

House BILL NO. 389

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INTRODUCED BY

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A BILL FOR AN ACT ENTITLED: "AN ACT ALLOWING AN ELECTED COUNTY ASSESSOR TO BE DESIGNATED AS AN AGENT OF THE DEPARTMENT OF REVENUE; PROVIDING THAT ONE-HALF OF THE SALARY OF AN ASSESSOR AGENT IS PAID BY THE STATE; PROVIDING A METHOD FOR THE DECONSOLIDATION OF COUNTY OFFICES; PROVIDING THAT THE COUNTY COMPUTER SYSTEM IS THE PRIMARY STORAGE LOCATION FOR COMPUTERIZED TAX RECORDS; AND AMENDING SECTIONS 7-3-1309, 7-4-2301, 7-4-2302, 7-4-2304, 7-4-2305, 7-4-2306, 7-4-2309, 7-4-2310, 7-6-4409, 7-6-4410, 7-12-4181, 7-13-233, 7-13-2304, 7-13-2306, 7-13-2527, 7-13-2528, 7-13-4309, 7-13-4507, 7-14-2738, 7-14-2740, 7-14-2743, 7-14-2745, 15-1-101, 15-1-201, 15-1-202, 15-1-303, 15-7-102, 15-7-208, 15-7-209, 15-7-304, 15-7-308, 15-7-402, 15-7-403, 15-8-102, 15-8-111, 15-8-112, 15-8-113, 15-8-115, 15-8-201, 15-8-202, 15-8-205, 15-8-301, 15-8-303, 15-8-307, 15-8-601, 15-8-701, 15-8-707, 15-9-101, 15-10-202, 15-10-205, 15-10-206, 15-10-305, 15-15-101, 15-15-102, 15-16-119, 15-16-203, 15-16-402, 15-18-412, 15-23-106, 15-23-107, 15-23-115, 15-23-507, 15-23-607, 15-23-702, 15-23-703, 15-23-803, 15-23-804, 15-24-801, 15-24-902, 15-24-903, 15-24-904, 15-24-905, 15-24-906, 15-24-920, 15-24-921, 15-24-1402, 15-24-1501, 15-24-1802, 15-24-1902, 15-24-2002, 15-36-104, 15-59-104, 15-59-203, 20-9-122, 50-61-112, 61-3-207, 61-3-303, 61-3-503, 61-12-402, 70-23-304, 70-23-305, 76-13-207, 76-15-518, 77-1-501, 77-1-503, 77-1-504, 77-2-313, 80-2-203, 80-2-204, 80-2-206, 80-2-207, 81-2-302, 81-4-511, 81-4-513, 81-4-516, 81-7-303, 85-7-2136, 85-8-601, AND 85-9-603, MCA."

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

NEW SECTION. Section 1. County assessors as agents of department of revenue -- salary. (1)

(a) A board of county commissioners may designate an elected county assessor to be an agent of the department of revenue for the purpose of locating and providing the department with a description of all taxable property within the county, together with other pertinent information, and for the purpose of performing other administrative duties that are required for placing taxable property on the property tax record.

1 (b) A copy of the order must be transmitted to the department. The order is not effective until 30
2 days after it has been transmitted to the department.

3 (c) An appointed successor to an elected county assessor may continue to perform as an agent
4 of the department, but an appointed county assessor may not be initially appointed as an agent of the
5 department. If a county assessor is to be elected to succeed an appointed assessor or a consolidated
6 assessor position, the order may be adopted prior to the date the assessor assumes office and made
7 effective when the elected assessor assumes office.

8 (2) The department shall provide the assessor with the training, maps, forms, and other items that
9 the department provides to its employees that perform the same duties as the assessor.

10 (3) (a) The salary and benefits of the county assessor acting as an agent of the department is
11 payable at the same time as other county officers, except the county attorney, with one-half of the salary
12 paid from the county general fund and the remaining one-half paid from the state treasury upon the warrant
13 of the state auditor.

14 (b) The county commissioners shall notify the state auditor as to whether the salary of the county
15 assessor is paid on a biweekly, semimonthly, or monthly basis.

16 (c) The county commissioners shall, within 30 days after the election or appointment to fill a
17 vacancy in the office of county assessor, certify the election or appointment to the department. The
18 department shall notify the state auditor of the salary of the county assessor. The auditor shall draw
19 warrants for the state's share of the salary of the county assessor. In case of a vacancy, the county
20 commissioners shall immediately notify the department and the department shall compute the salary on the
21 basis of the notification.

22
23 **Section 2.** Section 7-3-1309, MCA, is amended to read:

24 **"7-3-1309. Division of assessment.** (1) There may be in the department of finance a division of
25 assessment, the head of which ~~may be~~ is the assessor if the assessor has been designated as an agent of
26 the department of revenue pursuant to [section 1]. The division of assessment has the powers of and shall
27 perform the duties prescribed for county assessors by general law.

28 (2) The division of assessment is in charge of the preparation of all special assessments for public
29 improvements, the giving of notice of the assessments to property owners and purchasers of property
30 under contracts for deed, and the certification of all unpaid assessments to the director of finance."

1 **Section 3.** Section 7-4-2301, MCA, is amended to read:

2 **"7-4-2301. Authorization to consolidate or deconsolidate county offices.** (1) Except as provided
3 in subsection (2), the board of county commissioners of any county may ~~in its discretion~~ consolidate any
4 two or more of the offices named in 7-4-2203 and combine the powers and the duties of the consolidated
5 offices or may deconsolidate any offices that had previously been consolidated.

6 (2) The office of the justice of the peace may not be combined or consolidated with any other
7 office other than another justice of the peace office."

8
9 **Section 4.** Section 7-4-2302, MCA, is amended to read:

10 **"7-4-2302. Petition for consolidation or deconsolidation of county offices.** (1) At any time not
11 later than 45 days before the date on which declarations for nomination may first be filed for any county
12 office, a petition in writing may be filed with the board of county commissioners of a county asking for the
13 consolidation of any two or more ~~of said~~ county offices by the board of ~~such~~ county commissioners of the
14 county or for the deconsolidation of offices that had previously been consolidated.

15 (2) The petition ~~shall~~ must be signed by not less than 15% of the registered electors of ~~such~~ the
16 county."

17
18 **Section 5.** Section 7-4-2304, MCA, is amended to read:

19 **"7-4-2304. Petition details.** (1) ~~Said~~ The petition ~~shall~~ must be addressed to the board or boards
20 of county commissioners of the counties affected and ~~shall~~ must set forth and state the reasons why ~~such~~
21 the consolidation or deconsolidation is believed by the petitioners to be necessary or desirable or for the
22 best interests of the county taxpayers.

23 (2) Each person signing ~~such~~ the petition shall place ~~his~~ the person's printed last name, post-office
24 address, and voting precinct after ~~his~~ the signature.

25 (3) For purposes of determining the number of signatures needed on a petition to meet the
26 percentage requirements of this part, the number of electors must be the number of individuals registered
27 to vote at the preceding general election for the county."

28
29 **Section 6.** Section 7-4-2305, MCA, is amended to read:

30 **"7-4-2305. Initiation of consolidation or deconsolidation by county commissioners.** (1) The board

1 or boards of county commissioners may initiate the consolidation or deconsolidation of county offices under
 2 the procedure set forth in this part. Any board or boards desiring to consolidate any two or more offices
 3 or any two or more offices among several counties under the provisions of this part shall first pass a
 4 resolution stating the intent of the board or boards to consider consolidation.

5 ~~(2) Nothing contained herein shall be deemed as limiting in any manner~~ This section does not limit
 6 the discretion of the county commissioners to consolidate the several offices without the filing of the
 7 petition provided for in this part."

8
 9 **Section 7.** Section 7-4-2306, MCA, is amended to read:

10 **"7-4-2306. Processing of petition -- resolution of intent and hearing.** (1) Upon the filing of a
 11 petition for consolidation or deconsolidation, the board or boards of county commissioners shall cause the
 12 county clerk or clerks to examine the petition and the registration records of the county or counties.

13 (2) If after ~~such~~ the examination the county clerk or clerks report to the board or boards of county
 14 commissioners that the petition has been signed by not less than 15% of the registered electors of the
 15 county, the board or boards shall set a date for a hearing and pass a resolution of intent to consider the
 16 consolidation or deconsolidation. Upon passage of the resolution of intent by the board or boards, proper
 17 notice shall be given for the hearing. The date for the hearing may not be more than 20 days after the filing
 18 of the petition or the passage of the resolution of intent."

19
 20 **Section 8.** Section 7-4-2309, MCA, is amended to read:

21 **"7-4-2309. Conduct of hearing -- decision.** (1) At the time designated in ~~said~~ the notice, the
 22 county commissioners shall proceed to hear ~~said~~ the petition and the evidence for or against ~~the same~~ it.
 23 Any registered elector of the county affected ~~shall have~~ has the right to appear and be heard upon ~~said~~ the
 24 petition, subject, however, to the right of the county commissioners to limit cumulative testimony and to
 25 prevent the undue prolonging of ~~said~~ the hearing.

26 (2) Within 5 days after the ~~date set for said~~ hearing, the board or boards of county commissioners
 27 shall make ~~such an~~ an order in relation to the consolidation or deconsolidation of ~~said~~ the offices ~~as they shall~~
 28 ~~deem proper.~~ The order must be made at least 7 days before the date on which declarations for
 29 nomination may first be filed for any county office."

30

1 **Section 9.** Section 7-4-2310, MCA, is amended to read:

2 **"7-4-2310. Order for consolidation or deconsolidation of offices.** (1) In consolidating or
3 deconsolidating county offices, the board of county commissioners shall, not less than 7 days before the
4 date on which declarations for nomination may first be filed for any office to be consolidated or not less
5 than 6 months prior to the appointment to the offices to be consolidated or deconsolidated, make and enter
6 an order combining any two or more of the ~~within named~~ offices or deconsolidating the appropriate offices.

7 (2) Whenever an order consolidating or deconsolidating two or more offices is made, the order ~~shall~~
8 must be entered in full on the board's minutes of proceedings.

9 (3) The order ~~shall~~ must be published in a newspaper of general circulation, printed and published
10 in the county or counties affected, for a period of 2 successive weeks following the date of the making and
11 entering of the order."

12

13 **Section 10.** Section 7-6-4409, MCA, is amended to read:

14 **"7-6-4409. Determination of assessments.** (1) The assessment made by the department of
15 revenue or its agent for state and county purposes is the basis of taxation for cities and towns for the
16 property situated in the city or town.

17 (2) It is the duty of the department or its agent, in making the property tax record, to separately
18 and distinctly designate the real and personal property situated in cities and towns within each county in
19 the state."

20

21 **Section 11.** Section 7-6-4410, MCA, is amended to read:

22 **"7-6-4410. Property tax record to be furnished to certain municipalities.** On or before the second
23 Monday in July of each year, the department of revenue or its agent shall furnish a certified copy of the
24 property tax record to all cities of the third class and towns within each county that make written request
25 for the record on or before the first Monday in April of each year. The property tax record must pertain
26 to property within the limits of the requesting cities and towns."

27

28 **Section 12.** Section 7-12-4181, MCA, is amended to read:

29 **"7-12-4181. Collection of district assessments by county clerk -- certification.** (1) Except as
30 provided in 7-12-4183, in each city or town where taxes for general, municipal, and administrative

1 purposes are certified to and collected by the county treasurer in accordance with the provisions of
2 7-6-4407 immediately after the second Monday of August of each year, it is the duty of the city treasurer
3 or town clerk to certify, at the same time that the copy of the resolution determining the annual levy for
4 general taxes is certified by the city or town clerk to the county clerk as required by 7-6-4407, to the
5 department of revenue or its agent all special assessments and taxes levied and assessed in accordance
6 with any of the provisions of part 42 and this part.

7 (2) The department of revenue or its agent shall enter the special assessments and taxes upon the
8 property tax record for the county. The county treasurer shall collect all taxes and assessments in the same
9 manner and at the same time as taxes for general, municipal, and administrative purposes are collected."
10

11 **Section 13.** Section 7-13-233, MCA, is amended to read:

12 **"7-13-233. Procedure to collect service charge.** (1) The service charge may be imposed for:

13 (a) any fiscal year for which the district establishes a budget or incurs costs related to planning or
14 constructing a solid waste management facility; or

15 (b) services to begin within 12 months.

16 (2) The board shall certify to the county commissioners of the county served by the solid waste
17 management district the service charge needed for the current fiscal year, the due but unpaid service
18 charges, and a description of the property against which the service charges are to be levied.

19 (3) The department of revenue or its agent shall ensure that the amount of the service charge is
20 placed on property tax notices and that the service charge is collected with property taxes.

21 (4) The board may establish a system for collecting service charges other than by tax notices to
22 property owners issued by the department of revenue. The board may collect the service charge more often
23 than property taxes are collected.

24 (5) If not paid, the service charge becomes delinquent and becomes a lien on the property, subject
25 to the same penalties and the same rate of interest as property taxes."
26

27 **Section 14.** Section 7-13-2304, MCA, is amended to read:

28 **"7-13-2304. Notice of intention to levy tax.** (1) When the written estimate of the amount of money
29 required has been delivered to the board of county commissioners, the board shall give notice of its
30 intention to levy and collect a tax sufficient for the payment of bond obligations and other expenses.

- 1 (2) The notice must be given:
- 2 (a) by posting in five public places within the county and within the boundaries of the lands upon
- 3 which the tax is to be levied;
- 4 (b) by publishing a copy of the notice as provided in 7-1-2121; and
- 5 (c) by forwarding, by mail as provided in 7-1-2122 at least 10 days prior to the hearing provided
- 6 for in 7-13-2306(4), a copy of the notice addressed to the owners and the purchasers under contracts for
- 7 deed of taxable real property within the district as shown by the current property tax record maintained by
- 8 the department of revenue or its agent for the county or counties the boundaries of which include taxable
- 9 real property of the district."

10

11 **Section 15.** Section 7-13-2306, MCA, is amended to read:

12 **"7-13-2306. Contents of notice -- hearing and protest.** The notice required by 7-13-2304 must

13 state:

- 14 (1) the amount of money required;
- 15 (2) the method of assessment that the board or boards of county commissioners intend to employ;
- 16 (3) the boundaries or description of the lands to be assessed, which may be recited in full or may
- 17 be given by reference to any instrument on file or of record in the office of the clerk and recorder, or
- 18 treasurer, or assessor, if the assessor has been designated as an agent of the department of revenue
- 19 pursuant to [section 1], of the county or counties in which the district or part of the district is situated or
- 20 with the department of revenue; and
- 21 (4) the time when and the place where the board or boards of county commissioners will hear and
- 22 pass upon all protests that may be made against the levy of the tax or any matter pertaining to the tax."

23

24 **Section 16.** Section 7-13-2527, MCA, is amended to read:

25 **"7-13-2527. List of property owners.** (1) A copy of the order creating the district must be delivered

26 to the department of revenue or the county assessor if the assessor has been designated as an agent of

27 the department of revenue pursuant to [section 1].

- 28 (2) The department or assessor, if applicable, shall, on or before August 1 of each year, prepare
- 29 and certify a list of all persons owning class four property within the district and deliver a copy of the list
- 30 to the board of trustees of the district."

1 **Section 17.** Section 7-13-2528, MCA, is amended to read:

2 **"7-13-2528. Financial administration of district.** (1) The board of trustees shall, from any list
3 prepared by the department of revenue or county assessor as required by 7-13-2527, remove the names
4 of any persons who have claimed exemption under this part prior to September 1 and shall prepare a
5 budget for the expenses for the next year.

6 (2) The budget, together with the list of persons residing in the district and subject to the special
7 tax after all exemptions have been allowed as provided in this part, must be presented by September 1 to
8 the board of county commissioners, who shall levy the tax requested by the trustees. The board shall levy
9 the tax in accordance with the trustees' request. In preparing the budget, the board of trustees shall
10 maintain separate budgets for television services and for FM translator services and shall specify the tax
11 to be levied on property owners for these services. The tax must be certified to the county clerk and
12 recorder, who shall notify the department of revenue or its agent for entry of the tax on the property tax
13 record as against those persons and collected by the county treasurer as all other taxes are collected.

14 (3) The county treasurer is the treasurer for the district and shall hold the taxes, as collected, in
15 a separate fund to be disbursed upon warrants drawn by the trustees, at least two of whom shall sign any
16 warrant for the disbursement of the funds by the county treasurer."

17

18 **Section 18.** Section 7-13-4309, MCA, is amended to read:

19 **"7-13-4309. Procedure to collect sewer charges.** (1) The sewer charges must be collected by the
20 treasurer.

21 (2) On or before July 15 of each year, notice must be given by the city treasurer or town clerk to
22 the owners of all lots or parcels of real estate to which sewer service has been furnished prior to July 1
23 by the city or town. The notice must specify the assessment owing and in arrears at the time of giving
24 notice. The notice must be in writing and must state the amount of arrearage, including any penalty and
25 interest assessed pursuant to the provisions of the city or town ordinance, and that unless the amount is
26 paid by August 15, the amount will be levied as a tax against the lot or parcel of real estate to which sewer
27 service was furnished and for which payment is delinquent. The notice must also state that the city or town
28 may by suit collect past-due assessments, interest, and penalties, as a debt owing the city or town, in any
29 court of competent jurisdiction, including city court. The notice may be delivered to the owner personally
30 or by letter addressed to the owner at the post-office address of the owner as shown in property tax

1 records maintained by the department of revenue or its agent.

2 (3) (a) Except as provided in subsection (3)(b), on September 1, the city treasurer or town clerk
3 shall certify and file with the department of revenue or its agent a list of all lots or parcels of real estate,
4 giving the legal description of the lot or parcel, to the owners of which notices of arrearage in payments
5 were given and which arrearage remains unpaid and stating the amount of the arrearage, including any
6 penalty and interest. The department of revenue or its agent shall insert the amount as a tax against the
7 lot or parcel of real estate.

8 (b) In cities where the council has provided by ordinance for the collection of taxes, the city
9 treasurer shall collect the delinquent amount, including penalty and interest, as a tax against the lot or
10 parcel of real estate to which sewer service was furnished and payment for which is delinquent.

11 (4) A city or town may, in addition to pursuing the collection of assessments in the same manner
12 as a tax, bring suit in any court of competent jurisdiction, including city court, to collect the amount due
13 and owing, including penalties and interest, as a debt owing the city or town."
14

15 **Section 19.** Section 7-13-4507, MCA, is amended to read:

16 **"7-13-4507. Notice of resolutions of intention and concurrence.** (1) The commissioners shall give
17 notice of the passage of the resolution of intention and resolution of concurrence, if applicable, and publish
18 a notice that:

19 (a) describes the local water quality program that would be implemented in the local water quality
20 district;

21 (b) specifies the initial proposed fees to be charged;

22 (c) designates the time and place where the commissioners will hear and decide upon protests
23 made against the operation of the proposed district; and

24 (d) states that a description of the boundaries for the proposed district is included in the resolution
25 on file in the county clerk's office.

26 (2) The notice must be published as provided in 7-1-2121 and must also be posted in three public
27 places within the boundaries of the proposed district.

28 (3) The commissioners shall mail to all owners of proposed fee-assessed units, as listed in the
29 property tax record maintained by the department of revenue or its agent, a postcard that identifies the
30 location where the resolution of intention, resolution of concurrence, and protest forms may be obtained."

1 **Section 20.** Section 7-14-2738, MCA, is amended to read:

2 **"7-14-2738. Preparation of assessment register.** (1) When the order for improvement and
3 construction has been made by the board, the committee and the department of revenue or its agent shall
4 apportion the estimated cost and expenses to the land in the district.

5 (2) Within 30 days before the letting of the contract, the department or its agent shall report to
6 and file with the board and the treasurer an assessment register in duplicate. It must contain the description
7 of each parcel of land to be assessed, the amount to be assessed against it, and the name of the owner,
8 if known."

9

10 **Section 21.** Section 7-14-2740, MCA, is amended to read:

11 **"7-14-2740. Hearing on assessment register.** At the time fixed, the board and the county assessor,
12 if the assessor has been designated as an agent of the department of revenue pursuant to (section 1), shall
13 meet. If no objections have been filed, the board shall make an order confirming the assessment register.
14 If written objections, properly verified, have been filed, the board shall hear the objections, receiving
15 testimony from any party involved."

16

17 **Section 22.** Section 7-14-2743, MCA, is amended to read:

18 **"7-14-2743. Levy of assessments.** With the aid of the department of revenue or its agent, the
19 board shall levy and assess the amounts on the assessment register against the parcels of land or parts of
20 parcels. The department or its agent shall enter in the property tax record the amounts levied and
21 assessed."

