$10;

- 1 (d) all motorcycles and quadricycles, \$2;
- 2 (e) tractors ~~and/or~~ or trucks, \$10;
- 3 (f) buses, which are classed as motortrucks, ~~and~~ licensed accordingly;
- 4 (g) trailers and semitrailers less than 2,500 pounds maximum gross loaded weight and housetrailers  
5 of all weights, \$2;
- 6 (h) trailers and semitrailers over 2,500 up to 6,000 pounds maximum gross loaded weight (except  
7 housetrailers), \$5;
- 8 (i) trailers and semitrailers over 6,000 pounds maximum gross loaded weight, \$10, except trailers  
9 and semitrailers registered in other jurisdictions and registered through a proportional registration  
10 agreement;
- 11 (j) trailers used exclusively in the transportation of logs in the forest or in the transportation of oil  
12 and gas well machinery, road machinery, or bridge materials, new and secondhand, \$15 annually,  
13 regardless of size or capacity.
- 14 (2) All rates are 25% higher for motor vehicles, trailers, and semitrailers that are not equipped with  
15 pneumatic tires.
- 16 (3) "Tractor", as specified in this section, means any motor vehicle, except a passenger ears car,  
17 that is used for towing a trailer or semitrailer.
- 18 (4) If any motor vehicle, housetrailer, trailer, or semitrailer is originally registered 6 months after  
19 the time of registration as set by law, the registration or license fee for the remainder of the year is one-half  
20 of the regular fee.
- 21 (5) An additional fee of \$5.25 ~~per~~ a year for each registration of a vehicle, except trailers and  
22 semitrailers registered in other jurisdictions and registered through a proportional registration agreement,  
23 must be collected as a registration fee. Revenue from this fee must be forwarded by the respective county  
24 treasurers to the state treasurer for deposit in the general fund. The department shall distribute 25 cents  
25 from the motor vehicle registration fee for payment of supplemental benefits provided for in 19-6-709.
- 26 (6) A fee of \$2 for each set of new number plates must be collected when number plates provided  
27 for under 61-3-332(3) are issued. Revenue from this fee must be deposited as provided in subsection (5).
- 28 (7) The provisions of this part with respect to the payment of registration fees do not apply to and  
29 are not binding upon motor vehicles, trailers, ~~or~~ semitrailers, or tractors owned or controlled by the United  
30 States of America or any state, county, ~~or~~ city, or special district, as defined in 18-8-202.

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

4  
5           **Section 2.** Section 61-3-332, MCA, is amended to read:

6           **"61-3-332. Number plates.** (1) A motor vehicle that is driven upon the streets or highways of  
7 Montana must display both front and rear number plates, bearing the distinctive number assigned to the  
8 vehicle. The number plates are in 10 series: one series for owners of motorcars, one for owners of motor  
9 vehicles of the motorcycle or quadricycle type, one for trailers, one for trucks, one for dealers in vehicles  
10 of the motorcycle or quadricycle type that bear the distinctive letters "MCD" or the letters "MC" and the  
11 word "DEALER", one for franchised dealers in new motorcars (including trucks and trailers) or new and  
12 used motorcars (including trucks and trailers) that bear the distinctive letter "D" or the word "DEALER",  
13 one for dealers in used motorcars only (including used trucks and trailers) that bear the distinctive letters  
14 "UD" or the letter "U" and the word "DEALER", one for dealers in trailers and/or semitrailers (new or used)  
15 that bear the distinctive letters "DTR" or the letters "TR" and the word "DEALER", one for dealers in  
16 recreational vehicles that bear the distinctive letters "RV" or the letter "R" and the word "DEALER", and  
17 one for special license plates. All markings for the various kinds of dealers' plates must be placed on the  
18 number plates assigned to the dealer, in the position that the department designates.

19           (2) All number plates for motor vehicles must be issued for a minimum period of 4 years, bear a  
20 distinctive marking, and be furnished by the state. In years when number plates are not issued, the  
21 department shall provide nonremovable stickers bearing appropriate registration numbers that must be  
22 affixed to the license plates in use.

23           (3) Subject to the provisions of this section, the department shall create a new design for number  
24 plates as provided in this section.

25           (4) In the case of motorcars and trucks, plates must be of metal 6 inches wide and 12 inches in  
26 length. The outline of the state of Montana must be used as a distinctive border on the license plates, and  
27 the word "Montana" and the year must be placed across the plates. Registration plates must be treated  
28 with a reflectorized background material according to specifications prescribed by the department.