22

23 **Section 23.** Section 7-14-2745, MCA, is amended to read:

24 **"7-14-2745. Mode of payment of assessment -- installment payments.** (1) Installment payments
25 must be made in six equal portions, in 1, 2, 3, 4, 5, and 6 years.

26 (2) Payments must be in the form of bonds that draw interest, not to exceed the limitations of
27 17-5-102, per annum from the date they are issued until they are paid.

28 (3) If the mode of payment is to be by installments, the board and the committee shall approve and
29 certify the assessment register.

30 (4) The board and the county assessor, if the assessor has been designated as an agent of the

1 department of revenue pursuant to [section 1], shall, at the time of levying the assessment and in the order
2 setting the levy, declare that the sum charged against each parcel of land may be paid in equal annual
3 installments with interest upon the whole sum at the rate fixed by the board of county commissioners in
4 accordance with law. The order must specify the number of installments, which must be equal to the
5 number of years for which the bonds may run.

6 (5) Each year, the treasurer shall collect one of the installments, together with the interest due on
7 that installment and the interest due on the future installments.

8 (6) Provisions concerning delinquency and the sale of land set forth with relation to the mode of
9 immediate payment are applicable to installment payments."

10

11 **Section 24.** Section 15-1-101, MCA, is amended to read:

12 **"15-1-101. Definitions.** (1) Except as otherwise specifically provided, when terms mentioned in
13 this section are used in connection with taxation, they are defined in the following manner:

14 (a) The term "agricultural" refers to:

15 (i) the production of food, feed, and fiber commodities, livestock and poultry, bees, fruits and
16 vegetables, and sod, ornamental, nursery, and horticultural crops that are raised, grown, or produced for
17 commercial purposes; and

18 (ii) the raising of domestic animals and wildlife in domestication or a captive environment.

19 (b) The term "assessed value" means the value of property as defined in 15-8-111.

20 (c) The term "average wholesale value" means the value to a dealer prior to reconditioning and the
21 profit margin shown in national appraisal guides and manuals or the valuation schedules of the department.

22 (d) (i) The term "commercial", when used to describe property, means any property used or owned
23 by a business, a trade, or a corporation as defined in 35-2-114 or used for the production of income, except
24 property described in subsection (1)(d)(ii).

25 (ii) The following types of property are not commercial:

26 (A) agricultural lands;

27 (B) timberlands and forest lands;

28 (C) single-family residences and ancillary improvements and improvements necessary to the
29 function of a bona fide farm, ranch, or stock operation;

30 (D) mobile homes used exclusively as a residence except when held by a distributor or dealer of

1 trailers or mobile homes as stock in trade;

2 (E) all property described in 15-6-135; and

3 (F) all property described in 15-6-136.

4 (e) The term "comparable property" means property that has similar use, function, and utility; that
5 is influenced by the same set of economic trends and physical, governmental, and social factors; and that
6 has the potential of a similar highest and best use.

7 (f) The term "credit" means solvent debts, secured or unsecured, owing to a person.

8 (g) "Department" means the department of revenue provided for in 2-15-1301.

9 (h) The terms "gas" and "natural gas" are synonymous and mean gas as defined in 82-1-111(2).

10 The terms include all natural gases and all other fluid hydrocarbons, including methane gas or any other
11 natural gas found in any coal formation.

12 (i) The term "improvements" includes all buildings, structures, fences, and improvements situated
13 upon, erected upon, or affixed to land. When the department or its agent determines that the permanency
14 of location of a mobile home or housetrailer has been established, the mobile home or housetrailer is
15 presumed to be an improvement to real property. A mobile home or housetrailer may be determined to be
16 permanently located only when it is attached to a foundation that cannot feasibly be relocated and only
17 when the wheels are removed.

18 (j) The term "leasehold improvements" means improvements to mobile homes and mobile homes
19 located on land owned by another person. This property is assessed under the appropriate classification,
20 and the taxes are due and payable in two payments as provided in 15-24-202. Delinquent taxes on
21 leasehold improvements are a lien only on the leasehold improvements.

22 (k) The term "livestock" means cattle, sheep, swine, goats, horses, mules, asses, llamas, alpacas,
23 bison, and domestic ungulates.

24 (l) The term "mobile home" means forms of housing known as "trailers", "housetrainers", or "trailer
25 coaches" exceeding 8 feet in width or 45 feet in length, designed to be moved from one place to another
26 by an independent power connected to them, or any "trailer", "housetrailer", or "trailer coach" up to 8 feet
27 in width or 45 feet in length used as a principal residence.

28 (m) The term "personal property" includes everything that is the subject of ownership but that is
29 not included within the meaning of the terms "real estate" and "improvements".

30 (n) The term "poultry" includes all chickens, turkeys, geese, ducks, and other birds raised in

1 domestication to produce food or feathers.

2 (o) The term "property" includes money, credits, bonds, stocks, franchises, and all other matters
3 and things, real, personal, and mixed, capable of private ownership. This definition may not be construed
4 to authorize the taxation of the stocks of any company or corporation when the property of the company
5 or corporation represented by the stocks is within the state and has been taxed.

6 (p) The term "real estate" includes:

7 (i) the possession of, claim to, ownership of, or right to the possession of land;

8 (ii) all mines, minerals, and quarries in and under the land subject to the provisions of 15-23-501
9 and Title 15, chapter 23, part 8; all timber belonging to individuals or corporations growing or being on the
10 lands of the United States; and all rights and privileges appertaining to the mines, minerals, quarries, and
11 timber.

12 (q) "Research and development firm" means an entity incorporated under the laws of this state or
13 a foreign corporation authorized to do business in this state whose principal purpose is to engage in
14 theoretical analysis, exploration, and experimentation and the extension of investigative findings and
15 theories of a scientific and technical nature into practical application for experimental and demonstration
16 purposes, including the experimental production and testing of models, devices, equipment, materials, and
17 processes.

18 (r) The term "taxable value" means the percentage of market or assessed value as provided for in
19 Title 15, chapter 6, part 1.

20 (2) The phrase "municipal corporation" or "municipality" or "taxing unit" includes a county, city,
21 incorporated town, township, school district, irrigation district, drainage district, or any person, persons,
22 or organized body authorized by law to establish tax levies for the purpose of raising public revenue.

23 (3) The term "state board" or "board" when used without other qualification means the state tax
24 appeal board."
25

26 **Section 25.** Section 15-1-201, MCA, is amended to read:

27 **"15-1-201. Administration of revenue laws.** (1) (a) The department has general supervision over
28 the administration of the assessment and tax laws of the state, except Title 15, chapter 70, and over
29 assessors that have been designated as agents of the department of revenue pursuant to [section 1] and
30 any officers of municipal corporations ~~having~~ that have any duties to perform under any of the laws of this

1 state relating to taxation to the end that all assessments of property be made relatively just and equal at
 2 true value in substantial compliance with law. The department may make rules to supervise the
 3 administration of all revenue laws of the state and assist in their enforcement.

4 (b) The department shall adopt rules specifying which types of property within the several classes
 5 are considered "comparable property" as described in 15-1-101.

6 (c) The department shall also adopt rules for determining the value-weighted mean sales
 7 assessment ratio for all commercial and industrial real property and improvements.

8 (2) The department shall confer with, advise, and direct officers of municipal corporations
 9 concerning their duties, with respect to taxation, under the laws of the state.

10 (3) The department shall collect annually from the proper officers of the municipal corporations
 11 information about the assessment of property, collection of taxes, receipts from licenses and other sources,
 12 the expenditure of public funds for all purposes, and other information as may be needful and helpful in the
 13 work of the department in a form prescribed by the department. It is the duty of all public officers to fill out
 14 properly and return promptly to the department all forms and to aid the department in its work. The
 15 department shall examine the records of all municipal corporations for purposes considered needful or
 16 helpful."

17

18 **Section 26.** Section 15-1-202, MCA, is amended to read:

19 **"15-1-202. Enforcement of revenue laws.** (1) The department may direct proceedings, actions, and
 20 prosecutions to be instituted to enforce the laws relating to the penalties, liabilities, and punishment of
 21 public officials and persons or their agents for failure or neglect to comply with the provisions of the
 22 statutes, except Title 15, chapter 70, governing the revenue of the state or municipal corporations. The
 23 department shall ~~cause file~~ complaints ~~to be made~~ against county assessors who are agents of the
 24 department and other public officers ~~to~~ with the proper district court for their removal from office for official
 25 misconduct or neglect of duty.

26 (2) The department may require county attorneys to assist in the commencement and prosecution
 27 of actions and proceedings in their respective counties for penalties, forfeitures, removals, and punishment
 28 for violations of the laws of the state in respect to the assessment of property and other revenue laws."
 29

30

Section 27. Section 15-1-303, MCA, is amended to read:

1 **"15-1-303. Penalty for refusal to furnish information.** (1) If a person refuses to allow inspection
2 of any books or records when requested by the department or its agent or refuses or neglects to furnish
3 any information called for by the department in the performance of its official duties relating to the
4 assessment and taxation of property, the department shall make a determination and assessment of the
5 property as in its judgment appears to be just and equitable and may add to the assessment an amount not
6 to exceed 20% of the assessment as a penalty for the refusal or neglect. The department shall immediately
7 notify the person assessed of its action, either by certified mail or by personal service of the notice.

8 (2) Upon receiving an assessment made pursuant to subsection (1), the taxpayer has the following
9 remedies:

10 (a) Within 15 days after receipt of the assessment, the taxpayer may request an informal
11 conference with the department or its agent. At the conference, the taxpayer may present evidence in
12 mitigation or extenuation of the failure to supply the information requested by the department or its agent.
13 Within 10 days after the conference, the department shall notify the taxpayer by certified mail whether the
14 assessment will be modified. The department may modify the penalty if the taxpayer presents sufficient
15 evidence in mitigation or extenuation of the failure to supply the information sought by the department and
16 if it finds that the taxpayer did not willfully refuse to supply the information.

17 (b) If the taxpayer is aggrieved as a result of the informal conference, the taxpayer may appeal to
18 the county tax appeal board within 20 days after receipt of the decision of the department. The county tax
19 appeal board has the authority to modify the:

20 (i) assessment only if it finds that the assessment exceeds 100% of the value of the property
21 specified in 15-8-111; and

22 (ii) penalty if the taxpayer presents by a preponderance of the evidence facts in mitigation or
23 extenuation of the failure to supply the information that the department sought.

24 (c) If the county tax appeal board modifies a penalty pursuant to subsection (2)(b)(ii), it may not
25 reduce the penalty to less than 20% of the assessment or, if the assessment is modified pursuant to
26 subsection (2)(b)(i), to less than 20% of the modified assessment.

27 (3) Either party aggrieved as a result of the decision of the county tax appeal board may appeal
28 to the state tax appeal board within 30 calendar days after receipt of the county tax appeal board's
29 decision. When deciding an appeal brought under this subsection, the state tax appeal board shall follow
30 the provisions of subsections (2)(b) and (2)(c).

1 (4) Either party aggrieved as a result of the decision of the state tax appeal board may seek judicial
2 review pursuant to 15-2-303."
3

4 **Section 28.** Section 15-7-102, MCA, is amended to read:

5 "15-7-102. **Notice of classification and appraisal to owners -- appeals.** (1) The department or its
6 agent shall mail to each owner or purchaser under contract for deed a notice of the classification of the land
7 owned or being purchased and the appraisal of the improvements on the land only if one or more of the
8 following changes pertaining to the land or improvements have been made since the last notice:

9 (a) change in ownership;

10 (b) change in classification;

11 (c) change in valuation; or

12 (d) addition or subtraction of personal property affixed to the land.

13 (2) (a) The department or its agent shall assign each assessment to the correct owner or purchaser
14 under contract for deed and mail the notice of classification and appraisal on a standardized form, adopted
15 by the department, containing sufficient information in a comprehensible manner designed to fully inform
16 the taxpayer as to the classification and appraisal of the property and of changes over the prior tax year.

17 (b) The notice must advise the taxpayer that in order to be eligible for a refund of taxes from an
18 appeal of the classification or appraisal, the taxpayer is required to pay the taxes under protest as provided
19 in 15-1-402.

20 (3) If the owner of any land and improvements is dissatisfied with the appraisal as it reflects the
21 market value of the property as determined by the department or with the classification of the land or
22 improvements, the owner may request an assessment review by submitting an objection in writing to the
23 department, on forms provided by the department for that purpose, within 15 days after receiving the
24 notice of classification and appraisal from the department. The review must be conducted informally and
25 is not subject to the contested case procedures of the Montana Administrative Procedure Act. As a part
26 of the review, the department may consider the actual selling price of the property, independent appraisals
27 of the property, and other relevant information presented by the taxpayer in support of the taxpayer's
28 opinion as to the market value of the property. The department shall give reasonable notice to the taxpayer
29 of the time and place of the review. After the review, the department shall determine the true and correct
30 appraisal and classification of the land or improvements and notify the taxpayer of its determination. In the

1 notification, the department shall state its reasons for revising the classification or appraisal. When the
2 proper appraisal and classification have been determined, the land must be classified and the improvements
3 appraised in the manner ordered by the department.

4 (4) Whether a review as provided in subsection (3) is held or not, the department or its agent may
5 not adjust an appraisal or classification upon the taxpayer's objection unless:

6 (a) the taxpayer has submitted an objection in writing; and

7 (b) the department or its agent has stated its reason in writing for making the adjustment.

8 (5) A taxpayer's written objection to a classification or appraisal and the department's notification
9 to the taxpayer of its determination and the reason for that determination are public records. The
10 department shall make the records available for inspection during regular office hours.

11 (6) If any property owner feels aggrieved by the classification or appraisal made by the department
12 after the review provided for in subsection (3), the property owner has the right to first appeal to the
13 county tax appeal board and then to the state tax appeal board, whose findings are final subject to the right
14 of review in the courts. The appeal to the county tax appeal board must be filed within 15 days after notice
15 of the department's determination is mailed to the taxpayer. A county tax appeal board or the state tax
16 appeal board may consider the actual selling price of the property, independent appraisals of the property,
17 and other relevant information presented by the taxpayer as evidence of the market value of the property.
18 If the county tax appeal board or the state tax appeal board determines that an adjustment should be made,
19 the department shall adjust the base value of the property in accordance with the board's order."
20

21 **Section 29.** Section 15-7-208, MCA, is amended to read:

22 "**15-7-208. Reclassification by department.** The department or its agent may reclassify land as
23 nonagricultural upon giving due notice to the property owner or any purchaser under contract for deed
24 under the provisions of 15-7-102. Upon notice of a change in classification of land from agricultural to
25 another use, the property owner may petition the department to reclassify the land as agricultural by
26 completing a form prescribed by the department and by producing whatever information is necessary to
27 prove that the subject land meets the definition of agricultural land embodied in 15-7-202."
28

29 **Section 30.** Section 15-7-209, MCA, is amended to read:

30 "**15-7-209. Reclassification by owner -- lien.** (1) Whenever land that is or has been in agricultural

1 use and is or has been valued, assessed, and taxed for agricultural use is applied to a use other than
2 agricultural, the owner shall notify the department or its agent.

3 (2) The department or its agent shall provide, in a form eligible for recording, releases of lien, for
4 those liens attributable to the former rollback tax, and the department or its agent shall present the releases
5 to the county clerk and recorder for recording."
6

7 **Section 31.** Section 15-7-304, MCA, is amended to read:

8 **"15-7-304. Report of transfers -- change of ownership records.** (1) All transfers of real property
9 that are not evidenced by a recorded document, except those transfers otherwise provided for in this part,
10 must be reported to the department or its agent on the form prescribed.

11 (2) ~~The~~ Neither the department nor its agent is ~~not~~ required to change any ownership records used
12 for the assessment or taxation of real property unless the department or its agent has received a transfer
13 certificate from the clerk and recorder or a transfer has been reported to the department as provided by
14 rule."
15

16 **Section 32.** Section 15-7-308, MCA, is amended to read:

17 **"15-7-308. Disclosure of information restricted.** The certificate required by this part and the
18 information contained in the certificate is not a public record and must be held confidential by the county
19 clerk and recorder, the county assessor, and the department. This is because the legislature finds that the
20 demands of individual privacy outweigh the merits of public disclosure. The confidentiality provisions do
21 not apply to compilations from the certificates or to summaries, analyses, and evaluations based upon the
22 compilations."
23

24 **Section 33.** Section 15-7-402, MCA, is amended to read:

25 **"15-7-402. Application for residential appraisal of certain land and improvements.** (1) Any person
26 wishing to ensure that the person's residential land and improvements are appraised as residential may file
27 a signed application with the department or its agent.

28 (2) In the application, the owner shall:

29 (a) assert that the property is used only for human habitation and is the principal residence of the
30 owner;

1 (b) sign a statement pledging that the property will continue to be used as residential property; and
 2 (c) show that the statement has been filed with the county clerk and recorder of the county in
 3 which the property is located.

4 (3) When the department or its agent has approved an application for residential use, the
 5 department and its agents shall consider only those indicia of value that the property has for residential use.

6 (4) Failure to file an application under this section may not result in reclassification on real property
 7 unless there has been an actual change in use."
 8

9 **Section 34.** Section 15-7-403, MCA, is amended to read:

10 **"15-7-403. Rollback tax -- computation.** (1) (a) If land and improvements appraised as residential
 11 as a result of an application filed under 15-7-402 are changed to industrial or commercial use, the property
 12 is subject to a rollback tax in addition to the property tax levied on the property. The rollback tax is a lien
 13 on the property and is due and payable by the owner of the property at the time of the change in use.

14 (b) As used in this section, "rollback" means the period preceding the change in use, not to exceed
 15 5 years, during which the property was appraised as residential.

16 (2) The department or its agent shall determine the amount of rollback tax due on the property by:

- 17 (a) determining the taxable value of the property as industrial or commercial property;
- 18 (b) multiplying this value by the sum of the annual mill levies applied in the taxing jurisdiction in
 19 which the land is located during the rollback period; and

20 (c) subtracting from this figure the actual property tax paid on the property during this period."
 21

22 **Section 35.** Section 15-8-102, MCA, is amended to read:

23 **"15-8-102. County to furnish office space.** The county commissioners of each county shall provide
 24 existing office space in the county courthouse for use by the county assessor, if the assessor has been
 25 designated an agent of the department of revenue pursuant to [section 1], or the department's assessment
 26 and appraisal staff, if space is reasonably available. If space is not reasonably available in the courthouse,
 27 the department may contract for the procurement of suitable space."
 28

29 **Section 36.** Section 15-8-111, MCA, is amended to read:

30 **"15-8-111. Assessment -- market value standard -- exceptions.** (1) All taxable property must be

1 assessed at 100% of its market value except as otherwise provided.

2 (2) (a) Market value is the value at which property would change hands between a willing buyer
3 and a willing seller, neither being under any compulsion to buy or to sell and both having reasonable
4 knowledge of relevant facts.

5 (b) If the department uses construction cost as one approximation of market value, the department
6 shall fully consider reduction in value caused by depreciation, whether through physical depreciation,
7 functional obsolescence, or economic obsolescence.

8 (c) Except as provided in subsection (3), the market value of all motor trucks; agricultural tools,
9 implements, and machinery; and vehicles of all kinds is the average wholesale value shown in national
10 appraisal guides and manuals or the value of the vehicle before reconditioning and profit margin. The
11 department shall prepare valuation schedules showing the average wholesale value when a national
12 appraisal guide does not exist.

13 (3) The department or its agents may not adopt a lower or different standard of value from market
14 value in making the official assessment and appraisal of the value of property, except:

15 (a) the wholesale value for agricultural implements and machinery is the loan value as shown in
16 the Official Guide, Tractor and Farm Equipment, published by the national farm and power equipment
17 dealers association, St. Louis, Missouri;

18 (b) for agricultural implements and machinery not listed in the official guide, the department shall
19 prepare a supplemental manual in which the values reflect the same depreciation as those found in the
20 official guide; and

21 (c) as otherwise authorized in Title 15 and Title 61.

22 (4) For purposes of taxation, assessed value is the same as appraised value.

23 (5) The taxable value for all property is the percentage of market or assessed value established for
24 each class of property.

25 (6) The assessed value of properties in 15-6-131 through 15-6-133 is as follows:

26 (a) Properties in 15-6-131, under class one, are assessed at 100% of the annual net proceeds after
27 deducting the expenses specified and allowed by 15-23-503 or, if applicable, as provided in 15-23-515,
28 15-23-516, or 15-23-517.

29 (b) Properties in 15-6-132, under class two, are assessed at 100% of the annual gross proceeds.

30 (c) Properties in 15-6-133, under class three, are assessed at 100% of the productive capacity of

1 the lands when valued for agricultural purposes. All lands that meet the qualifications of 15-7-202 are
2 valued as agricultural lands for tax purposes.

3 (d) Properties in 15-6-143, under class ten, are assessed at 100% of the forest productivity value
4 of the land when valued as forest land.

5 (7) Land and the improvements on the land are separately assessed when any of the following
6 conditions occur:

7 (a) ownership of the improvements is different from ownership of the land;

8 (b) the taxpayer makes a written request; or

9 (c) the land is outside an incorporated city or town."

10

11 **Section 37.** Section 15-8-112, MCA, is amended to read:

12 **"15-8-112. Assessments to be made on classification and appraisal.** (1) The assessments of all
13 lands, all city and town lots, and all improvements must be made on the classification and appraisal as
14 made or caused to be made by the department.

15 (2) The percentage basis of assessed value as provided for in chapter 6, part 1, is determined and
16 assigned by the department when it makes its annual assessment of the property that it is required to
17 assess centrally. The department shall transmit the determination and assignment to its agents and
18 apportion the assessments to the various counties, and its determination is final except as to the right of
19 review in the state tax appeal board or the proper court."

20

21 **Section 38.** Section 15-8-113, MCA, is amended to read:

22 **"15-8-113. Appeal from percentage assignment.** If any taxpayer disagrees with the percentage
23 assignment made by the department or its agent, the taxpayer may appeal to the county tax appeal board
24 on the percentage assignment the same as a taxpayer may now appeal on valuations and also may appeal
25 from the county tax appeal board to the state tax appeal board, whose findings are final except as to the
26 right of review in the proper courts."

27

28 **Section 39.** Section 15-8-115, MCA, is amended to read:

29 **"15-8-115. Department to defend property tax appeals -- costs and judgments.** (1) The department
30 or its agent is the party defendant in any proceeding before a county tax appeal board, the state tax appeal

1 board, or a court of law that seeks to dispute or adjust an action of the department under 15-8-101 arising
2 from the exercise of the department's duties as prescribed by law or administrative rule. For the purposes
3 of proceedings before county tax appeal boards, service on the department may be obtained by serving the
4 county assessor, if the assessor has been designated as an agent of the department of revenue pursuant
5 to [section 1], or the person designated to receive service for the department.

6 (2) Costs, if any, must be assessed against the department and not against a local taxing unit.

7 (3) In any suit brought in the courts of this state for the refund of taxes paid under protest and
8 those funds are held by the treasurer of a unit of local government in a protest fund, the court shall enter
9 judgment, exclusive of costs, against the treasurer if the court finds the taxes should be refunded."

10
11 **Section 40.** Section 15-8-201, MCA, is amended to read:

12 **"15-8-201. General assessment day.** (1) The department or its agent shall, between January 1 and
13 the second Monday of July in each year, ascertain the names of all taxable inhabitants and assess all
14 property subject to taxation in each county. The department shall assess property to the person by whom
15 it was owned or claimed or in whose possession or control it was at midnight of the preceding January 1.
16 The department shall also ascertain and assess all mobile homes arriving in the county after midnight of
17 the preceding January 1. A mistake in the name of the owner or supposed owner of real property does not
18 invalidate the assessment.

19 (2) The procedure provided by this section does not apply to:

20 (a) motor vehicles that are required by 15-8-202 to be assessed on January 1 or upon their
21 anniversary registration date;

22 (b) motor homes, travel trailers, and campers;

23 (c) watercraft;

24 (d) livestock;

25 (e) property defined in 61-1-104 as "special mobile equipment" that is subject to assessment for
26 personal property taxes on the date that application is made for a special mobile equipment plate;

27 (f) mobile homes held by a distributor or dealer of mobile homes as stock in trade; and

28 (g) property subject to the provisions of 15-16-203.

29 (3) Credits must be assessed as provided in 15-1-101(1)(f)."
30

1 **Section 41.** Section 15-8-202, MCA, is amended to read:

2 **"15-8-202. Motor vehicle assessment.** (1) The department or its agent shall, in each year, ascertain
3 and assess all motor vehicles, other than motor homes, travel trailers, and campers or mobile homes, in
4 each county subject to taxation as of January 1 or as of the anniversary registration date of those vehicles
5 as provided by law, subject to 61-3-313 through 61-3-316 and 61-3-501. The assessment for all motor
6 vehicles must be made in accordance with 61-3-503. The motor vehicles must be assessed in each year
7 to the persons by whom owned or claimed or in whose possession or control they were at midnight of
8 January 1 or the anniversary registration date, whichever is applicable.

9 (2) A tax may not be assessed against motor vehicles subject to taxation that constitute inventory
10 of motor vehicle dealers as of January 1. These vehicles and all other motor vehicles subject to taxation
11 brought into the state subsequent to January 1 as motor vehicle dealers' inventories must be assessed to
12 their respective purchasers as of the dates the vehicles are registered by the purchasers.

13 (3) "Purchasers" includes dealers who apply for registration or reregistration of motor vehicles,
14 except as otherwise provided by 61-3-502.

15 (4) Goods, wares, and merchandise of motor vehicle dealers, other than new motor vehicles and
16 new mobile homes, must be assessed at market value as of January 1."

17

18 **Section 42.** Section 15-8-205, MCA, is amended to read:

19 **"15-8-205. Initial assessment of class four trailer and mobile home property -- when.** The
20 department or its agent shall assess all class four trailer and mobile home property immediately upon arrival
21 in the county if the taxes have not been previously paid for that year in another county in Montana."
22

22

23 **Section 43.** Section 15-8-301, MCA, is amended to read:

24 **"15-8-301. Statement -- what to contain.** (1) The department or its agent may require from a
25 person a statement under oath setting forth specifically all the real and personal property owned by, in
26 possession of, or under the control of the person at midnight on January 1. The statement must be in
27 writing, showing separately:

28 (a) all property belonging to, claimed by, or in the possession or under the control or management
29 of the person;

30 (b) all property belonging to, claimed by, or in the possession or under the control or management

1 of any firm of which the person is a member;

2 (c) all property belonging to, claimed by, or in the possession or under the control or management
3 of any corporation of which the person is president, secretary, cashier, or managing agent;

4 (d) the county in which the property is situated or in which the property is liable to taxation and,
5 if liable to taxation in the county in which the statement is made, also the city, town, school district, road
6 district, or other revenue districts in which the property is situated;

7 (e) an exact description of all lands, improvements, and personal property;

8 (f) all depots, shops, stations, buildings, and other structures erected on the space covered by the
9 right-of-way and all other property owned by any person owning or operating any railroad within the
10 county.

11 (2) Whenever one member of a firm or one of the proper officers of a corporation has made a
12 statement showing the property of the firm or corporation, another member of the firm or another officer
13 is not required to include the property in that person's statement but the statement must show the name
14 of the person or officer who made the statement in which the property is included.

15 (3) The fact that a statement is not required or that a person has not made a statement, under oath
16 or otherwise, does not relieve the person's property from taxation."

17

18 **Section 44.** Section 15-8-303, MCA, is amended to read:

19 "**15-8-303. Statement to be completed and returned to department.** The department or its agent
20 may deliver the statement specified in 15-8-301 to the person owning taxable property and require the
21 person, within an appointed time, to return the statement, properly filled out. The department or its agent
22 shall notify the person making the statement of any corrections made by the department."

23

24 **Section 45.** Section 15-8-307, MCA, is amended to read:

25 "**15-8-307. Land assessment.** (1) Except as provided in subsection (2), land must be assessed in
26 parcels or subdivisions not exceeding 640 acres, and tracts of land containing more than 640 acres that
27 have been sectionized by the United States government must be assessed by sections or fractions of
28 sections.

29 (2) If the department or its agent receives the written consent of all persons with an ownership
30 interest, the department may assess multiple parcels or tracts of land with common ownership collectively

1 as a single tract of land.

2 (3) The department or its agent shall itemize in the property tax record the description of each 640
3 acres of land or less, the number of acres, the description, the value of the land, the value of
4 improvements, and the total value. The property tax record must itemize the description of each town or
5 city lot and the value of the lot and any improvements on the lot, except that a lot and improvements must
6 be separately assessed when required under 15-8-111. If all of the unimproved lots of the same value are
7 located in one block or are owned by the same party, the lots may be described and assessed in a single
8 unit in the manner prescribed for each lot. Each parcel and lot must be segregated in the property tax record
9 to correlate the description of the parcel or lot to the total value of the parcel or lot and any improvements
10 on the parcel or lot."

11

12 **Section 46.** Section 15-8-601, MCA, is amended to read:

13 **"15-8-601. Assessment revision -- conference for review.** (1) (a) Except as provided in subsection
14 (1)(b), whenever the department discovers that any taxable property of any person has in any year escaped
15 assessment, been erroneously assessed, or been omitted from taxation, the department may assess the
16 property provided that the property is under the ownership or control of the same person who owned or
17 controlled it at the time it escaped assessment, was erroneously assessed, or was omitted from taxation.
18 All revised assessments must be made within 10 years after the end of the calendar year in which the
19 original assessment was or should have been made.

20 (b) Within the time limits set by 15-23-116, whenever the department discovers property subject
21 to assessment under Title 15, chapter 23, that has escaped assessment, been erroneously assessed, or
22 been omitted from taxation, the department may issue a revised assessment to the person, firm, or
23 corporation who owned the property at the time it escaped assessment, was erroneously assessed, or was
24 omitted from taxation, regardless of the ownership of the property at the time of the department's revised
25 assessment.

26 (2) When the department or its agent proposes to revise the statement reported by the taxpayer
27 under 15-8-301, the action of the department is subject to the notice and conference provisions of this
28 section. Revised assessments of centrally assessed property are subject to review pursuant to 15-1-211.

29 (3) (a) Notice of revised assessment pursuant to this section must be made by the department or
30 its agent by postpaid letter addressed to the person interested within 10 days after the revised assessment

1 has been made. If the property is locally assessed, the notice must include the opportunity for a conference
2 on the matter, at the request of the person interested, within 15 days after notice is given.

3 (b) An assessment revision review conference is not a contested case as defined in the Montana
4 Administrative Procedure Act. The department shall keep minutes in writing of each assessment revision
5 review conference, and the minutes are public records.

6 (c) Following an assessment revision review conference or expiration of the opportunity for a
7 conference, the department shall order an assessment as it considers proper. Any party to the conference
8 aggrieved by the action of the department may appeal to the county tax appeal board at its next meeting.

9 (4) The department or its agent shall enter in the property tax record all changes and corrections
10 made by it."

11

12 **Section 47.** Section 15-8-701, MCA, is amended to read:

13 **"15-8-701. Property tax record -- definition -- listing property in.** (1) Unless the context clearly
14 indicates otherwise, the term "property tax record" means the record that is kept in each county ~~by the~~
15 ~~department~~ and that contains the information described in subsection (2). The county computer system
16 is the primary storage location of data for property tax records. The term includes records referred to as
17 an "assessment book" or "assessment roll" and, in a county in which the property tax record is kept on
18 a computer system, the information on the system analogous to the information described in subsection
19 (2).

20 (2) The department or its agent shall prepare a property tax record with appropriate headings, in
21 which must be listed all property within the state and in which must be specified, by an appropriate
22 heading:

23 (a) the name of the person to whom the property is assessed;

24 (b) land by description sufficient to identify it, the locality, and the improvements on the land;

25 (c) all taxable personal property, showing the number, kind, amount, and quality; but a failure to
26 enumerate in detail the personal property does not invalidate the assessment;

27 (d) the assessed value of real estate;

28 (e) the assessed value of improvements on land, except that land and improvements must be
29 separately listed when required under 15-8-111;

30 (f) the assessed value of improvements on real estate assessed to persons other than the owners

1 of the real estate. Taxable improvements owned by a person, located upon land exempt from taxation,
 2 must, as to the manner of assessment, be assessed as other real estate. A value may not be assessed
 3 against the exempt land, and the land may not be charged with and is not responsible for the assessment
 4 made against any taxable improvements located on the land.

5 (g) the assessed value of all taxable personal property;

6 (h) the school, road, and other revenue districts in which each piece of property assessed is
 7 situated;

8 (i) the total assessed value of all property;

9 (j) the taxable value of all property;

10 (k) the taxes and fees assessed against the property; and

11 (l) the total of each type of tax, levy, and fee."

12
 13 **Section 48.** Section 15-8-707, MCA, is amended to read:

14 **"15-8-707. Correction of defects in property tax record.** (1) At any time after the original
 15 assessment is made and prior to a sale for delinquent taxes, omissions, errors, or defects in the property
 16 tax record may only be corrected by the department or its agent.

17 (2) If the correction involves an assessment of property that is the subject of pending litigation with
 18 a taxing jurisdiction within the county, the county attorney must be notified of the correction."

19
 20 **Section 49.** Section 15-9-101, MCA, is amended to read:

21 **"15-9-101. Department to equalize valuations -- hearing.** (1) The department shall:

22 (a) adjust and equalize the valuation of taxable property among the several counties, between the
 23 different classes of taxable property in any county and in the several counties, and between individual
 24 taxpayers;

25 (b) supervise and review the acts of its agents;

26 (c) change, increase, or decrease valuations made by its agents; and

27 (d) shall do all things necessary to secure a fair, just, and equitable valuation of all taxable property
 28 among counties, between the different classes of property, and between individual taxpayers.

29 (2) The department may hold a public hearing to determine the value of any class of property in
 30 any county and may raise or lower the value of any class of property on the basis of testimony at the

1 hearing.

2 (3) At the hearing, the department may subpoena witnesses and hear and take evidence as in its
3 discretion it considers proper."

4

5 **Section 50.** Section 15-10-202, MCA, is amended to read:

6 "15-10-202. **Certification of taxable values and millage rates.** By the second Monday in July, the
7 department or its agent shall certify to each taxing authority the taxable value within the jurisdiction of the
8 taxing authority. The department or its agent shall also send to each taxing authority a written statement
9 of its best estimate of the total assessed value of all new construction and improvements not included on
10 the previous property tax record and the value of deletions from the previous property tax record. Exclusive
11 of new construction, improvements, and deletions, the department or its agent shall certify to each taxing
12 authority a millage rate that will provide the same ad valorem revenue for each taxing authority as was
13 levied during the prior year. For the purpose of calculating the certified millage, the department or its agent
14 shall use 95% of the taxable value appearing on the property tax record, exclusive of properties appearing
15 for the first time in the property tax record."

16

17 **Section 51.** Section 15-10-205, MCA, is amended to read:

18 "15-10-205. **Approval and copies of resolution or ordinance.** The resolution or ordinance approved
19 in the manner provided for in this part must be forwarded to the county treasurer, the county assessor if
20 the assessor has been designated as an agent of the department of revenue pursuant to [section 1], and
21 the department. Millage in excess of the department's certified millage may not be levied until the resolution
22 or ordinance to levy required in 15-10-204 is approved by the governing board of the taxing authority and
23 submitted to the department, or the assessor, if applicable."

24

25 **Section 52.** Section 15-10-206, MCA, is amended to read:

26 "15-10-206. **Exceptions for decisions of tax appeal boards.** The department or its agent shall
27 notify each taxing authority of any change in the property tax record that results from actions by the state
28 or county tax appeal boards. An increase in the taxing authority's millage above the millage certified by
29 the department or its agent or adopted by resolution or ordinance of the governing body of the taxing
30 authority that is required solely by a reduction of the property tax record by the state or county tax appeal

1 board may be adopted without further notice."

2

3 **Section 53.** Section 15-10-305, MCA, is amended to read:

4 **"15-10-305. Clerk and recorder to report mill levy -- department to compute and enter taxes.** (1)

5 The county clerk and recorder shall by the third Monday in August notify the department or its agent of the
6 number of mills needed to be levied for each taxing jurisdiction in the county. The department or its agent
7 shall compute the taxes by multiplying the number of mills times the taxable value of the property to be
8 taxed and shall add any fees or assessments required to be levied against a person owning property. All
9 taxes, fees, and assessments must be itemized for the property listed in the property tax record.

10 (2) The department or its agent shall complete the computation of the amount of taxes, fees, and
11 assessments to be levied against the property and shall notify the county clerk and recorder and the county
12 treasurer by the second Monday in October."

13

14 **Section 54.** Section 15-15-101, MCA, is amended to read:

15 **"15-15-101. County tax appeal board -- meetings and compensation.** (1) The board of county
16 commissioners of each county shall appoint a three-member county tax appeal board, with the members
17 to serve staggered terms of 3 years each. The members of each county tax appeal board must be residents
18 of the county in which they serve. The members receive compensation of \$45 a day and travel expenses,
19 as provided for in 2-18-501 through 2-18-503, only when the county tax appeal board is in session to hear
20 taxpayers' appeals from property tax assessments or when they are attending meetings called by the state
21 tax appeal board. Travel expenses and compensation must be paid from the appropriation to the state tax
22 appeal board. Office space and equipment for the county tax appeal boards must be furnished by the
23 county. All other incidental expenses must be paid from the appropriation of the state tax appeal board.

24 (2) The county tax appeal board shall hold an organizational meeting each year on the date of its
25 first scheduled hearing, immediately before conducting the business for which the hearing was otherwise
26 scheduled. It shall continue in session from time to time to hear protests concerning assessments made
27 by the department or its agent until the business of hearing protests is disposed of, but, except as provided
28 in 15-2-201, not later than 60 days after the department or its agent:

29 (a) has mailed notice of classification and appraisal to all property owners and purchasers under
30 contracts for deed as required in 15-7-102; and

1 (b) has notified the county tax appeal board that classification and appraisal notices have been
2 mailed to all property owners and purchasers under contracts for deed.

3 (3) In connection with an appeal, the county tax appeal board may change any assessment or fix
4 the assessment at some other level. The county clerk and recorder shall publish a notice to taxpayers,
5 giving the time the county tax appeal board will meet to hear protests concerning assessments and the
6 latest date the county tax appeal board may take applications for the hearings. The notice must be
7 published in a newspaper if any is printed in the county or, if none, then in the manner that the county tax
8 appeal board directs. The notice must be published at least 7 days prior to the first meeting of the county
9 tax appeal board.

10 (4) Challenges to a department rule governing the assessment of property or to an assessment
11 procedure apply only to the taxpayer bringing the challenge and may not apply to all similarly situated
12 taxpayers unless an action is brought in the district court as provided in 15-1-406."

13
14 **Section 55.** Section 15-15-102, MCA, is amended to read:

15 "15-15-102. **Application for reduction in valuation.** The valuation of property may not be reduced
16 by the county tax appeal board unless either the taxpayer or the taxpayer's agent makes and files a written
17 application for reduction with the county tax appeal board. The application must be filed on or before the
18 first Monday in June or 15 days after receiving either a notice of classification and appraisal or
19 determination after review under 15-7-102(3) from the department or its agent, whichever is later. If the
20 department's determination after review is not made in time to allow the county tax appeal board to review
21 the matter during the current tax year, the appeal must be reviewed during the next tax year, but the
22 decision by the county tax appeal board is effective for the year in which the request for review was filed
23 with the department. The application must state the post-office address of the applicant, specifically
24 describe the property involved, and state the facts upon which it is claimed the reduction should be made."

25
26 **Section 56.** Section 15-16-119, MCA, is amended to read:

27 "15-16-119. **Taxation of personal property -- duty of department.** (1) If the taxes on personal
28 property are not a lien upon real property in the same county in an amount sufficient to secure the payment
29 of the taxes, the department or its agent shall assess the property and compute the tax for the assessment.
30 The department or its agent shall notify the county treasurer of the assessment and the amount of taxes

1 due. To compute the taxes due on the personal property, the department or its agent shall use the
2 appropriate mills levied during the previous year.

3 (2) The county treasurer shall notify the person against whom the tax is assessed and any other
4 person having a properly perfected security interest of record of the amount and due date of the tax. The
5 tax is due and payable 30 days from the date the treasurer mails the notice. Taxes not paid within 30 days
6 become delinquent, and the penalty and interest provisions of 15-16-101 must be applied.

7 (3) The county treasurer shall, after the tax becomes delinquent, levy upon and take into
8 possession the personal property against which a tax is assessed or any other personal property in the
9 hands of the delinquent taxpayer. The county treasurer may proceed to sell the property in the same
10 manner as property is sold on execution by the sheriff.

11 (4) The county treasurer shall, for the purpose of making the levy and sale, direct the sheriff to
12 make the levy and sale. The sheriff, undersheriff, or any deputy sheriff of the county is ex officio a deputy
13 county treasurer for sale purposes and may receive payment of the taxes, penalty, and interest. The sheriff
14 may receive the same fees as for making a seizure and sale as provided in 15-17-911.

15 (5) The county treasurer and the treasurer's sureties are liable on the treasurer's official bond for
16 all taxes on personal property remaining uncollected by reason of the willful failure and neglect of the
17 treasurer to levy upon and sell the personal property for the taxes levied upon the property, including
18 penalty and interest.