29           (5) The distinctive registration numbers must begin with a number one or with a letter-number  
30 combination, such as "A 1" or "AA 1", or any other similar combination of letters and numbers. The



1 distinctive registration number or letter-number combination assigned to the vehicle must appear on the  
2 plate preceded by the number of the county and appearing in horizontal order on the same horizontal  
3 baseline. The county number must be separated from the distinctive registration number by a separation  
4 mark unless a letter-number combination is used. The dimensions of the numerals and letters must be  
5 determined by the department, and all county and registration numbers must be of equal height.

6 (6) For the use of tax-exempt motor vehicles, in addition to the markings provided in this section,  
7 number plates must bear the following distinctive markings:

8 (a) For vehicles owned by the state, the department may designate the prefix number for the  
9 various state departments. All numbered plates issued to state departments must bear the words "State  
10 Owned", and a year number may not be indicated on the plates because these numbered plates are of a  
11 permanent nature and will be replaced by the department only when the physical condition of numbered  
12 plates requires it.

13 (b) For vehicles that are owned by the counties, municipalities, ~~irrigation districts~~ and special  
14 districts, as defined in 18-8-202, organized under the laws of Montana and not operating for profit, ~~and~~  
15 ~~school districts~~ and that are used and operated by officials and employees in the line of duty and for  
16 vehicles on loan from the United States government or the state of Montana to, or owned by, the civil air  
17 patrol and used and operated by officials and employees in the line of duty, there must be placed on the  
18 number plates assigned, in a position that the department may designate, the letter "X" or the word  
19 "EXEMPT". Distinctive registration numbers for plates assigned to motor vehicles of each of the counties  
20 in the state and those of the municipalities and ~~school~~ special districts ~~situated within each of the counties~~  
21 ~~and those of the irrigation districts~~ that obtain plates within each county must begin with number one and  
22 be numbered consecutively. Because these number plates are of a permanent nature, they are subject to  
23 replacement by the department only when the physical condition of the number plates requires it and a year  
24 number may not be displayed on the number plates.

25 (7) On all number plates assigned to motor vehicles of the truck and trailer type, other than  
26 tax-exempt trucks and tax-exempt trailers, there must appear the letter "T" or the word "TRUCK" on plates  
27 assigned to trucks and the letters "TR" or the word "TRAILER" on plates assigned to trailers and  
28 housetrailers. The letters "MC" or the word "CYCLE" must appear on plates assigned to vehicles of the  
29 motorcycle or quadricycle type.

30 (8) Number plates issued to a passenger car, truck, trailer, or vehicle of the motorcycle or

1 quadricycle type may be transferred only to a replacement passenger car, truck, trailer, or motorcycle- or  
2 quadricycle-type vehicle. A registration or license fee may not be assessed upon a transfer of a number  
3 plate under 61-3-317 and 61-3-335.

4 (9) For the purpose of this chapter, the several counties of the state are assigned numbers as  
5 follows: Silver Bow, 1; Cascade, 2; Yellowstone, 3; Missoula, 4; Lewis and Clark, 5; Gallatin, 6; Flathead,  
6 7; Fergus, 8; Powder River, 9; Carbon, 10; Phillips, 11; Hill, 12; Ravalli, 13; Custer, 14; Lake, 15; Dawson,  
7 16; Roosevelt, 17; Beaverhead, 18; Chouteau, 19; Valley, 20; Toole, 21; Big Horn, 22; Musselshell, 23;  
8 Blaine, 24; Madison, 25; Pondera, 26; Richland, 27; Powell, 28; Rosebud, 29; Deer Lodge, 30; Teton, 31;  
9 Stillwater, 32; Treasure, 33; Sheridan, 34; Sanders, 35; Judith Basin, 36; Daniels, 37; Glacier, 38; Fallon,  
10 39; Sweet Grass, 40; McCone, 41; Carter, 42; Broadwater, 43; Wheatland, 44; Prairie, 45; Granite, 46;  
11 Meagher, 47; Liberty, 48; Park, 49; Garfield, 50; Jefferson, 51; Wibaux, 52; Golden Valley, 53; Mineral,  
12 54; Petroleum, 55; Lincoln, 56. Any new counties must be assigned numbers by the department as they  
13 may be formed, beginning with the number 57.