19 (6) Failure by the sheriff, undersheriff, or deputy sheriff acting as a deputy county treasurer to
20 make the levy and sale results in a levy against the official bond of the sheriff, undersheriff, or deputy
21 sheriff for payment of the delinquent tax, including penalty and interest.

22 (7) The provisions of this section do not apply to property for which delinquent property taxes have
23 been suspended or canceled under the provisions of Title 15, chapter 24, part 17."
24

25 **Section 57.** Section 15-16-203, MCA, is amended to read:

26 "**15-16-203. Assessment of property previously exempt.** (1) Real property or improvements exempt
27 from taxation under Title 15, chapter 6, that during a tax year become the property of a person subject to
28 taxation must be assessed and taxed from the date of change from a nontaxable status to a taxable status.

29 (2) As provided in subsection (3), the county treasurer shall adjust the tax that would have been
30 due and payable for the current year on the property under 15-16-102 if the property was not exempt.

1 (3) To determine the amount of tax due for previously exempt property, the county treasurer shall
2 multiply the amount of tax levied and assessed on the original taxable value of the property for the year
3 by the ratio that the number of days in the year that the property will be in taxable status bears to 365.

4 (4) If the property has not been assessed and taxed during the taxable year because of exemption,
5 the department or its agent shall prepare a special assessment for the property and the county treasurer
6 shall determine the amount of taxes that would have been due under subsection (2).

7 (5) Upon determining the amount of tax due, the county treasurer shall notify the person to whom
8 the tax is assessed, in the same manner as notification is provided under 15-16-101(2), of the amount due
9 and the date or dates on which the taxes due are payable as provided in 15-16-102."

10
11 **Section 58.** Section 15-16-402, MCA, is amended to read:

12 **"15-16-402. Tax on personal property lien on realty -- separate assessment -- filing of mortgage**
13 **satisfaction.** (1) The tax due on personal property is a prior lien upon the personal property. The lien has
14 precedence over any other lien, claim, or demand upon the personal property. Except as provided in
15 subsection (2), the tax on personal property is also a lien upon the real property of the owner of the
16 personal property on and after January 1 of each year.

17 (2) The taxes on personal property based on a taxable value up to and including \$10,000 are a first
18 and prior lien upon the real property of the owner of the personal property. Taxes on personal property
19 based on a taxable value in excess of \$10,000 are a first and prior lien upon the real property of the owner
20 unless the owner or holder of any mortgage or other lien upon the real property appearing of record in the
21 office of the clerk and recorder of the county where the real property is situated, at or before the time the
22 personal property tax attached to the real property, has filed a notice as provided in subsection (3). If the
23 notice is filed, the personal property taxes on the taxable value in excess of \$10,000 are not a lien upon
24 the owner's real property. The county treasurer shall, at the request of a mortgagee or lienholder, issue a
25 statement of the personal property tax due on the taxable value up to and including \$10,000. Personal
26 property taxes on a taxable value up to \$10,000 may be paid, redeemed from a tax sale as provided by
27 law, or discharged separately from any personal property taxes in excess of that amount. Payment of the
28 taxes on a taxable value up to \$10,000, as provided in this subsection, discharge the tax lien upon the
29 personal property of the owner to the extent of the payment in the order that the person paying the tax
30 directs.

1 (3) The holder of any mortgage or lien upon real property who desires to obtain the benefits of this
2 section shall file each year in the office of the county treasurer of the county and with the department a
3 notice giving:

4 (a) the name and address of the mortgagee and holder of the mortgage or lien;

5 (b) the name of the reputed owner of the land;

6 (c) the description of the land;

7 (d) the date of record and expiration of the mortgage or lien;

8 (e) the amount of the mortgage or lien; and

9 (f) a statement that the holder claims the benefit of the provisions of this section.

10 (4) The notice is ineffectual as to any taxes that are a lien upon real property prior to the filing of
11 the notice as provided in subsection (3).

12 (5) A holder of a mortgage on real property upon which personal property taxes are a lien under
13 this section, when the owner of the real property and personal property has failed to pay taxes due on the
14 real property and personal property for 1 or more years, may file with the department or its agent a written
15 request to have the personal property and real property of the owner separately assessed. The request must
16 be made by certified mail at least 10 days prior to January 1 in the year for which property is assessed.
17 Upon receipt by the department or its agent of the request, the department or its agent shall make a
18 separate assessment of real and personal property of the owner of the property, and the personal property
19 taxes may not be a lien upon the mortgaged real property. The personal property taxes must be collected
20 in the manner provided by law for other personal property.

21 (6) The holder of a mortgage or lien upon real property who files a certificate of satisfaction and
22 the proof and acknowledgment of filing the certificate, as provided for in 71-1-211, shall file a copy of the
23 certificate and the proof and acknowledgment with:

24 (a) the county treasurer if the holder has filed a notice under subsection (3); and

25 (b) the department or its agent in the county in which the real property is located if the holder has
26 filed a written request under subsection (5).

27 (7) The provisions of this section do not apply to property for which delinquent property taxes have
28 been suspended or canceled under the provisions of Title 15, chapter 24, part 17."

29
30 **Section 59.** Section 15-18-412, MCA, is amended to read:

1 **"15-18-412. Procedure in tax deed quiet title action.** (1) Upon the hearing of the order to show
2 cause, the court has jurisdiction to determine the amount to be deposited and to make an order that the
3 same be paid to the court within a period not exceeding 30 days after the order is made.

4 (2) (a) Except as provided in subsections (2)(b) and (2)(c), if the amount is not paid within the time
5 fixed by the court, the true owner is considered to have waived any defects in the tax proceedings and any
6 right of redemption. In the event of waiver, the true owner has no claim of any kind against the state or
7 purchaser and a decree must be entered in the action quieting the title of the purchaser as against the true
8 owner.

9 (b) The proceedings are void if the taxes were not delinquent or have been paid.

10 (c) A deposit is not required if the true owner is found by the court to be indigent following an
11 examination into the matter by the court upon the request of a true owner claiming to be indigent.

12 (3) If payment is made to the court and the true owner is successful in the action and the tax
13 proceedings are declared void, the amount deposited with the court must be paid to the purchaser.

14 (4) If the purported true owner is not successful in the action and the title of the purchaser is
15 sustained, the money must be returned to the purported true owner.

16 (5) In any action brought by a purchaser to quiet title, several tracts of land, whether contiguous
17 or noncontiguous or owned by different defendants, may be set forth in one complaint. All persons claiming
18 any title to, interest in, or lien upon any of the premises or any part of the premises may be joined as
19 defendants, even though their claims are independent, are not in common, and do not cover the same
20 tracts. The procedure in the action must follow, as nearly as practicable, the procedure specified in
21 70-28-101 through 70-28-109.

22 (6) In the final judgment, the court shall also determine the rights resulting from any additional
23 taxes on the property accruing or being paid by either party during the pendency of the suit.

24 (7) In the quiet title action, the court has complete jurisdiction to fix the amount of taxes that
25 should have been paid, including penalties, interest, and costs, and to determine all questions necessary
26 in granting full relief, including the power to order the department, its agent, or any tax officer to make and
27 certify to the court a corrected or new assessment or to do any other act necessary to enable the court to
28 do complete justice. Errors may be reviewed on appeal from the final judgment."
29

30 **Section 60.** Section 15-23-106, MCA, is amended to read:

1 **"15-23-106. Report to the counties.** (1) On or before July 1, the department shall prepare for each
2 county and, if the assessor has been designated as an agent of the department of revenue pursuant to
3 [section 1], provide to the assessor for each county a statement listing:

4 (a) the assessed value of railroad property, as determined under 15-23-202, apportioned to the
5 county, including the length or other description of the property;

6 (b) the assessed value of utility property, as determined under 15-23-303, apportioned to the
7 county, including the length or other description of the property;

8 (c) the assessed value of property of airline companies, as determined under 15-23-403,
9 apportioned to the county; 90% of the value of the property of airline companies apportioned to any county
10 by reason of a state airport being located in the county must be stated separately from the remaining
11 assessed value of the property of airline companies apportioned to the county;

12 (d) the assessed value of the net proceeds and royalties from mines and oil and gas wells in the
13 county, as determined under 15-23-503, 15-23-505, 15-23-515, 15-23-516, 15-23-517, 15-23-603, and
14 15-23-605; and

15 (e) the assessed value of the gross proceeds from coal mines, as described in 15-23-701.

16 (2) The department or its agent shall enter the reported assessed values in the property tax record
17 for the county."

18
19 **Section 61.** Section 15-23-107, MCA, is amended to read:

20 **"15-23-107. Amended assessment.** Whenever the valuation of centrally assessed property is
21 revised under 15-8-601 or 15-23-102(2), the department or its agent shall, within 15 days following the
22 final decision or order, enter the revision in the property tax record for each applicable county."

23
24 **Section 62.** Section 15-23-115, MCA, is amended to read:

25 **"15-23-115. Interest.** If the department or its agent determines that a taxpayer has incorrectly
26 reported a value under 15-23-502, 15-23-515, 15-23-516, 15-23-517, 15-23-602, 15-23-701, or
27 15-23-802 and if an additional tax is due, there must be added to the tax until paid in full interest at the
28 rate of 1% a month or fraction of a month from the date the original tax was due and payable. A taxpayer
29 subject to imposition of interest pursuant to this section is not subject to the penalty and interest provisions
30 contained in 15-16-102."

1 **Section 63.** Section 15-23-507, MCA, is amended to read:

2 **"15-23-507. Taxation and payment on royalty interests.** At the time of computing net proceeds
3 assessments, the department shall also determine the royalty lists or schedules for each county in which
4 the mines and mining claims are located. The department or its agent shall prepare from the net proceeds
5 and royalty assessments a tax roll that must be furnished to the county treasurer on or before the following
6 September 15. Upon furnishing the tax roll, the taxes are due and payable. Assessments of royalty on
7 production of metals and minerals other than petroleum and natural gas must be entered by the department
8 or its agent in the property tax record in the name of the recipient or owner of the royalty. The county
9 treasurer shall give full notice of the assessment to the recipient or royalty owner and shall collect the taxes
10 in the same manner as taxes on net proceeds of mines. Taxes on the royalty assessments and taxes on net
11 proceeds of mines are payable at the times specified in 15-16-102, and any delinquencies in the payment
12 are subject to the interest and penalties provided in 15-16-102."

13
14 **Section 64.** Section 15-23-607, MCA, is amended to read:

15 **"15-23-607. Department to compute taxes.** (1) Immediately after the board of county
16 commissioners has fixed tax levies on the second Monday in August, the department or its agent shall,
17 subject to the provisions of 15-23-612, compute the taxes on net proceeds, as provided in subsections (2)
18 and (3) of this section, and royalty assessments and shall transmit the computed taxes to the county
19 treasurer on or before September 15. The county treasurer shall proceed to give full notice of the
20 assessments to the operator and shall collect the taxes as provided by law.

21 (2) For new production, production from horizontally completed wells, and incremental production,
22 as those terms are defined in 15-23-601, the department or its agent may not levy or assess any mills
23 against the value of the new production, production from horizontally completed wells, or incremental
24 production, but shall instead levy a tax as follows:

25 (a) for new production of petroleum or other mineral or crude oil, 7% of net proceeds, as described
26 in 15-23-603(2);

27 (b) for new production of natural gas, 12% of net proceeds, as described in 15-23-603(2); or

28 (c) (i) except as provided in subsection (4), for incremental production that is classified as
29 secondary recovery from new enhanced recovery projects, as defined in 15-23-601, and for incremental
30 production that is classified as secondary recovery from expanded enhanced recovery projects, as defined

1 in 15-23-601, 5% of net proceeds, as described in 15-23-603(2); or

2 (ii) for incremental production that is classified as tertiary recovery from new enhanced recovery
3 projects, as defined in 15-23-601, and for incremental production that is classified as tertiary recovery from
4 expanded enhanced recovery projects, as defined in 15-23-601, 3.3% of net proceeds, as described in
5 15-23-603(2).

6 (3) For purposes of this section:

7 (a) incremental production from a new enhanced recovery project qualifies for the tax rate imposed
8 in subsection (2)(c)(i) or (2)(c)(ii) if, before the project begins development, the board approves the project
9 and designates the area to be affected by the project.

10 (b) the incremental production from an expanded enhanced recovery project qualifies for the tax
11 rate imposed in subsection (2)(c)(i) or (2)(c)(ii) if, before the expansion begins, the board approves the
12 expansion and designates the area to be affected by the expansion.

13 (4) (a) Incremental production from a new enhanced recovery project is subject to the tax rate
14 imposed in subsection (2)(c)(i) or (2)(c)(ii) if the average price per barrel of oil as reported in the Wall Street
15 Journal for west Texas intermediate crude oil during a calendar quarter is less than \$30 a barrel. If the price
16 of oil is equal to or greater than \$30 per barrel in a calendar quarter as determined in subsection (5),
17 incremental production from a new enhanced recovery project is taxed as provided in subsection (2)(a) for
18 production occurring in that quarter.

19 (b) Incremental production from an expanded enhanced recovery project is subject to the tax rate
20 imposed in subsection (2)(c)(i) or (2)(c)(ii) if the average price per barrel of oil as reported in the Wall Street
21 Journal for west Texas intermediate crude oil during a calendar quarter is less than \$30 a barrel. If the price
22 of oil is equal to or greater than \$30 per barrel in a calendar quarter as determined in subsection (5),
23 incremental production from an expanded enhanced recovery project is taxed as provided in subsection
24 (2)(a) for production occurring in that quarter.

25 (5) For the purposes of subsections (4)(a) and (4)(b), the average price per barrel must be
26 computed by dividing the sum of the daily price for west Texas intermediate crude oil as reported in the
27 Wall Street Journal for the calendar quarter by the number of days on which the price was reported in the
28 quarter.

29 (6) The amount of tax levied in subsections (2)(a), (2)(b), and (2)(c), divided by the appropriate tax
30 rate and multiplied by 60%, must be treated as taxable value for county bonding purposes.

1 (7) The operator or producer is liable for the payment of the taxes that, except as provided in
2 15-16-121, are payable by and must be collected from the operators in the same manner and under the
3 same penalties as provided for the collection of taxes upon net proceeds of mines. However, the operator
4 may withhold from the proceeds of royalty interest, either in kind or in money, an estimated amount of the
5 tax to be paid by the operator upon the royalty or royalty interest. After the withholding, any deviation
6 between the estimated tax and the actual tax may be accounted for by adjusting subsequent withholdings
7 from the proceeds of royalty interests."

8
9 **Section 65.** Section 15-23-702, MCA, is amended to read:

10 "15-23-702. **Entry of gross proceeds in property tax record.** On or before July 1 each year, the
11 department or its agent shall enter the valuation of the gross proceeds of coal mines in the property tax
12 record for each county in which the mines are located."

13
14 **Section 66.** Section 15-23-703, MCA, is amended to read:

15 "15-23-703. **Taxation of gross proceeds -- taxable value for bonding and guaranteed tax base aid**
16 **to schools.** (1) The department or its agent shall compute from the reported gross proceeds from coal a tax
17 roll that must be transmitted to the county treasurer on or before September 15 each year. The department
18 or its agent may not levy or assess any mills against the reported gross proceeds of coal but shall levy a
19 tax of 5% against the value of the reported gross proceeds as provided in 15-23-701(1)(d). The county
20 treasurer shall proceed to give full notice to each coal producer of the taxes due and to collect the taxes
21 as provided in 15-16-101.

22 (2) For bonding, county classification, and all nontax purposes, the taxable value of the gross
23 proceeds of coal is 45% of the contract sales price as defined in 15-35-102(5).

24 (3) Except as provided in subsection (6), the county treasurer shall calculate and distribute to the
25 state, county, and eligible school districts in the county the amount of the coal gross proceeds tax,
26 determined by multiplying the unit value calculated in 15-23-705 times the tons of coal extracted, treated,
27 and sold on which the coal gross proceeds tax was owed during the preceding calendar year.

28 (4) Except as provided in subsections (5), (6), and (8), the county treasurer shall credit the amount
29 determined under subsection (3) and the amounts received under 15-23-706:

30 (a) to the state and to the counties that levied mills in fiscal year 1990 against 1988 production

1 in the relative proportions required by the levies for state and county purposes in the same manner as
2 property taxes were distributed in fiscal year 1990 in the taxing jurisdiction; and

3 (b) to school districts in the county that either levied mills in school fiscal year 1990 against 1988
4 production or used nontax revenue, such as Public Law 81-874 money, in lieu of levying mills against
5 production, in the same manner that property taxes collected or property taxes that would have been
6 collected would have been distributed in the 1990 school fiscal year in the school district.

7 (5) (a) If the total tax liability in a taxing jurisdiction exceeds the amount determined in subsection
8 (3), the county treasurer shall, immediately following the distribution from taxes paid on May 31 of each
9 year, send the excess revenue, excluding any protested coal gross proceeds tax revenue, to the department
10 for redistribution as provided in 15-23-706.

11 (b) If the total tax liability in a taxing jurisdiction is less than the amount determined in subsection
12 (3), the taxing jurisdiction is entitled to a redistribution as provided by 15-23-706.

13 (6) The board of county commissioners of a county may direct the county treasurer to reallocate
14 the distribution of coal gross proceeds taxes that would have gone to a taxing unit, as provided in
15 subsection (4)(a), to another taxing unit or taxing units, other than an elementary school or high school,
16 within the county under the following conditions:

17 (a) The county treasurer shall first allocate the coal gross proceeds taxes to the taxing units within
18 the county in the same proportion that all other property tax proceeds were distributed in the county in
19 fiscal year 1990.

20 (b) If the allocation in subsection (6)(a) exceeds the total budget for a taxing unit, the
21 commissioners may direct the county treasurer to allocate the excess to any taxing unit within the county.

22 (7) The board of trustees of an elementary or high school district may reallocate the coal gross
23 proceeds taxes distributed to the district by the county treasurer under the following conditions:

24 (a) The district shall first allocate the coal gross proceeds taxes to the budgeted funds of the
25 district in the same proportion that all other property tax proceeds were distributed in the district in fiscal
26 year 1990.

27 (b) If the allocation under subsection (7)(a) exceeds the total budget for a fund, the trustees may
28 allocate the excess to any budgeted fund of the school district.

29 (8) The county treasurer shall credit all taxes collected under this part from coal mines that began
30 production after December 31, 1988, in the relative proportions required by the levies for state, county,

1 and school district purposes in the same manner as property taxes were distributed in the previous fiscal
2 year."

3

4 **Section 67.** Section 15-23-803, MCA, is amended to read:

5 "15-23-803. **Valuation -- gross proceeds.** On or before July 1 each year, the department or its
6 agent shall determine the merchantable value of all metal production from the previous calendar year. The
7 department shall record the merchantable value in the property tax record after subtracting the portion of
8 the proceeds exempt from property taxation."

9

10 **Section 68.** Section 15-23-804, MCA, is amended to read:

11 "15-23-804. **Taxation of merchantable value.** The department or its agent shall prepare from the
12 reported valuation a tax roll that must be transmitted to the county treasurer on or before September 15
13 each year. The county treasurer shall proceed to give full notice to each metal producer and to collect the
14 taxes due at the times provided for in 15-16-102, and any delinquencies in the payment of the taxes are
15 subject to the interest and penalties provided for in 15-16-102."

16

17 **Section 69.** Section 15-24-801, MCA, is amended to read:

18 "15-24-801. **Savings and loan associations -- taxation.** Every savings and loan association subject
19 to regulation under Title 32, chapter 2, must be assessed for and pay taxes upon all real and personal
20 property owned by the association. The secretary of an association shall furnish to the department, within
21 5 days after demand, a condensed statement, verified by oath, of the resources and liabilities of the
22 association as disclosed by its books at noon on January 1 in each year. If the secretary fails to make the
23 statement, the department or its agent shall immediately obtain the information from any other available
24 source, and for this purpose it shall have access to the books of the association. The department or its
25 agent shall make an assessment of the real estate and personal property owned by the association in a
26 manner that is as fair and equitable as it may be able to make from the best information available, or the
27 department or its agent may, for the purpose of the assessment, adopt the figures disclosed by any prior
28 report made by the association to any state or federal officer under a state or federal law. A person required
29 by this section to make the statement provided for in this section who fails to furnish it is guilty of a
30 misdemeanor."

1 **Section 70.** Section 15-24-902, MCA, is amended to read:

2 **"15-24-902. Assessment of livestock.** The department or its agent shall assess all nonexempt
3 livestock in each county where they are located on February 1 of each year. The livestock must be
4 assessed to the person by whom they were owned or claimed or in whose possession or control they were
5 at midnight of February 1 in that year."

6

7 **Section 71.** Section 15-24-903, MCA, is amended to read:

8 **"15-24-903. Duty of owner to assist in assessment.** (1) The owner of livestock, as defined in
9 15-24-901, or the owner's agent, shall at the time of assessment make and deliver to the department or
10 its agent for the county or counties where the owner's livestock were located on February 1 a written
11 statement, under oath, listing the owner's different kinds of livestock within the county or counties,
12 together with a listing of their marks and brands.

13 (2) As used in this section, "agent" means any person, persons, company, or corporation, including
14 a feedlot operator or owner of grazing land, who has charge of livestock on the assessment date."

15

16 **Section 72.** Section 15-24-904, MCA, is amended to read:

17 **"15-24-904. Penalty for violation of law.** If any person, persons, company, or corporation who is
18 the owner or is in charge of any livestock within this state fails to make the statement or statements as
19 provided in 15-24-903, the department or its agent may, after 10 days' notice to the person who failed to
20 file the report, increase the assessment by 10% as a penalty."

21

22 **Section 73.** Section 15-24-905, MCA, is amended to read:

23 **"15-24-905. Livestock brought into state -- notice to department or its agent.** The owner or the
24 agent, manager, or supervisor of any person, corporation, or association bringing livestock into this state
25 after February 1 shall immediately after the livestock cross the state line forward to the department or its
26 agent in the county into which the livestock are moved a certified letter, containing the name of the owner
27 of the livestock, the number of livestock, the brand on the livestock, the ages of the livestock, the time and
28 place at which the livestock were brought across the state line, and the county or counties into which the
29 livestock are moved. The department of livestock shall at least once each month furnish from its own
30 records to the department or its agent a list of the number and kind of livestock moved into each county,

1 together with the name of the owner of the livestock."
2

3 **Section 74.** Section 15-24-906, MCA, is amended to read:

4 "15-24-906. **Collection of tax on livestock.** The department or its agent, upon receipt of the letter
5 provided for in 15-24-905 or other information that livestock has been brought into a county from outside
6 of the state after February 1 in any year, shall immediately proceed under the provisions of this part."
7

8 **Section 75.** Section 15-24-920, MCA, is amended to read:

9 "15-24-920. **Election for proration of tax on livestock -- refunds -- additional assessment.** (1) An
10 owner of livestock who moves the livestock interstate may elect to have the nonexempt livestock taxed
11 on a prorated basis.

12 (2) The owner shall file an election with the department or its agent on the statement required in
13 15-24-903. The statement must indicate the number of months the owner's livestock will be in the state.

14 (3) If a livestock owner elects to be taxed on a prorated basis, the tax on livestock that are moved
15 interstate must be prorated according to the ratio of the number of months the livestock have taxable situs
16 in the county to the total number of months in the taxable year. Livestock must be prorated as provided
17 in this section regardless of when the livestock gain taxable situs in the county during the taxable year.

18 (4) Subject to the provisions of 15-16-603 through 15-16-605, a taxpayer whose nonexempt
19 livestock are assessed under subsection (3) for a period longer than the actual number of months that the
20 livestock have taxable situs in the state is entitled to a refund. The amount of the refund is equal to the
21 difference between the original prorated amount paid and the subsequent amount owed after the actual
22 number of tax situs months are determined at the end of the tax year. A taxpayer shall apply for a refund
23 allowed under this subsection by January 31 following the year of assessment. The application must
24 include a statement showing the date when the livestock were moved out of the state.

25 (5) A taxpayer whose nonexempt livestock are assessed under subsection (3) for a period shorter
26 than the actual number of months that the livestock have taxable situs is subject to additional taxes for the
27 number of additional months that the livestock has taxable situs in the state."
28

29 **Section 76.** Section 15-24-921, MCA, is amended to read:

30 "15-24-921. **Per capita tax levy to pay expenses of enforcing livestock laws.** (1) In addition to

1 appropriations made for those purposes, a per capita tax is authorized and directed to be levied by the
2 department or its agent on all poultry and bees, all swine 3 months of age or older, and all other livestock
3 9 months of age or older in each county of this state for the purpose of aiding in the payment of the
4 salaries and all expenses connected with the enforcement of the livestock laws of the state and for the
5 payment of bounties on wild animals as provided in 81-7-104.

6 (2) As used in this section, "livestock" means cattle, sheep, swine, poultry, bees, goats, horses,
7 mules, asses, llamas, alpacas, domestic bison, and domestic ungulates."
8

9 **Section 77.** Section 15-24-1402, MCA, is amended to read:

10 **"15-24-1402. New or expanding industry -- assessment -- notification.** (1) In the first 5 years after
11 a construction permit is issued, qualifying improvements or modernized processes that represent new
12 industry or expansion of an existing industry, as designated in the approving resolution, must be taxed at
13 50% of their taxable value. Each year thereafter, the percentage must be increased by equal percentages
14 until the full taxable value is attained in the 10th year. In subsequent years, the property must be taxed at
15 100% of its taxable value.

16 (2) (a) In order for a taxpayer to receive the tax benefits described in subsection (1), the governing
17 body of the affected county or the incorporated city or town must have approved by separate resolution
18 for each project, following due notice as defined in 76-15-103 and a public hearing, the use of the schedule
19 provided for in subsection (1) for its respective jurisdiction. The governing body may not grant approval for
20 the project until all of the applicant's taxes have been paid in full. Taxes paid under protest do not preclude
21 approval.

22 (b) The governing body may end the tax benefits by majority vote at any time, but the tax benefits
23 may not be denied an industrial facility that previously qualified for the benefits.

24 (c) The resolution provided for in subsection (2)(a) must include a definition of the improvements
25 or modernized processes that qualify for the tax treatment that is to be allowed in the taxing jurisdiction.
26 The resolution may provide that real property other than land, personal property, improvements, or any
27 combination thereof is eligible for the tax benefits described in subsection (1).

28 (3) The taxpayer shall apply to the department or its agent for the tax treatment allowed under
29 subsection (1). The application by the taxpayer must first be approved by the governing body of the
30 appropriate local taxing jurisdiction, and the governing body shall indicate in its approval that the property

1 of the applicant qualifies for the tax treatment provided for in this section. Upon receipt of the form with
 2 the approval of the governing body of the affected taxing jurisdiction, the department or its agent shall
 3 make the assessment change pursuant to this section.

4 (4) The tax benefit described in subsection (1) applies only to the number of mills levied and
 5 assessed for local high school district and elementary school district purposes and to the number of mills
 6 levied and assessed by the governing body approving the benefit over which the governing body has sole
 7 discretion. The benefit described in subsection (1) may not apply to levies or assessments required under
 8 Title 15, chapter 10, 20-9-331, 20-9-333, or 20-9-360 or otherwise required under state law.

9 (5) Prior to approving the resolution under this section, the governing body shall notify by certified
 10 mail all taxing jurisdictions affected by the tax benefit."
 11

12 **Section 78.** Section 15-24-1501, MCA, is amended to read:

13 **"15-24-1501. Remodeling, reconstruction, or expansion of buildings or structures -- assessment**
 14 **provisions -- levy limitations.** (1) Subject to the authority contained in subsection (4), remodeling,
 15 reconstruction, or expansion of existing buildings or structures, which increases their taxable value by at
 16 least 2 1/2% as determined by the department or its agent, may receive tax benefits during the
 17 construction period and for the following 5 years in accordance with subsections (2) through (4) and the
 18 following schedule. The percentages must be applied as provided in subsections (3) and (4) and are limited
 19 to the increase in taxable value caused by remodeling, reconstruction, or expansion:
 20

21 Construction period	0%
22 First year following construction	20%
23 Second year following construction	40%
24 Third year following construction	60%
25 Fourth year following construction	80%
26 Fifth year following construction	100%
27 Following years	100%

28
 29 (2) In order to confer the tax benefits described in subsection (1), the governing body of the
 30 affected county or, if the construction will occur within an incorporated city or town, the governing body

1 of the incorporated city or town must approve by resolution for each remodeling, reconstruction, or
2 expansion project the use of the schedule provided for in subsection (1) or a schedule adopted pursuant
3 to subsection (4).

4 (3) The tax benefit described in subsection (1) applies only to the number of mills levied and
5 assessed for high school district and elementary school district purposes and to the number of mills levied
6 and assessed by the local governing body approving the benefit. The benefit described in subsection (1)
7 may not apply to statewide levies.

8 (4) A local government may, in the resolution required by subsection (2), modify the percentages
9 contained in subsection (1) that apply to the first year following construction through the fourth year
10 following construction. A local government may not modify the percentages contained in subsection (1)
11 that apply to the fifth year following construction or years following the fifth year. A local government may
12 not modify the time limits contained in subsection (1). The modifications to the percentages in subsection
13 (1) adopted by a local government apply uniformly to each remodeling, reconstruction, or expansion project
14 approved by the governing body."
15

16 **Section 79.** Section 15-24-1802, MCA, is amended to read:

17 **"15-24-1802. Business incubator tax exemption -- procedure.** (1) A business incubator owned or
18 leased and operated by a local economic development organization is eligible for an exemption from
19 property taxes as provided in this section.

20 (2) In order to qualify for the tax exemption described in this section, the governing body of the
21 county, consolidated government, incorporated city or town, or school district in which the property is
22 located shall approve the tax exemption by resolution, after due notice, as defined in 76-15-103, and
23 hearing. The governing body may approve or disapprove the tax exemption provided for in subsection (1).
24 If a tax exemption is approved, the governing body shall do so by a separate resolution for each business
25 incubator in its respective jurisdiction. The governing body may not grant approval for the business
26 incubator until all of the applicant's taxes have been paid in full or, if the property is leased to a business
27 incubator, until all of the owner's property taxes on that property have been paid in full. Taxes paid under
28 protest do not preclude approval. Prior to holding the hearing, the governing body shall determine that the
29 local economic development organization:

30 (a) is a private nonprofit corporation as provided in Title 35, chapter 2, and is exempt from taxation

1 under section 501(c)(3) or 501(c)(6) of the Internal Revenue Code;

2 (b) is engaged in economic development and business assistance work in the area; and

3 (c) owns or leases and operates or will operate the business incubator.

4 (3) Upon receipt of approval of the governing body of the affected taxing jurisdiction, the
5 department or its agent shall make the assessment change for the tax exemption provided for in this
6 section.

7 (4) The tax exemption described in subsection (1) applies only to the number of mills levied and
8 assessed by the governing body approving the exemption over which the governing body has sole
9 discretion. If the governing body of a county, consolidated government, or incorporated city or town
10 approves the exemption, the exemption applies to levies and assessments required under Title 15, chapter
11 10, 20-9-331, or 20-9-333 or otherwise required under state law."

12

13 **Section 80.** Section 15-24-1902, MCA, is amended to read:

14 **"15-24-1902. Industrial park tax exemption -- procedure -- termination.** (1) An industrial park
15 owned and operated by a local economic development organization or a port authority is eligible for an
16 exemption from property taxes as provided in this section.

17 (2) In order to qualify for the tax exemption described in this section, the governing body of the
18 county, consolidated government, incorporated city or town, or school district in which the property is
19 located shall approve the tax exemption by resolution, after due notice, as defined in 76-15-103, and
20 hearing. The governing body may approve or disapprove the tax exemption provided for in subsection (1).
21 If a tax exemption is approved, the governing body shall do so by a separate resolution for each industrial
22 park in its respective jurisdiction. The governing body may not grant approval for the industrial park until
23 all of the applicant's taxes have been paid in full. Taxes paid under protest do not preclude approval. Prior
24 to holding the hearing, the governing body shall determine that:

25 (a) the local economic development organization:

26 (i) is a private, nonprofit corporation as provided in Title 35, chapter 2, and is exempt from taxation
27 under section 501(c)(3) or 501(c)(6) of the Internal Revenue Code;

28 (ii) is engaged in economic development and business assistance work in the area; and

29 (iii) owns and operates or will own and operate the industrial development park; or

30 (b) the port authority legally exists under the provisions of 7-14-1101 or 7-14-1102.

1 (3) Upon receipt of approval of the governing body of the affected taxing jurisdiction, the
2 department or its agent shall make the assessment change for the tax exemption provided for in this
3 section.

4 (4) The tax exemption described in subsection (1) applies only to the number of mills levied and
5 assessed by the governing body approving the exemption over which the governing body has sole
6 discretion. If the governing body of a county, consolidated government, or incorporated city or town
7 approves the exemption, the exemption applies to levies or assessments required under Title 15, chapter
8 10, 20-9-331, or 20-9-333 or otherwise required under state law.

9 (5) If a local economic development organization sells, leases, or otherwise disposes of the exempt
10 property to a purchaser or lessee that is not a local economic development organization or a unit of federal,
11 state, or local government, the tax exemption provided in this section terminates. The termination of the
12 exemption applies January 1 of the taxable year immediately following the sale, lease, or other disposition
13 of the property. Upon termination of the exemption, the property must be assessed as provided in
14 15-16-203."

15
16 **Section 81.** Section 15-24-2002, MCA, is amended to read:

17 "**15-24-2002. Building and land tax exemption -- procedure -- termination.** (1) A building and land
18 owned by a local economic development organization that the local economic development organization
19 intends to sell or lease to a profit-oriented, employment-stimulating business are eligible for an exemption
20 from property taxes as provided in this section.

21 (2) In order to qualify for the tax exemption described in this section, the governing body of the
22 affected county, consolidated government, incorporated city or town, or school district in which the
23 building and land are located shall approve the tax exemption by resolution, after due notice, as defined
24 in 76-15-103, and hearing. The governing body may approve or disapprove the tax exemption provided for
25 in subsection (1). The governing body shall approve a tax exemption by a separate resolution. The
26 governing body may not grant approval for the building and land until all of the applicant's taxes have been
27 paid in full. Taxes paid under protest do not preclude approval. Prior to holding the hearing, the governing
28 body shall determine that the local economic development organization:

29 (a) is a private, nonprofit corporation, as provided in Title 35, chapter 2, and is exempt from
30 taxation under section 501(c)(3) or 501(c)(6) of the Internal Revenue Code;

1 (b) is engaged in economic development and business assistance work in the area; and

2 (c) owns or will own the building and land.

3 (3) Upon receipt of approval of the governing body of the affected taxing jurisdiction, the
4 department or its agent shall make the assessment change for the tax exemption provided for in this
5 section.

6 (4) The tax exemption described in subsection (1) applies only to the number of mills levied and
7 assessed by the governing body approving the exemption over which the governing body has sole
8 discretion. If the governing body of a county, consolidated government, or incorporated city or town
9 approves the exemption, the exemption applies to levies or assessments required under Title 15, chapter
10 10, 20-9-331, or 20-9-333 and other levies required under state law.

11 (5) When a local economic development organization sells, leases, or otherwise disposes of the
12 exempt property to a purchaser or lessee that is not a local economic development organization or a unit
13 of federal, state, or local government, the tax exemption provided in this section terminates. The
14 termination of the exemption applies January 1 of the taxable year immediately following the sale, lease,
15 or other disposition of the property. Upon termination of the exemption, the property must be assessed as
16 provided in 15-16-203."

17

18 **Section 82.** Section 15-36-104, MCA, is amended to read:

19 **"15-36-104. Record of product -- carriers to furnish data.** Each person subject to 15-36-102 shall
20 keep a record in the form that the department requires of all petroleum and other mineral or crude oil or
21 natural gas extracted or produced by the person in this state, and the records must at all times during
22 business hours be subject to inspection by the department or its agent. Railroad, pipeline, and
23 transportation companies carrying petroleum and other crude or mineral oil or natural gas shall furnish to
24 the department, whenever requested to do so, all data relative to the shipment of those products that may
25 be required to properly enforce the provisions of this part. The failure of any railroad, pipeline, or
26 transportation company to comply with the provisions of this section subjects the company to a penalty
27 of \$100 for each day it fails to furnish the statement."

28

29 **Section 83.** Section 15-59-104, MCA, is amended to read:

30 **"15-59-104. Manufacturers to keep records.** Each person subject to 15-59-102 shall keep a record

1 in the form required by the department of all cement, gypsum, gypsum plaster, stucco, wallboard, land
2 plaster, or other products of cement or gypsum manufactured or produced by the person in this state. The
3 records must at all times during business hours be subject to inspection by the department or its agent."

4
5 **Section 84.** Section 15-59-203, MCA, is amended to read:

6 **"15-59-203. Record of cement received.** (1) Each person subject to 15-59-201 shall keep a record
7 showing all cement, cement plaster, gypsum plaster, and other byproducts of cement:

8 (a) purchased or received by or delivered to the person for sale by the person at retail in this state
9 for the manufacturing or production of those items; and

10 (b) for which the license tax has not been paid.

11 (2) The record must show the date of each purchase or delivery, the number of barrels or tons
12 contained, and the name of the person from whom the items were purchased or received. The records must
13 at all times during business hours be subject to inspection by the department or its agent."

14
15 **Section 85.** Section 20-9-122, MCA, is amended to read:

16 **"20-9-122. Statement of district, city, and town valuations.** (1) By the second Monday of July,
17 the department of revenue or its agent shall deliver to the county superintendent and to each city or town
18 clerk a statement showing separately for each district and each city or town in the county the total
19 assessed value and the total taxable value of all property in the districts, cities, or towns, as these
20 valuations appear in the property tax record.

21 (2) In the case of a joint school district, the department of revenue or its agent shall, at the time
22 of delivering the statement to the county superintendent, send a statement of the assessed value and
23 taxable value of the portion of the joint school district situated in the appropriate county to the county
24 superintendents and to the county commissioners of each county in which a part of the joint school district
25 is situated."

26
27 **Section 86.** Section 50-61-112, MCA, is amended to read:

28 **"50-61-112. Prior approval required for construction or alteration of educational and institutional**
29 **occupancies.** (1) Within an incorporated municipality, an educational or institutional occupancy, whether
30 public or private, may not be constructed or have alterations made costing \$1,500 or more until sketches

1 or architectural plans for the construction or alteration, whichever are available, are submitted to and
2 approved by the state fire prevention and investigation program of the department of justice.

3 (2) Outside an incorporated municipality, an assembly, educational, or institutional occupancy may
4 not be constructed or have alterations made costing \$1,500 or more until a permit has been issued for the
5 construction or alteration by the county commissioners. A fee of \$10 must be paid to the county treasurer
6 for each permit. A copy of the permit must be furnished to the department of revenue or its agent. A permit
7 may not be issued until sketches or architectural plans for the construction or alteration, whichever are
8 available, are submitted to and approved by the state fire prevention and investigation program of the
9 department of justice. The state fire prevention and investigation program of the department of justice and
10 county sheriffs are responsible for enforcing the provisions of this subsection."

11
12 **Section 87.** Section 61-3-207, MCA, is amended to read:

13 **"61-3-207. Mobile home or houstrailer -- transfer of interest.** (1) Upon a transfer of any interest
14 in a mobile home or houstrailer under the provisions of this chapter, the application for the transfer must
15 be made through the county treasurer's office in the county in which the mobile home or houstrailer is
16 located at the time of the transfer.

17 (2) When a mobile home or houstrailer is sold under contract or under such conditions that title
18 is not immediately conveyed, the parties to the transaction shall immediately file with the county clerk and
19 recorder a notice of intention to transfer title. The notice must indicate the name of the party who is
20 responsible for payment of taxes upon the mobile home or houstrailer after the transfer. The clerk and
21 recorder shall immediately notify the department of revenue or its agent of the information in the notice.
22 The penalty provisions of 61-3-201(2) do not apply if the notice of intent to transfer is filed with the county
23 clerk and recorder within 20 days after the transfer."
24

25 **Section 88.** Section 61-3-303, MCA, is amended to read:

26 **"61-3-303. Application for registration.** (1) Every owner of a motor vehicle operated or driven upon
27 the public highways of this state shall for each motor vehicle owned, except as otherwise provided in this
28 section, file or cause to be filed in the office of the county treasurer where the owner permanently resides
29 at the time of making the application or, if the vehicle is owned by a corporation or used primarily for
30 commercial purposes, in the taxing jurisdiction of the county where the vehicle is permanently assigned,

1 an application for registration or reregistration upon a blank form to be prepared and furnished by the
2 department. The application must contain:

3 (a) name and address of owner, giving county, school district, and town or city within whose
4 corporate limits the motor vehicle is taxable, if taxable, or within whose corporate limits the owner's
5 residence is located if the motor vehicle is not taxable;

6 (b) name and address of the holder of any security interest in the motor vehicle;

7 (c) description of motor vehicle, including make, year model, engine or serial number,
8 manufacturer's model or letter, gross weight, and type of body and, if a truck, rated capacity; and

9 (d) other information that the department may require.