14 (10) Each type of special license plate approved by the legislature, except collegiate license plates  
15 authorized in 61-3-463, must be a separate series of plates, numbered as provided in subsection (5), except  
16 that the county number must be replaced by a nonremovable design or decal designating the group or  
17 organization to which the applicant belongs. Unless otherwise specifically stated in this section, the special  
18 plates are subject to the same rules and laws as govern the issuance of regular license plates, must be  
19 placed or mounted on a vehicle owned by the person who is eligible to receive them, and must be removed  
20 upon sale or other disposition of the vehicle. The special license plates must be issued to national guard  
21 members, former prisoners of war, handicapped persons, reservists, disabled veterans, survivors of the  
22 Pearl Harbor attack, veterans of the armed services, or veterans of the armed services who were awarded  
23 the purple heart medal, who comply with the following provisions:

24 (a) An active member of the Montana national guard may be issued special license plates with a  
25 design or decal displaying the letters "NG". The adjutant general shall issue to each active member of the  
26 Montana national guard a certificate authorizing the department to issue national guard plates, numbered  
27 in sets of two with a different number on each set, and the member shall surrender the plates to the  
28 department upon becoming ineligible to use them.

29 (b) An active member of the reserve armed forces of the United States of America who is a  
30 resident of this state may be issued special license plates with a design or decal displaying the following:

1 United States army reserve, AR (symbol); United States naval reserve, NR (anchor); United States air force  
2 reserve, AFR (symbol); and United States marine corps reserve, MCR (globe and anchor). The commanding  
3 officer of each armed forces reserve unit shall issue to each eligible member of the reserve unit a certificate  
4 authorizing the issuance of special license plates, numbered in sets of two with a different number on each  
5 set. The member shall surrender the plates to the department upon becoming ineligible to use them.

6 (c) (i) A resident of Montana who is a veteran of the armed forces of the United States and who  
7 is 100% disabled because of an injury that has been determined by the department of veterans affairs to  
8 be service-connected may, upon presentation to the department of proof of the 100% disability, be issued:

9 (A) a special license plate under this section with a design or decal displaying the letters "DV"; or

10 (B) one set of any other military-related plates that the disabled veteran is eligible to receive under  
11 this section.

12 (ii) The fee for original or renewal registration by a 100% disabled veteran for a passenger vehicle  
13 or a truck with a GVW-rated capacity of 1 ton or less is \$5 and is in lieu of all other fees and taxes for that  
14 vehicle under this chapter.

15 (iii) Special license plates issued to a disabled veteran are not transferable to another person.

16 (iv) A disabled veteran is not entitled to a special disabled veteran's license plate for more than one  
17 vehicle.

18 (v) A vehicle lawfully displaying a disabled veteran's plate and that is conveying a 100% disabled  
19 veteran is entitled to the parking privileges allowed a handicapped person's vehicle under this title.

20 (d) A Montana resident who is a veteran of the armed forces of the United States and was  
21 captured and held prisoner by a military force of a foreign nation, documented by the veteran's service  
22 record, may upon application and presentation of proof be issued special license plates, numbered in sets  
23 of two with a different number on each set, with a design or decal displaying the words "ex-prisoner of  
24 war" or an abbreviation the department considers appropriate.

25 (e) Except as provided in subsection (10)(c), upon payment of all taxes and fees required by parts  
26 3 and 5 of this chapter and upon furnishing proof satisfactory to the department that the applicant meets  
27 the requirements of this subsection (e), the department shall issue to a Montana resident who is a veteran  
28 of the armed services of the United States special license plates, numbered in sets of two with a different  
29 number on each set, designed to indicate that the applicant is a survivor of the Pearl Harbor attack if the  
30 applicant was a member of the United States armed forces on December 7, 1941, was on station on

1 December 7, 1941, during the hours of 7:55 a.m. to 9:45 a.m. (Hawaii time) at Pearl Harbor, the island  
2 of Oahu, or offshore at a distance of not more than 3 miles, and received an honorable discharge from the  
3 United States armed forces. If special license plates issued under this subsection are lost, stolen, or  
4 mutilated, the recipient of the plates is entitled to replacement plates upon request and without charge.

5 (f) A motor vehicle owner and resident of this state who is a veteran or the surviving spouse of  
6 a veteran of the armed services of the United States may be issued license plates inscribed as provided in  
7 subsection (10)(f)(i) if the veteran was separated from the armed services under other than dishonorable  
8 circumstances or was awarded the purple heart medal:

9 (i) Upon submission of a department of defense form 214(DD-214) or its successor or documents  
10 showing an other-than-dishonorable discharge or a ~~re-enlistment~~ reenlistment, proper identification, and other  
11 relevant documents to show an applicant's qualification under this subsection, there must be issued to the  
12 applicant, in lieu of the regular license plates prescribed by law, special license plates numbered in sets of  
13 two with a different number on each set. The plates must display:

14 (A) the word "VETERAN" and a symbol signifying the United States army, United States navy,  
15 United States air force, United States marine corps, or United States coast guard, according to the record  
16 of service verified in the application; or

17 (B) a symbol representing the purple heart medal.

18 (ii) Plates must be furnished by the department to the county treasurer, who shall issue them to a  
19 qualified veteran or to the veteran's surviving spouse. The plates must be placed or mounted on the vehicle  
20 owned by the veteran or the veteran's surviving spouse designated in the application and must be removed  
21 upon sale or other disposition of the vehicle.

22 (iii) Except as provided in subsection (10)(c), a veteran or surviving spouse who receives special  
23 license plates under this subsection (10)(f) is liable for payment of all taxes and fees required under parts  
24 3 and 4 of this chapter and a special veteran's or purple heart medal license plate fee of \$10. Upon an  
25 original application for a license under this subsection (10)(f), the county treasurer shall:

26 (A) deposit \$3 of the special fee in the county general fund;

27 (B) remit \$1 for deposit in the state general fund; and

28 (C) deposit the remainder of the special fee in the state special revenue account established in  
29 10-2-603 for administration, construction, operation, and maintenance of the state veterans' cemetery.

30 (iv) Upon subsequent annual renewal of registration, the county treasurer shall deposit all of the

1 special fee as provided in subsection (10)(f)(iii)(C).

2 (g) A Montana resident who is eligible to receive a special parking permit under 49-4-301 may,  
3 upon written application on a form prescribed by the department, be issued a special license plate with a  
4 design or decal bearing a representation of a wheelchair as the symbol of the handicapped person."

5

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

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

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

13 (a) 1 ½ % of the f.o.b. factory list price or f.o.b. port-of-entry list price, during the first quarter of  
14 the year or for a registration period other than a calendar year or calendar quarter;

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

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

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

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

20 (4) The new car sales tax on vehicles subject to the provisions of 61-3-313 through 61-3-316 is  
21 1 ½ % of the f.o.b. factory list price or f.o.b. port-of-entry list price regardless of the month in which the  
22 new vehicle is purchased.

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

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

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

30 (8) (a) The applicant for original registration of any new and unused motor vehicle, or a new motor

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

7 (b) A motor vehicle may not be registered or licensed under the provisions of this subsection unless  
8 the application for registration is accompanied by a statement of origin to be furnished by the dealer selling  
9 the vehicle, showing that the vehicle has not previously been registered or owned, except as otherwise  
10 provided in this section, by any person, firm, corporation, or association that is not a new motor vehicle  
11 dealer holding a franchise or distribution agreement from a new car manufacturer, distributor, or importer.

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

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

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

22 (d) Motor vehicles owned or controlled by a special district, as defined in 18-8-202, are exempt  
23 from subsection (1)."

24  
25 **Section 4.** Section 61-3-510, MCA, is amended to read:

26 "61-3-510. **Weed control fee.** (1) A special weed control fee of \$1.50 must be assessed on the  
27 annual registration or reregistration of each motor vehicle subject to registration. The fee must be collected  
28 by the county treasurer.

29 (2) For purposes of this section, motor vehicle includes:

30 (a) a motor vehicle as defined in 61-1-102;

1 (b) a motorcycle as defined in 61-1-105;

2 (c) a motor-driven cycle as defined in 61-1-106; and

3 (d) a quadricycle as defined in 61-1-133.

4 (3) The following vehicles are exempt from the fee:

5 (a) vehicles owned or controlled by the United States or a state, county, ~~or city,~~ or special district,  
6 as defined in 18-8-202;

7 (b) vehicles exempt from payment of registration fees by 61-3-321(8); and

8 (c) vehicles or equipment ~~which~~ that is not self-propelled or ~~which~~ that requires towing when  
9 moved upon a highway of this state."

10

11 NEW SECTION. SECTION 5. EFFECTIVE DATE. [THIS ACT] IS EFFECTIVE ON PASSAGE AND

12 APPROVAL.

13

14

-END-