10 (2) A person who files an application for registration or reregistration of a motor vehicle, except
11 of a mobile home as defined in 15-1-101(1), shall upon the filing of the application pay to the county
12 treasurer:

13 (a) the registration fee, as provided in 61-3-311 and 61-3-321; and

14 (b) unless it has been previously paid:

15 (i) the personal property taxes assessed against the vehicle for the current year of registration and
16 the immediately previous year; or

17 (ii) the new motor vehicle sales tax against the vehicle for the current year of registration.

18 (3) The application may not be accepted by the county treasurer unless the payments required by
19 subsection (2) accompany the application. The department of revenue or its agent may not assess and the
20 county treasurer may not collect taxes or fees for a period other than:

21 (a) the current year; and

22 (b) the immediately previous year if the vehicle was not registered or operated on the highways
23 of the state, regardless of the period of time since the vehicle was previously registered or operated.

24 (4) The department of revenue or its agent may make full and complete investigation of the tax
25 status of the vehicle. Any applicant for registration or reregistration shall submit proof from the tax or other
26 appropriate records of the proper county at the request of the department of revenue."

27

28 **Section 89.** Section 61-3-503, MCA, is amended to read:

29 "61-3-503. **Assessment.** (1) Except as provided in 61-3-520 and subsection (2) of this section,
30 the following apply to the taxation of motor vehicles:

1 (a) Except as provided in subsections (1)(c) through (1)(e), a person who files an application for
2 registration or reregistration of a motor vehicle shall before filing the application with the county treasurer
3 submit the application to the department of revenue or its agent. The department of revenue or its agent
4 shall enter on the application in a space to be provided for that purpose the market value and taxable value
5 of the vehicle as of January 1 of the year for which the application for registration is made.

6 (b) Except as provided in subsection (1)(c), motor vehicles are assessed for taxes on January 1 in
7 each year irrespective of the time fixed by law for the assessment of other classes of personal property and
8 irrespective of whether the levy and tax may be a lien upon real property within the state. A motor vehicle
9 is not subject to assessment, levy, and taxation more than once in each year.

10 (c) Vehicles subject to the provisions of 61-3-313 through 61-3-316 must be assessed as of the
11 first day of the registration period, using the average trade-in or wholesale value as of January 1 of the year
12 of assessment of the vehicle as contained in the most recent volume of the Mountain States Edition of the
13 National Automobile Dealers Association (N.A.D.A.) Official Used Car Guide, the National Edition of
14 N.A.D.A. Appraisal Guides Official Older Used Car Guide, or another nationally published used vehicle or
15 appraisal guide approved by the department of revenue or, for a vehicle that was never listed in any edition
16 of the preceding guides, the retail value of the vehicle as determined by the department of revenue or its
17 agent, and thereafter depreciated 10% per year until a value of \$500 is reached, not including additions
18 or deductions for options and mileage but including additions or deductions, whether or not one of the
19 preceding guides is used, for diesel engines; and a lien for taxes and fees due on the vehicle occurs on the
20 anniversary date of the registration and continues until the fees and taxes have been paid. If the value
21 shown in any of the appraisal guides listed in this section is less than \$500, the department or its agent
22 shall value the vehicle at \$500.

23 (d) Motorcycles and quadricycles must be assessed, using the greater of the following:

24 (i) \$250; or

25 (ii) the average trade-in or wholesale value as of January 1 of the year of assessment of the vehicle
26 as contained in the most recent volume of the applicable National Edition of the N.A.D.A.
27 Motorcycle/Moped/ATV Appraisal Guide or N.A.D.A. Recreational Vehicle Appraisal Guide or another
28 nationally published used vehicle or appraisal guide approved by the department of revenue, not including
29 additions or deductions for options and mileage.

30 (e) If a vehicle assessed under subsection (1)(c) or (1)(d) is not originally listed in the applicable

1 N.A.D.A. guide or other approved guide, the department of revenue or its agent shall depreciate the original
2 f.o.b. factory list price, f.o.b. port-of-entry list price, or the manufacturer's suggested list price, using the
3 following methods:

4 (i) if the new car sales tax has been previously paid and the vehicle is less than 1 year in age, the
5 depreciation percentage is 20%; or

6 (ii) if the vehicle is 1 year or older in age and it is not listed in any of the appraisal guides listed in
7 this section, the department of revenue shall determine the depreciation percentage to approximate the
8 average wholesale or trade-in values in the current N.A.D.A. guides or other approved guides referred to
9 in this subsection. For purposes of this subsection (1), the age of the vehicle is determined by subtracting
10 the manufacturer's model year of the vehicle from the calendar year of assessment.

11 (f) When a minimum value of \$500 is reached, the value must remain at that minimum as long as
12 the vehicle is registered.

13 (g) If a previously registered vehicle is no longer listed in the applicable N.A.D.A. guide or other
14 approved guide, the department of revenue or its agent shall depreciate the value of the vehicle at the rate
15 of 10% a year until a minimum amount of \$500 is attained, and the value must remain at that amount as
16 long as the vehicle is registered.

17 (2) The provisions of subsections (1)(a) through (1)(g) do not apply to motor homes, travel trailers,
18 campers, or mobile homes as defined in 15-1-101(1)."

19

20 **Section 90.** Section 61-12-402, MCA, is amended to read:

21 **"61-12-402. Notice to owner.** (1) Within 72 hours after any vehicle is removed and held by or at
22 the direction of the Montana highway patrol, the highway patrol shall notify the sheriff of the county in
23 which the vehicle was located at the time it was taken into custody and the place where the vehicle is
24 being held. In addition, the Montana highway patrol shall furnish the sheriff a complete description of the
25 vehicle, including year, make, model, serial number, and license number if available; any costs incurred to
26 that date in the removal, storage, and custody of the vehicle; and any available information concerning its
27 ownership.

28 (2) The sheriff or the city police shall make reasonable efforts to ascertain the name and address
29 of the owner, lienholder, or person entitled to possession of the vehicle taken into custody under
30 61-12-401. If a name and address are ascertained, the sheriff or the city police shall notify the owner and

1 lienholder or person of the location of the vehicle.

2 (3) If the vehicle is registered in the office of the department, notice is considered to have been
3 given when a registered or certified letter addressed to the registered owner of the vehicle and lienholder,
4 if any, at the latest address shown by the records in the office of the department, return receipt requested
5 and postage prepaid, is mailed at least 30 days before the vehicle is sold.

6 (4) If the identity of the last-registered owner cannot be determined, if the registration does not
7 contain an address for the owner, or if it is impossible to determine with reasonable certainty the identity
8 and addresses of all lienholders, notice by one publication in one newspaper of general circulation in the
9 county where the motor vehicle was abandoned is sufficient to meet all requirements of notice pursuant
10 to this part. The notice by publication can contain multiple listings of abandoned vehicles. The notice must
11 be provided in the same manner as prescribed in 25-13-701(1)(b).

12 (5) If the abandoned vehicle is in the possession of a motor vehicle wrecking facility licensed under
13 75-10-511, the wrecking facility may make the required search to ascertain the name and address of the
14 owner, lienholder, or person entitled to possession of the vehicle and shall give the notices required in
15 subsections (2) through (4). The wrecking facility shall deliver to the sheriff or the city police a certificate
16 describing the efforts made to ascertain the name and address of the owner, lienholder, or person entitled
17 to possession of the vehicle and shall deliver to the sheriff or the city police proof of the notice given.

18 (6) A vehicle found by law enforcement officials to be a "junk vehicle" as defined by 75-10-501
19 and certified as having an appraised value of \$100 or less as determined by the department of revenue or
20 its agent may be directly submitted for disposal in accordance with the provisions of part 5 of chapter 10,
21 Title 75, upon a release given by the sheriff or the city police. In the release, the sheriff or the city police
22 shall include a description of the vehicle, including year, make, model, serial number, and license number
23 if available. A release provided by the sheriff or the city police under this section must be transmitted to
24 the motor vehicle wrecking facility and must be considered by that facility to meet the requirements for
25 records under 75-10-512 and 75-10-513. Vehicles described in this section may be submitted without
26 notice and without a required holding period."

27

28 **Section 91.** Section 70-23-304, MCA, is amended to read:

29 **"70-23-304. Declaration to be approved by department of revenue before recording.** Before a
30 declaration may be recorded in the county in which the property is located, it must be approved by the

1 department of revenue or its agent. A declaration must be approved unless:

- 2 (1) the name is proper so as to comply with 70-23-303; and
 3 (2) all taxes and assessments due and payable have been paid."

4

5 **Section 92.** Section 70-23-305, MCA, is amended to read:

6 **"70-23-305. Recording of declaration.** (1) When a declaration is made and approved as required,
 7 it must, upon the payment of the fees provided by law, be recorded by the recording officer. The fact of
 8 recording and the date of recording must be entered on the declaration.

9 (2) At the time of recording a declaration, the person offering it for record shall also file a copy,
 10 certified by the recording officer to be a true copy, with the department of revenue or its agent in the
 11 county in which the property is located.

12 (3) If the property is located in a city or town, a copy of the declaration only must also be filed with
 13 the city or town clerk at the time of recording."

14

15 **Section 93.** Section 76-13-207, MCA, is amended to read:

16 **"76-13-207. Determination and collection of costs of fire protection.** (1) The department shall
 17 prepare an annual operation assessment plan in which fire protection costs are determined. The department
 18 shall request the legislature to appropriate the state's portion of the cost. After the appropriation is made
 19 by the legislature, the department shall cause an assessment to be made on the owners of classified forest
 20 land, as specified in 76-13-201, sufficient to bring the total amount received from the landowners to no
 21 greater than one-third of the amount specified in the appropriation.

22 (2) On or before the second Tuesday in August of each year, the department shall certify in writing
 23 to the department of revenue or its agent in the county, if the assessor of that county has been designated
 24 as an agent of the department of revenue pursuant to [section 1], the names of these owners of forest
 25 lands in each county, together with a description of their lands and a statement of the amount found to be
 26 due and owing by each of the owners to the department for forest fire protection.

27 (3) Upon receiving the certificate from the department showing the amount due, the department
 28 of revenue or its agent shall extend the amounts upon the county tax rolls covering the lands, and the sums
 29 become obligations of the owner, to be paid and collected in the same manner and at the same time and
 30 subject to the same penalties as general state and county taxes upon the same property are collected."

1 **Section 94.** Section 76-15-518, MCA, is amended to read:

2 **"76-15-518. Certification of assessment to department of revenue -- entry on property tax record.**

3 The board of county commissioners of each county in which any portion of the district is situated may levy
4 the assessment provided in this part or part 6. The assessment must be certified to the department of
5 revenue or its agent and entered on the property tax record of each county."

6

7 **Section 95.** Section 77-1-501, MCA, is amended to read:

8 **"77-1-501. List of state lands by county.** The department shall, before the first Monday of April
9 of every year, prepare and transmit a statement to the department of revenue or its agent that designates
10 each county in which the state has real property in excess of 6% of the total land area of the county and
11 from which the state derives grazing, agricultural, or forest income. The statement must contain the total
12 number of acres owned by the state in that county and list the acres separately as grazing, agricultural, or
13 forest land."

14

15 **Section 96.** Section 77-1-503, MCA, is amended to read:

16 **"77-1-503. Form to be completed by department of revenue.** The department shall provide a form
17 for each county to be followed and completed by the department of revenue or its agent. The department
18 of revenue or its agent shall, before October 1, make the computations required and submit to the
19 department the completed forms, which must show the computations and method used in arriving at the
20 state land equalization payment."

21

22 **Section 97.** Section 77-1-504, MCA, is amended to read:

23 **"77-1-504. Processing of statements.** The department shall examine for accuracy the statement
24 returned by the department of revenue or its agent, and the state land equalization payment may not be
25 approved unless the state exemption figure is deducted from the gross assessment figure in the statement.
26 The department shall, before November 1 of each year, prepare and file a claim with the department of
27 administration for all counties that are eligible for state land equalization payments, and this claim must
28 show the amount of money each eligible county will receive."

29

30 **Section 98.** Section 77-2-313, MCA, is amended to read:

1 **"77-2-313. Land subject to taxation.** (1) State lands purchased from the state are subject to
2 taxation. The department of revenue shall assess the purchaser for the full value of the land on January
3 1 following the date of purchase. The holder of certificates of purchase to lands within an irrigation district
4 is liable for the entire irrigation district tax levied against the land.

5 (2) The improvements on the land must be assessed and taxed as other improvements on farm
6 lands.

7 (3) On or before January 15 of each year, the department shall furnish the department of revenue
8 or its agent with a complete list of all state lands sold in each county during the previous calendar year.
9 This list must show the name and address of the purchaser, the legal description of the land, and the
10 acreage contained in the purchase."

11
12 **Section 99.** Section 80-2-203, MCA, is amended to read:

13 **"80-2-203. Participation in program -- tax.** (1) A taxpayer or an association of taxpayers engaged
14 in the growing of crops other than those specified in this part or other agricultural or horticultural products
15 subject to injury or destruction by hail may, by individual or joint election filed with and approved by the
16 board of hail insurance, accept the provisions of this part and elect to become subject to this part. The risks
17 may be classified by the board, and suitable levies may be imposed as agreed upon by the board and the
18 taxpayers. The taxpayers are entitled to the benefits and protection afforded by the insurance provisions
19 of this part.

20 (2) Each farmer taxpayer who signifies a desire to become subject to the provisions of this part
21 shall file with the department of revenue or its agent the properly filled out form not later than August 15.
22 The taxpayer is chargeable with the tax provided for on lands growing crops subject to injury or destruction
23 by hail and shall share in the protection and benefits under the hail insurance provisions of this part. The
24 application for hail insurance is in full force and effect at 12:01 a.m. the day immediately following the
25 acceptance of the application by the department of revenue or its agent.

26 (3) This part may not be construed to empower anyone except the actual owner of the land to
27 make the land subject to the hail tax provided in this part."

28
29 **Section 100.** Section 80-2-204, MCA, is amended to read:

30 **"80-2-204. Duty of department of revenue -- election of benefits of law.** The department of

1 revenue or its agent shall upon request explain to each taxpayer engaged in the growing of crops subject
2 to injury or destruction by hail the provisions of this part. The department of revenue shall issue hail
3 insurance policies to each taxpayer who desires to become subject to this part, to become liable for the tax
4 levies provided in this part, and to be eligible for the benefits and protection of this part. A taxpayer who
5 elects to become subject to this part is liable for the taxes levied for hail insurance and shall participate in
6 the benefits and protection afforded by this part. Either the owners of lands worked by others under lease
7 or contract may make the election for hail insurance or the lessee of the land may tender payment of the
8 tax levied for hail insurance to protect the lessee's crops, in cash, to the officer authorized to receive
9 payment."

10
11 **Section 101.** Section 80-2-206, MCA, is amended to read:

12 "80-2-206. **Cash payment.** When an applicant for hail insurance tenders cash for the insurance to
13 the department of revenue or its agent, the applicant is allowed a discount of 4%. The hail insurance must
14 be issued upon the cash payment less the 4%. The charge for the insurance must be based on the
15 maximum rates shown on the application for hail insurance. If the current rates are reduced later, the board
16 of hail insurance shall arrange for the proper refund to the insured. All cash received by the department of
17 revenue or its agent must be promptly turned over to the county treasurer, who shall furnish the insured
18 with a current receipt and place the money in the hail insurance fund."

19
20 **Section 102.** Section 80-2-207, MCA, is amended to read:

21 "80-2-207. **Delinquent taxes -- application by delinquent -- crop lien.** (1) An owner of land who has
22 more than 1 year's delinquent taxes on the land may not be allowed hail insurance under the provisions of
23 this part, unless the owner's application is accompanied by a cash payment for the amount that would be
24 due on the application in the event of a maximum levy for that year.

25 (2) Any grain grower unable to secure state hail insurance under the provisions of this part because
26 of delinquent taxes or for other reasons may make application to the department of revenue or its agent,
27 and the department of revenue or its agent may receive and accept the applications when the applicant
28 furnishes a sufficient crop lien that is subject only to a seed lien. The crop lien may be accepted only under
29 rules and requirements that may be prescribed by the board of hail insurance and under the provision that
30 the board may cancel any hail insurance accepted in violation of the rules and requirements. Upon receipt

1 of the application, the department of revenue or its agent shall make a record of the application and shall
2 file the original in the office of the clerk and recorder of the county. The department of revenue or its agent
3 shall also cause an assessment for the proper amount to be made on the property tax record in the same
4 manner provided for in the case of other special levies or assessments.

5 (3) A tenant who has delinquent hail insurance that was secured by a crop lien only and not
6 secured by real estate may not be allowed another policy in any succeeding year until the delinquent
7 account or accounts are paid or until the tenant pays cash for the current hail insurance.

8 (4) If a tenant becomes delinquent for hail insurance after having failed to apply for relief as
9 provided by the board under 80-2-229, the tenant may apply to the board for a reduction. If the reasons
10 for requesting a reduction are approved by the board, the board may reduce the charge to not less than
11 one-half the original amount charged."
12

13 **Section 103.** Section 81-2-302, MCA, is amended to read:

14 **"81-2-302. Duty of department of revenue.** The property tax record of the county in which the
15 disease control area is to be established is the basis for computing the required percentage of livestock
16 owners and livestock. The department of revenue or its agent shall certify to the department when the
17 necessary 75% of the owners of livestock representing not less than 50% of the species of livestock to
18 be inspected, tested, treated, or vaccinated have signed the required petition."
19

20 **Section 104.** Section 81-4-511, MCA, is amended to read:

21 **"81-4-511. Assessment of horses taken in roundup.** Following a roundup held pursuant to this part,
22 the department of revenue or its agent shall immediately assess all horses that have been taken up in a
23 roundup and that may be sold or reclaimed before sale and not already assessed for the current year. The
24 department of revenue or its agent shall transmit to the county treasurer a copy of each assessment made.
25 Any horses that have escaped the assessment mentioned in 81-4-501 must be assessed as provided for
26 in 15-8-306."
27

28 **Section 105.** Section 81-4-513, MCA, is amended to read:

29 **"81-4-513. Report of roundup foreman -- disposition of copies.** The roundup foreman in charge of
30 the roundup shall keep an accurate record of all proceedings under the order for the roundup. Within 30

1 days after the roundup is completed, the foreman shall prepare in triplicate and verify by oath a full, true,
2 and accurate report of all the proceedings under the order for the roundup. The report must include a
3 complete financial statement, the number and description of horses impounded, and the manner of
4 disposition of the horses. One copy of the report must be filed with the clerk of the board of county
5 commissioners, and the filing is notice of the contents of the report and prima facie proof of the facts
6 stated in the report. One copy of the report must be filed with the department of revenue or its agent, and
7 one copy must be filed with the county treasurer, for their information and appropriate action."

8

9 **Section 106.** Section 81-4-516, MCA, is amended to read:

10 **"81-4-516. Limitation of powers or duties of officers.** Except as provided in this part, this part may
11 not be construed as limiting the powers or duties of the department of revenue or its agents, county
12 treasurers, or other boards or officers."

13

14 **Section 107.** Section 81-7-303, MCA, is amended to read:

15 **"81-7-303. County commissioners permitted to require per capita license fee on sheep.** (1) To
16 defray the expense of protection, the board of county commissioners of any county may require all owners
17 or persons in possession of any sheep 1 year old or older in the county on the regular assessment date of
18 each year to pay a per capita license fee in an amount to be determined by the board. All owners or persons
19 in possession of any sheep 1 year old or older coming into the county after the regular assessment date
20 and subject to taxation under the provisions of 15-24-301 are subject to payment of the license fee.

21 (2) Upon the order of the board of county commissioners, the license fees may be imposed by
22 entering the name of the licensee upon the property tax record of the county by the department of revenue
23 or its agent. The license fees are payable to and must be collected by the county treasurer. When levied,
24 the fees are a lien upon the property, both real and personal, of the licensee. If the person against whom
25 the license fee is levied does not own real estate against which the license fee is or may become a lien,
26 then the license fee is payable immediately upon its levy and the treasurer shall collect the fee in the
27 manner provided by law for the collection of personal property taxes that are not a lien upon real estate.

28 (3) When collected, the fees must be placed in the predatory animal control fund and the fund may
29 be expended on order of the board of county commissioners of the county for predatory animal control
30 only."

1 **Section 108.** Section 85-7-2136, MCA, is amended to read:

2 **"85-7-2136. Collection of taxes or assessment.** (1) On or before the third Monday in August of
3 each year, the board of commissioners shall furnish to the department of revenue or its agent a correct list
4 of all the district lands in the county, together with the amount of the total taxes or assessments against
5 the lands for district purposes. The department of revenue or its agent shall immediately upon receipt of
6 the list enter the assessment roll in the property tax record of the county for each year.

7 (2) The county treasurer of each county in which any irrigation district is located, in whole or in
8 part, shall collect and receipt for all taxes and assessments levied by the district, in the same manner and
9 at the same time as is required in the collection of taxes upon real estate for county purposes as provided
10 in 15-16-102. The treasurer shall receive from any taxpayer, at any time, the amount due on account of
11 any district assessments of any kind, whether other taxes on the same real estate are paid or not.

12 (3) During the water delivery season, as determined by the irrigation district commissioners, the
13 county treasurer shall make available to the board of commissioners of an irrigation district notice of the
14 receipt of payments of district assessments by 9 a.m. on the day following receipt of those payments.

15 (4) If requested in writing by a board of commissioners of an irrigation district, the county treasurer
16 may receive assistance from an employee of the irrigation district or a commissioner of the district for the
17 purpose of collecting district assessments as provided in 15-16-102, investing district funds as directed
18 by the board of commissioners of the district, and preparing district assessment notices.

19 (5) When any real estate on account of which the district taxes and assessments have been levied
20 has been sold to the county and tax certificate of sale is held by the county, the taxpayer may pay to the
21 treasurer at any time any semiannual installment of the district tax or assessment, together with the penalty
22 and interest to date of payment on the installment. However, the payment may not be considered a
23 redemption of the property from the tax sale but must be credited on account of any redemption that may
24 be made. In case of any payment pursuant to this subsection, a separate tax receipt must issue, showing
25 exactly what assessments have been paid, and must show that no other tax on the real estate has been
26 received by the treasurer. The county treasurer may not collect, receive, or receipt for any taxes levied for
27 county purposes upon real estate situated wholly or in part within any irrigation district upon which an
28 assessment for the purposes of the irrigation district has been levied unless the assessment levied for
29 irrigation district purposes is paid as permitted in this section and the receipt for the payment presented to
30 the county treasurer at the time the taxes are paid, or paid at the same time."

1 **Section 109.** Section 85-8-601, MCA, is amended to read:

2 **"85-8-601. Certification and collection of district taxes.** (1) On or before the third Monday in
3 August of each year, the commissioners shall certify to the department of revenue or its agent a correct
4 list of all the district lands in each county and the owners of the lands, together with a statement of the
5 amount of the total tax or assessment against the lands for district purposes for that year. The department
6 of revenue shall immediately enter the assessment roll in the property tax record of the county for each
7 year.

8 (2) The county treasurer of each county in which a drainage district is located, in whole or in part,
9 shall collect and receipt for all taxes and assessments levied by the district, in the same manner and at the
10 same time as is required in the collection of taxes upon real estate for county purposes as provided in
11 15-16-102. However, the treasurer must receive from any taxpayer, at any time, the amount due on
12 account of any district assessments of any kind, whether other taxes on the same real estate are paid or
13 not. When any real estate on account of which the district taxes and assessments have been levied has
14 been sold to the county and tax certificate of sale is held by the county, the taxpayer may pay to the
15 treasurer at any time any semiannual installment of the district tax or assessment, together with the penalty
16 and interest to date of payment on the installment. However, the payment may not be considered a
17 redemption of the property from the tax sale, but must be credited on account of any redemption that may
18 later be made. In case of any payment pursuant to this subsection, a separate tax receipt must be issued
19 showing exactly what assessments have been paid and showing that no other tax on the real estate has
20 been received by the treasurer. However, the county treasurer may not collect, receive, or receipt for any
21 taxes levied for county purposes upon real estate situated wholly or in part within any drainage district
22 upon which an assessment for the purposes of the drainage district has been levied unless the assessment
23 levied for the drainage district purposes is either paid as provided in this section and the receipt is presented
24 to the county treasurer at the time the real estate taxes are paid or paid at the time the drainage district
25 taxes are paid."

26

27 **Section 110.** Section 85-9-603, MCA, is amended to read:

28 **"85-9-603. Directors to provide financial information.** (1) Before the second Monday in July of each
29 year, the directors shall provide the department of revenue or its agent and the county treasurer with:

30 (a) the budget for the current fiscal year;

1 (b) a statement of the amount of special assessments to be collected for the districts; and

2 (c) a listing of all real property within the district.

3 (2) If the district is located in more than one county, the directors shall provide this information
4 to the department of revenue or its agent and each of the affected county treasurers."

5

6 NEW SECTION. **Section 111. Codification instruction.** [Section 1] is intended to be codified as
7 an integral part of Title 15, chapter 8, and the provisions of Title 15, chapter 8, apply to [section 1].

8

-END-

STATE OF MONTANA - FISCAL NOTE

Fiscal Note for HB0389, as introduced

DESCRIPTION OF PROPOSED LEGISLATION:

An act allowing an elected county assessor to be designated as an agent of the Department of Revenue; providing that one-half of the salary of an assessor agent is paid by the state; providing a method for the deconsolidation of county offices; providing that the county computer system is the primary storage location for computerized tax records.

ASSUMPTIONS:

1. This proposal would become effective October 1, 1995.
2. There are 50 counties currently consolidated. There is no information available regarding how many counties would decide to deconsolidate.
3. The state would pay half the salary for each elected assessor but none of the benefits.
4. Estimated salaries for county assessors are based on the 1994 salary resolutions the department is currently paying for a similar position in these 50 counties.
5. Counties would be required to develop and/or upgrade computer systems in order for the county to be the primary storage location for computerized tax records.

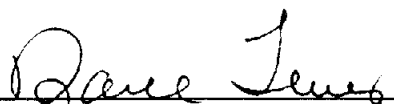
FISCAL IMPACT:

The additional cost to the state of deconsolidation would be an average of approximately \$11,132 to contract with the county assessor as the agent of the Department of Revenue. Assuming that all 50 counties elect new assessors, the department estimates a cost of \$556,595 per year general fund for its share of elected assessors' salaries only. (This figure does not include any benefits.)

EFFECT ON COUNTY OR OTHER LOCAL REVENUES OR EXPENDITURES:

Based on FY94 county salary resolutions, the department estimates that this proposal would cost each county government an average of \$15,585 per year to fund its responsibility of salary and benefits. This would cover assessor positions only and does not include any additional support staff that the county might require. If all 50 counties deconsolidated, the total cost to counties for assessors' salary and benefits would be (\$779,272).

Property tax record information is already resident in counties having computer systems. The only information not resident throughout the year is the detailed back-up to all values of property and values for the next tax year. If this is to be included on the county computer system, both CAMAS and BEVS would need to be reproduced on each county system. This would require most, if not all, counties to upgrade their current systems thus incurring major additional costs to the counties. In addition, this primary storage requirement would be a problem for those counties that are not computerized.

 2-7-95
DAVE LEWIS, BUDGET DIRECTOR DATE
Office of Budget and Program Planning


DON LARSON, PRIMARY SPONSOR DATE

Fiscal Note for HB0389, as introduced

HB 389

APPROVED BY COM
ON TAXATION

1 HOUSE BILL NO. 389

2 INTRODUCED BY LARSON, KITZENBERG, ORR, FELAND, PAVLOVICH, OHS, L. SMITH, ELLIOTT,
3 FORRESTER, L. NELSON, BECK, BURNETT
45 A BILL FOR AN ACT ENTITLED: "AN ACT ALLOWING AN ELECTED COUNTY ASSESSOR TO BE
6 DESIGNATED AS AN AGENT OF THE DEPARTMENT OF REVENUE; PROVIDING THAT ONE-HALF OF THE
7 SALARY OF AN ASSESSOR AGENT IS PAID BY THE STATE; PROVIDING A METHOD FOR THE
8 DECONSOLIDATION OF COUNTY OFFICES; ~~PROVIDING THAT THE COUNTY COMPUTER SYSTEM IS THE~~
9 ~~PRIMARY STORAGE LOCATION FOR COMPUTERIZED TAX RECORDS;~~ AND AMENDING SECTIONS
10 7-3-1309, 7-4-2301, 7-4-2302, 7-4-2304, 7-4-2305, 7-4-2306, 7-4-2309, 7-4-2310, 7-6-4409, 7-6-4410,
11 7-12-4181, 7-13-233, 7-13-2304, 7-13-2306, 7-13-2527, 7-13-2528, 7-13-4309, 7-13-4507, 7-14-2738,
12 7-14-2740, 7-14-2743, 7-14-2745, 15-1-101, 15-1-201, 15-1-202, 15-1-303, 15-7-102, 15-7-208,
13 15-7-209, 15-7-304, 15-7-308, 15-7-402, 15-7-403, 15-8-102, 15-8-111, 15-8-112, 15-8-113, 15-8-115,
14 15-8-201, 15-8-202, 15-8-205, 15-8-301, 15-8-303, 15-8-307, 15-8-601, 15-8-701, 15-8-707, 15-9-101,
15 15-10-202, 15-10-205, 15-10-206, 15-10-305, 15-15-101, 15-15-102, 15-16-119, 15-16-203,
16 15-16-402, 15-18-412, 15-23-106, 15-23-107, 15-23-115, 15-23-507, 15-23-607, 15-23-702,
17 15-23-703, 15-23-803, 15-23-804, 15-24-801, 15-24-902, 15-24-903, 15-24-904, 15-24-905,
18 15-24-906, 15-24-920, 15-24-921, 15-24-1402, 15-24-1501, 15-24-1802, 15-24-1902, 15-24-2002,
19 15-36-104, 15-59-104, 15-59-203, 20-9-122, 50-61-112, 61-3-207, 61-3-303, 61-3-503, 61-12-402,
20 70-23-304, 70-23-305, 76-13-207, 76-15-518, 77-1-501, 77-1-503, 77-1-504, 77-2-313, 80-2-203,
21 80-2-204, 80-2-206, 80-2-207, 81-2-302, 81-4-511, 81-4-513, 81-4-516, 81-7-303, 85-7-2136,
22 85-8-601, AND 85-9-603, MCA."23
24 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:
2526 **NEW SECTION. Section 1. County assessors as agents of department of revenue -- salary. (1)**27 (a) A board of county commissioners may designate an elected county assessor to be an agent of the
28 department of revenue for the purpose of locating and providing the department with a description of all
29 taxable property within the county, together with other pertinent information, and for the purpose of
30 performing other administrative duties that are required for placing taxable property on the property tax

1 record.

2 (b) A copy of the order must be transmitted to the department. The order is not effective until 30
3 days after it has been transmitted to the department.

4 (c) An appointed successor to an elected county assessor may continue to perform as an agent
5 of the department, but an appointed county assessor may not be initially appointed as an agent of the
6 department. If a county assessor is to be elected to succeed an appointed assessor or a consolidated
7 assessor position, the order may be adopted prior to the date the assessor assumes office and made
8 effective when the elected assessor assumes office.

9 (2) The department shall provide the assessor with the training, maps, forms, and other items that
10 the department provides to its employees that perform the same duties as the assessor.

11 (3) (a) The salary and benefits of the county assessor acting as an agent of the department is
12 payable at the same time as other county officers, except the county attorney, with one-half of the salary
13 paid from the county general fund and the remaining one-half paid from the state treasury upon the warrant
14 of the state auditor.

15 (b) The county commissioners shall notify the state auditor as to whether the salary of the county
16 assessor is paid on a biweekly, semimonthly, or monthly basis.

17 (c) The county commissioners shall, within 30 days after the election or appointment to fill a
18 vacancy in the office of county assessor, certify the election or appointment to the department. The
19 department shall notify the state auditor of the salary of the county assessor. The auditor shall draw
20 warrants for the state's share of the salary of the county assessor. In case of a vacancy, the county
21 commissioners shall immediately notify the department and the department shall compute the salary on the
22 basis of the notification.

23

24 **Section 2.** Section 7-3-1309, MCA, is amended to read:

25 **"7-3-1309. Division of assessment.** (1) There may be in the department of finance a division of
26 assessment, the head of which ~~may be~~ is the assessor if the assessor has been designated as an agent of
27 the department of revenue pursuant to [section 1]. The division of assessment has the powers of and shall
28 perform the duties prescribed for county assessors by general law.

29 (2) The division of assessment is in charge of the preparation of all special assessments for public
30 improvements, the giving of notice of the assessments to property owners and purchasers of property

1 under contracts for deed, and the certification of all unpaid assessments to the director of finance."

2
3 **Section 3.** Section 7-4-2301, MCA, is amended to read:

4 **"7-4-2301. Authorization to consolidate or deconsolidate county offices.** (1) Except as provided
5 in subsection (2), the board of county commissioners of any county may ~~in its discretion~~ consolidate any
6 two or more of the offices named in 7-4-2203 and combine the powers and the duties of the consolidated
7 offices or may deconsolidate any offices that had previously been consolidated.

8 (2) The office of the justice of the peace may not be combined or consolidated with any other
9 office other than another justice of the peace office."

10
11 **Section 4.** Section 7-4-2302, MCA, is amended to read:

12 **"7-4-2302. Petition for consolidation or deconsolidation of county offices.** (1) At any time not
13 later than 45 days before the date on which declarations for nomination may first be filed for any county
14 office, a petition in writing may be filed with the board of county commissioners of a county asking for the
15 consolidation of any two or more ~~of said~~ county offices by the board of ~~such~~ county commissioners of the
16 county or for the deconsolidation of offices that had previously been consolidated.

17 (2) The petition ~~shall~~ must be signed by not less than 15% of the registered electors of ~~such~~ the
18 county."

19
20 **Section 5.** Section 7-4-2304, MCA, is amended to read:

21 **"7-4-2304. Petition details.** (1) ~~Said~~ The petition ~~shall~~ must be addressed to the board or boards
22 of county commissioners of the counties affected and ~~shall~~ must set forth and state the reasons why ~~such~~
23 the consolidation or deconsolidation is believed by the petitioners to be necessary or desirable or for the
24 best interests of the county taxpayers.

25 (2) Each person signing ~~such~~ the petition shall place ~~his~~ the person's printed last name, post-office
26 address, and voting precinct after ~~his~~ the signature.

27 (3) For purposes of determining the number of signatures needed on a petition to meet the
28 percentage requirements of this part, the number of electors must be the number of individuals registered
29 to vote at the preceding general election for the county."

30

1 **Section 6.** Section 7-4-2305, MCA, is amended to read:

2 **"7-4-2305. Initiation of consolidation or deconsolidation by county commissioners.** (1) The board
3 or boards of county commissioners may initiate the consolidation or deconsolidation of county offices under
4 the procedure set forth in this part. Any board or boards desiring to consolidate any two or more offices
5 or any two or more offices among several counties under the provisions of this part shall first pass a
6 resolution stating the intent of the board or boards to consider consolidation.

7 (2) ~~Nothing contained herein shall be deemed as limiting in any manner~~ This section does not limit
8 the discretion of the county commissioners to consolidate the several offices without the filing of the
9 petition provided for in this part."
10

11 **Section 7.** Section 7-4-2306, MCA, is amended to read:

12 **"7-4-2306. Processing of petition -- resolution of intent and hearing.** (1) Upon the filing of a
13 petition for consolidation or deconsolidation, the board or boards of county commissioners shall cause the
14 county clerk or clerks to examine the petition and the registration records of the county or counties.

15 (2) If after ~~such~~ the examination the county clerk or clerks report to the board or boards of county
16 commissioners that the petition has been signed by not less than 15% of the registered electors of the
17 county, the board or boards shall set a date for a hearing and pass a resolution of intent to consider the
18 consolidation or deconsolidation. Upon passage of the resolution of intent by the board or boards, proper
19 notice shall be given for the hearing. The date for the hearing may not be more than 20 days after the filing
20 of the petition or the passage of the resolution of intent."
21

22 **Section 8.** Section 7-4-2309, MCA, is amended to read:

23 **"7-4-2309. Conduct of hearing -- decision.** (1) At the time designated in ~~said~~ the notice, the
24 county commissioners shall proceed to hear ~~said~~ the petition and the evidence for or against ~~the same~~ it.
25 Any registered elector of the county affected ~~shall have~~ has the right to appear and be heard upon ~~said~~ the
26 petition, subject, however, to the right of the county commissioners to limit cumulative testimony and to
27 prevent the undue prolonging of ~~said~~ the hearing.

28 (2) Within 5 days after the ~~date set for said~~ hearing, the board or boards of county commissioners
29 shall make ~~such~~ an order in relation to the consolidation or deconsolidation of ~~said~~ the offices ~~as they shall~~
30 ~~deem proper.~~ The order must be made at least 7 days before the date on which declarations for

1 nomination may first be filed for any county office."
2

3 **Section 9.** Section 7-4-2310, MCA, is amended to read:

4 **"7-4-2310. Order for consolidation or deconsolidation of offices.** (1) In consolidating or
5 deconsolidating county offices, the board of county commissioners shall, not less than 7 days before the
6 date on which declarations for nomination may first be filed for any office to be consolidated or not less
7 than 6 months prior to the appointment to the offices to be consolidated or deconsolidated, make and enter
8 an order combining any two or more of the ~~within named~~ offices or deconsolidating the appropriate offices.

9 (2) Whenever an order consolidating or deconsolidating two or more offices is made, the order ~~shall~~
10 must be entered in full on the board's minutes of proceedings.

11 (3) The order ~~shall~~ must be published in a newspaper of general circulation, printed and published
12 in the county or counties affected, for a period of 2 successive weeks following the date of the making and
13 entering of the order."
14

15 **Section 10.** Section 7-6-4409, MCA, is amended to read:

16 **"7-6-4409. Determination of assessments.** (1) The assessment made by the department of
17 revenue or its agent for state and county purposes is the basis of taxation for cities and towns for the
18 property situated in the city or town.

19 (2) It is the duty of the department or its agent, in making the property tax record, to separately
20 and distinctly designate the real and personal property situated in cities and towns within each county in
21 the state."
22

23 **Section 11.** Section 7-6-4410, MCA, is amended to read:

24 **"7-6-4410. Property tax record to be furnished to certain municipalities.** On or before the second
25 Monday in July of each year, the department of revenue or its agent shall furnish a certified copy of the
26 property tax record to all cities of the third class and towns within each county that make written request
27 for the record on or before the first Monday in April of each year. The property tax record must pertain
28 to property within the limits of the requesting cities and towns."
29

30 **Section 12.** Section 7-12-4181, MCA, is amended to read:

1 **"7-12-4181. Collection of district assessments by county clerk -- certification.** (1) Except as
2 provided in 7-12-4183, in each city or town where taxes for general, municipal, and administrative
3 purposes are certified to and collected by the county treasurer in accordance with the provisions of
4 7-6-4407 immediately after the second Monday of August of each year, it is the duty of the city treasurer
5 or town clerk to certify, at the same time that the copy of the resolution determining the annual levy for
6 general taxes is certified by the city or town clerk to the county clerk as required by 7-6-4407, to the
7 department of revenue or its agent all special assessments and taxes levied and assessed in accordance
8 with any of the provisions of part 42 and this part.

9 (2) The department of revenue or its agent shall enter the special assessments and taxes upon the
10 property tax record for the county. The county treasurer shall collect all taxes and assessments in the same
11 manner and at the same time as taxes for general, municipal, and administrative purposes are collected."
12

13 **Section 13.** Section 7-13-233, MCA, is amended to read:

14 **"7-13-233. Procedure to collect service charge.** (1) The service charge may be imposed for:

15 (a) any fiscal year for which the district establishes a budget or incurs costs related to planning or
16 constructing a solid waste management facility; or

17 (b) services to begin within 12 months.

18 (2) The board shall certify to the county commissioners of the county served by the solid waste
19 management district the service charge needed for the current fiscal year, the due but unpaid service
20 charges, and a description of the property against which the service charges are to be levied.

21 (3) The department of revenue or its agent shall ensure that the amount of the service charge is
22 placed on property tax notices and that the service charge is collected with property taxes.

23 (4) The board may establish a system for collecting service charges other than by tax notices to
24 property owners issued by the department of revenue. The board may collect the service charge more often
25 than property taxes are collected.

26 (5) If not paid, the service charge becomes delinquent and becomes a lien on the property, subject
27 to the same penalties and the same rate of interest as property taxes."
28

29 **Section 14.** Section 7-13-2304, MCA, is amended to read:

30 **"7-13-2304. Notice of intention to levy tax.** (1) When the written estimate of the amount of money

1 required has been delivered to the board of county commissioners, the board shall give notice of its
2 intention to levy and collect a tax sufficient for the payment of bond obligations and other expenses.

3 (2) The notice must be given:

4 (a) by posting in five public places within the county and within the boundaries of the lands upon
5 which the tax is to be levied;

6 (b) by publishing a copy of the notice as provided in 7-1-2121; and

7 (c) by forwarding, by mail as provided in 7-1-2122 at least 10 days prior to the hearing provided
8 for in 7-13-2306(4), a copy of the notice addressed to the owners and the purchasers under contracts for
9 deed of taxable real property within the district as shown by the current property tax record maintained by
10 the department of revenue or its agent for the county or counties the boundaries of which include taxable
11 real property of the district."
12

13 **Section 15.** Section 7-13-2306, MCA, is amended to read:

14 **"7-13-2306. Contents of notice -- hearing and protest.** The notice required by 7-13-2304 must
15 state:

16 (1) the amount of money required;

17 (2) the method of assessment that the board or boards of county commissioners intend to employ;

18 (3) the boundaries or description of the lands to be assessed, which may be recited in full or may
19 be given by reference to any instrument on file or of record in the office of the clerk and recorder, ~~or~~
20 treasurer, or assessor, if the assessor has been designated as an agent of the department of revenue
21 pursuant to [section 1], of the county or counties in which the district or part of the district is situated or
22 with the department of revenue; and

23 (4) the time when and the place where the board or boards of county commissioners will hear and
24 pass upon all protests that may be made against the levy of the tax or any matter pertaining to the tax."
25

26 **Section 16.** Section 7-13-2527, MCA, is amended to read:

27 **"7-13-2527. List of property owners.** (1) A copy of the order creating the district must be delivered
28 to the department of revenue or the county assessor if the assessor has been designated as an agent of
29 the department of revenue pursuant to [section 1].

30 (2) The department or assessor, if applicable, shall, on or before August 1 of each year, prepare

1 and certify a list of all persons owning class four property within the district and deliver a copy of the list
2 to the board of trustees of the district."
3

4 **Section 17.** Section 7-13-2528, MCA, is amended to read:

5 **"7-13-2528. Financial administration of district.** (1) The board of trustees shall, from any list
6 prepared by the department of revenue or county assessor as required by 7-13-2527, remove the names
7 of any persons who have claimed exemption under this part prior to September 1 and shall prepare a
8 budget for the expenses for the next year.

9 (2) The budget, together with the list of persons residing in the district and subject to the special
10 tax after all exemptions have been allowed as provided in this part, must be presented by September 1 to
11 the board of county commissioners, who shall levy the tax requested by the trustees. The board shall levy
12 the tax in accordance with the trustees' request. In preparing the budget, the board of trustees shall
13 maintain separate budgets for television services and for FM translator services and shall specify the tax
14 to be levied on property owners for these services. The tax must be certified to the county clerk and
15 recorder, who shall notify the department of revenue or its agent for entry of the tax on the property tax
16 record as against those persons and collected by the county treasurer as all other taxes are collected.

17 (3) The county treasurer is the treasurer for the district and shall hold the taxes, as collected, in
18 a separate fund to be disbursed upon warrants drawn by the trustees, at least two of whom shall sign any
19 warrant for the disbursement of the funds by the county treasurer."
20

21 **Section 18.** Section 7-13-4309, MCA, is amended to read:

22 **"7-13-4309. Procedure to collect sewer charges.** (1) The sewer charges must be collected by the
23 treasurer.

24 (2) On or before July 15 of each year, notice must be given by the city treasurer or town clerk to
25 the owners of all lots or parcels of real estate to which sewer service has been furnished prior to July 1
26 by the city or town. The notice must specify the assessment owing and in arrears at the time of giving
27 notice. The notice must be in writing and must state the amount of arrearage, including any penalty and
28 interest assessed pursuant to the provisions of the city or town ordinance, and that unless the amount is
29 paid by August 15, the amount will be levied as a tax against the lot or parcel of real estate to which sewer
30 service was furnished and for which payment is delinquent. The notice must also state that the city or town

1 may by suit collect past-due assessments, interest, and penalties, as a debt owing the city or town, in any
 2 court of competent jurisdiction, including city court. The notice may be delivered to the owner personally
 3 or by letter addressed to the owner at the post-office address of the owner as shown in property tax
 4 records maintained by the department of revenue or its agent.

5 (3) (a) Except as provided in subsection (3)(b), on September 1, the city treasurer or town clerk
 6 shall certify and file with the department of revenue or its agent a list of all lots or parcels of real estate,
 7 giving the legal description of the lot or parcel, to the owners of which notices of arrearage in payments
 8 were given and which arrearage remains unpaid and stating the amount of the arrearage, including any
 9 penalty and interest. The department of revenue or its agent shall insert the amount as a tax against the
 10 lot or parcel of real estate.

11 (b) In cities where the council has provided by ordinance for the collection of taxes, the city
 12 treasurer shall collect the delinquent amount, including penalty and interest, as a tax against the lot or
 13 parcel of real estate to which sewer service was furnished and payment for which is delinquent.

14 (4) A city or town may, in addition to pursuing the collection of assessments in the same manner
 15 as a tax, bring suit in any court of competent jurisdiction, including city court, to collect the amount due
 16 and owing, including penalties and interest, as a debt owing the city or town."

17
 18 **Section 19.** Section 7-13-4507, MCA, is amended to read:

19 **"7-13-4507. Notice of resolutions of intention and concurrence.** (1) The commissioners shall give
 20 notice of the passage of the resolution of intention and resolution of concurrence, if applicable, and publish
 21 a notice that:

22 (a) describes the local water quality program that would be implemented in the local water quality
 23 district;

24 (b) specifies the initial proposed fees to be charged;

25 (c) designates the time and place where the commissioners will hear and decide upon protests
 26 made against the operation of the proposed district; and

27 (d) states that a description of the boundaries for the proposed district is included in the resolution
 28 on file in the county clerk's office.

29 (2) The notice must be published as provided in 7-1-2121 and must also be posted in three public
 30 places within the boundaries of the proposed district.

1 (3) The commissioners shall mail to all owners of proposed fee-assessed units, as listed in the
2 property tax record maintained by the department of revenue or its agent, a postcard that identifies the
3 location where the resolution of intention, resolution of concurrence, and protest forms may be obtained."
4

5 **Section 20.** Section 7-14-2738, MCA, is amended to read:

6 **"7-14-2738. Preparation of assessment register.** (1) When the order for improvement and
7 construction has been made by the board, the committee and the department of revenue or its agent shall
8 apportion the estimated cost and expenses to the land in the district.

9 (2) Within 30 days before the letting of the contract, the department or its agent shall report to
10 and file with the board and the treasurer an assessment register in duplicate. It must contain the description
11 of each parcel of land to be assessed, the amount to be assessed against it, and the name of the owner,
12 if known."
13

14 **Section 21.** Section 7-14-2740, MCA, is amended to read:

15 **"7-14-2740. Hearing on assessment register.** At the time fixed, the board and the county assessor,
16 if the assessor has been designated as an agent of the department of revenue pursuant to [section 1], shall
17 meet. If no objections have been filed, the board shall make an order confirming the assessment register.
18 If written objections, properly verified, have been filed, the board shall hear the objections, receiving
19 testimony from any party involved."
20

21 **Section 22.** Section 7-14-2743, MCA, is amended to read:

22 **"7-14-2743. Levy of assessments.** With the aid of the department of revenue or its agent, the
23 board shall levy and assess the amounts on the assessment register against the parcels of land or parts of
24 parcels. The department or its agent shall enter in the property tax record the amounts levied and
25 assessed."
26

27 **Section 23.** Section 7-14-2745, MCA, is amended to read:

28 **"7-14-2745. Mode of payment of assessment -- installment payments.** (1) Installment payments
29 must be made in six equal portions, in 1, 2, 3, 4, 5, and 6 years.

30 (2) Payments must be in the form of bonds that draw interest, not to exceed the limitations of

1 17-5-102, per annum from the date they are issued until they are paid.

2 (3) If the mode of payment is to be by installments, the board and the committee shall approve and
3 certify the assessment register.

4 (4) The board and the county assessor, if the assessor has been designated as an agent of the
5 department of revenue pursuant to [section 1], shall, at the time of levying the assessment and in the order
6 setting the levy, declare that the sum charged against each parcel of land may be paid in equal annual
7 installments with interest upon the whole sum at the rate fixed by the board of county commissioners in
8 accordance with law. The order must specify the number of installments, which must be equal to the
9 number of years for which the bonds may run.

10 (5) Each year, the treasurer shall collect one of the installments, together with the interest due on
11 that installment and the interest due on the future installments.

12 (6) Provisions concerning delinquency and the sale of land set forth with relation to the mode of
13 immediate payment are applicable to installment payments."
14

15 **Section 24.** Section 15-1-101, MCA, is amended to read:

16 **"15-1-101. Definitions.** (1) Except as otherwise specifically provided, when terms mentioned in
17 this section are used in connection with taxation, they are defined in the following manner:

18 (a) The term "agricultural" refers to:

19 (i) the production of food, feed, and fiber commodities, livestock and poultry, bees, fruits and
20 vegetables, and sod, ornamental, nursery, and horticultural crops that are raised, grown, or produced for
21 commercial purposes; and

22 (ii) the raising of domestic animals and wildlife in domestication or a captive environment.

23 (b) The term "assessed value" means the value of property as defined in 15-8-111.

24 (c) The term "average wholesale value" means the value to a dealer prior to reconditioning and the
25 profit margin shown in national appraisal guides and manuals or the valuation schedules of the department.

26 (d) (i) The term "commercial", when used to describe property, means any property used or owned
27 by a business, a trade, or a corporation as defined in 35-2-114 or used for the production of income, except
28 property described in subsection (1)(d)(ii).

29 (ii) The following types of property are not commercial:

30 (A) agricultural lands;

1 (B) timberlands and forest lands;

2 (C) single-family residences and ancillary improvements and improvements necessary to the
3 function of a bona fide farm, ranch, or stock operation;

4 (D) mobile homes used exclusively as a residence except when held by a distributor or dealer of
5 trailers or mobile homes as stock in trade;

6 (E) all property described in 15-6-135; and

7 (F) all property described in 15-6-136.

8 (e) The term "comparable property" means property that has similar use, function, and utility; that
9 is influenced by the same set of economic trends and physical, governmental, and social factors; and that
10 has the potential of a similar highest and best use.

11 (f) The term "credit" means solvent debts, secured or unsecured, owing to a person.

12 (g) "Department" means the department of revenue provided for in 2-15-1301.

13 (h) The terms "gas" and "natural gas" are synonymous and mean gas as defined in 82-1-111(2).
14 The terms include all natural gases and all other fluid hydrocarbons, including methane gas or any other
15 natural gas found in any coal formation.

16 (i) The term "improvements" includes all buildings, structures, fences, and improvements situated
17 upon, erected upon, or affixed to land. When the department or its agent determines that the permanency
18 of location of a mobile home or housetrailer has been established, the mobile home or housetrailer is
19 presumed to be an improvement to real property. A mobile home or housetrailer may be determined to be
20 permanently located only when it is attached to a foundation that cannot feasibly be relocated and only
21 when the wheels are removed.

22 (j) The term "leasehold improvements" means improvements to mobile homes and mobile homes
23 located on land owned by another person. This property is assessed under the appropriate classification,
24 and the taxes are due and payable in two payments as provided in 15-24-202. Delinquent taxes on
25 leasehold improvements are a lien only on the leasehold improvements.

26 (k) The term "livestock" means cattle, sheep, swine, goats, horses, mules, asses, llamas, alpacas,
27 bison, and domestic ungulates.

28 (l) The term "mobile home" means forms of housing known as "trailers", "housetrailer", or "trailer
29 coaches" exceeding 8 feet in width or 45 feet in length, designed to be moved from one place to another
30 by an independent power connected to them, or any "trailer", "housetrailer", or "trailer coach" up to 8 feet

1 in width or 45 feet in length used as a principal residence.

2 (m) The term "personal property" includes everything that is the subject of ownership but that is
3 not included within the meaning of the terms "real estate" and "improvements".

4 (n) The term "poultry" includes all chickens, turkeys, geese, ducks, and other birds raised in
5 domestication to produce food or feathers.

6 (o) The term "property" includes money, credits, bonds, stocks, franchises, and all other matters
7 and things, real, personal, and mixed, capable of private ownership. This definition may not be construed
8 to authorize the taxation of the stocks of any company or corporation when the property of the company
9 or corporation represented by the stocks is within the state and has been taxed.

10 (p) The term "real estate" includes:

11 (i) the possession of, claim to, ownership of, or right to the possession of land;

12 (ii) all mines, minerals, and quarries in and under the land subject to the provisions of 15-23-501
13 and Title 15, chapter 23, part 8; all timber belonging to individuals or corporations growing or being on the
14 lands of the United States; and all rights and privileges appertaining to the mines, minerals, quarries, and
15 timber.

16 (q) "Research and development firm" means an entity incorporated under the laws of this state or
17 a foreign corporation authorized to do business in this state whose principal purpose is to engage in
18 theoretical analysis, exploration, and experimentation and the extension of investigative findings and
19 theories of a scientific and technical nature into practical application for experimental and demonstration
20 purposes, including the experimental production and testing of models, devices, equipment, materials, and
21 processes.

22 (r) The term "taxable value" means the percentage of market or assessed value as provided for in
23 Title 15, chapter 6, part 1.

24 (2) The phrase "municipal corporation" or "municipality" or "taxing unit" includes a county, city,
25 incorporated town, township, school district, irrigation district, drainage district, or any person, persons,
26 or organized body authorized by law to establish tax levies for the purpose of raising public revenue.

27 (3) The term "state board" or "board" when used without other qualification means the state tax
28 appeal board."

29

30 **Section 25.** Section 15-1-201, MCA, is amended to read:

1 **"15-1-201. Administration of revenue laws.** (1) (a) The department has general supervision over
 2 the administration of the assessment and tax laws of the state, except Title 15, chapter 70, and over
 3 assessors that have been designated as agents of the department of revenue pursuant to [section 1] and
 4 any officers of municipal corporations ~~having~~ that have any duties to perform under any of the laws of this
 5 state relating to taxation to the end that all assessments of property be made relatively just and equal at
 6 true value in substantial compliance with law. The department may make rules to supervise the
 7 administration of all revenue laws of the state and assist in their enforcement.

8 (b) The department shall adopt rules specifying which types of property within the several classes
 9 are considered "comparable property" as described in 15-1-101.

10 (c) The department shall also adopt rules for determining the value-weighted mean sales
 11 assessment ratio for all commercial and industrial real property and improvements.

12 (2) The department shall confer with, advise, and direct officers of municipal corporations
 13 concerning their duties, with respect to taxation, under the laws of the state.

14 (3) The department shall collect annually from the proper officers of the municipal corporations
 15 information about the assessment of property, collection of taxes, receipts from licenses and other sources,
 16 the expenditure of public funds for all purposes, and other information as may be needful and helpful in the
 17 work of the department in a form prescribed by the department. It is the duty of all public officers to fill out
 18 properly and return promptly to the department all forms and to aid the department in its work. The
 19 department shall examine the records of all municipal corporations for purposes considered needful or
 20 helpful."
 21

22 **Section 26.** Section 15-1-202, MCA, is amended to read:

23 **"15-1-202. Enforcement of revenue laws.** (1) The department may direct proceedings, actions, and
 24 prosecutions to be instituted to enforce the laws relating to the penalties, liabilities, and punishment of
 25 public officials and persons or their agents for failure or neglect to comply with the provisions of the
 26 statutes, except Title 15, chapter 70, governing the revenue of the state or municipal corporations. The
 27 department shall ~~cause file~~ file complaints ~~to be made~~ against county assessors who are agents of the
 28 department and other public officers ~~to~~ with the proper district court for their removal from office for official
 29 misconduct or neglect of duty.

30 (2) The department may require county attorneys to assist in the commencement and prosecution

1 of actions and proceedings in their respective counties for penalties, forfeitures, removals, and punishment
2 for violations of the laws of the state in respect to the assessment of property and other revenue laws."
3

4 **Section 27.** Section 15-1-303, MCA, is amended to read:

5 "15-1-303. **Penalty for refusal to furnish information.** (1) If a person refuses to allow inspection
6 of any books or records when requested by the department or its agent or refuses or neglects to furnish
7 any information called for by the department in the performance of its official duties relating to the
8 assessment and taxation of property, the department shall make a determination and assessment of the
9 property as in its judgment appears to be just and equitable and may add to the assessment an amount not
10 to exceed 20% of the assessment as a penalty for the refusal or neglect. The department shall immediately
11 notify the person assessed of its action, either by certified mail or by personal service of the notice.

12 (2) Upon receiving an assessment made pursuant to subsection (1), the taxpayer has the following
13 remedies:

14 (a) Within 15 days after receipt of the assessment, the taxpayer may request an informal
15 conference with the department or its agent. At the conference, the taxpayer may present evidence in
16 mitigation or extenuation of the failure to supply the information requested by the department or its agent.
17 Within 10 days after the conference, the department shall notify the taxpayer by certified mail whether the
18 assessment will be modified. The department may modify the penalty if the taxpayer presents sufficient
19 evidence in mitigation or extenuation of the failure to supply the information sought by the department and
20 if it finds that the taxpayer did not willfully refuse to supply the information.

21 (b) If the taxpayer is aggrieved as a result of the informal conference, the taxpayer may appeal to
22 the county tax appeal board within 20 days after receipt of the decision of the department. The county tax
23 appeal board has the authority to modify the:

24 (i) assessment only if it finds that the assessment exceeds 100% of the value of the property
25 specified in 15-8-111; and

26 (ii) penalty if the taxpayer presents by a preponderance of the evidence facts in mitigation or
27 extenuation of the failure to supply the information that the department sought.

28 (c) If the county tax appeal board modifies a penalty pursuant to subsection (2)(b)(ii), it may not
29 reduce the penalty to less than 20% of the assessment or, if the assessment is modified pursuant to
30 subsection (2)(b)(i), to less than 20% of the modified assessment.

1 (3) Either party aggrieved as a result of the decision of the county tax appeal board may appeal
2 to the state tax appeal board within 30 calendar days after receipt of the county tax appeal board's
3 decision. When deciding an appeal brought under this subsection, the state tax appeal board shall follow
4 the provisions of subsections (2)(b) and (2)(c).

5 (4) Either party aggrieved as a result of the decision of the state tax appeal board may seek judicial
6 review pursuant to 15-2-303."

7
8 **Section 28.** Section 15-7-102, MCA, is amended to read:

9 **"15-7-102. Notice of classification and appraisal to owners -- appeals.** (1) The department or its
10 agent shall mail to each owner or purchaser under contract for deed a notice of the classification of the land
11 owned or being purchased and the appraisal of the improvements on the land only if one or more of the
12 following changes pertaining to the land or improvements have been made since the last notice:

- 13 (a) change in ownership;
14 (b) change in classification;
15 (c) change in valuation; or
16 (d) addition or subtraction of personal property affixed to the land.

17 (2) (a) The department or its agent shall assign each assessment to the correct owner or purchaser
18 under contract for deed and mail the notice of classification and appraisal on a standardized form, adopted
19 by the department, containing sufficient information in a comprehensible manner designed to fully inform
20 the taxpayer as to the classification and appraisal of the property and of changes over the prior tax year.

21 (b) The notice must advise the taxpayer that in order to be eligible for a refund of taxes from an
22 appeal of the classification or appraisal, the taxpayer is required to pay the taxes under protest as provided
23 in 15-1-402.

24 (3) If the owner of any land and improvements is dissatisfied with the appraisal as it reflects the
25 market value of the property as determined by the department or with the classification of the land or
26 improvements, the owner may request an assessment review by submitting an objection in writing to the
27 department, on forms provided by the department for that purpose, within 15 days after receiving the
28 notice of classification and appraisal from the department. The review must be conducted informally and
29 is not subject to the contested case procedures of the Montana Administrative Procedure Act. As a part
30 of the review, the department may consider the actual selling price of the property, independent appraisals

1 of the property, and other relevant information presented by the taxpayer in support of the taxpayer's
 2 opinion as to the market value of the property. The department shall give reasonable notice to the taxpayer
 3 of the time and place of the review. After the review, the department shall determine the true and correct
 4 appraisal and classification of the land or improvements and notify the taxpayer of its determination. In the
 5 notification, the department shall state its reasons for revising the classification or appraisal. When the
 6 proper appraisal and classification have been determined, the land must be classified and the improvements
 7 appraised in the manner ordered by the department.

8 (4) Whether a review as provided in subsection (3) is held or not, the department or its agent may
 9 not adjust an appraisal or classification upon the taxpayer's objection unless:

10 (a) the taxpayer has submitted an objection in writing; and

11 (b) the department or its agent has stated its reason in writing for making the adjustment.

12 (5) A taxpayer's written objection to a classification or appraisal and the department's notification
 13 to the taxpayer of its determination and the reason for that determination are public records. The
 14 department shall make the records available for inspection during regular office hours.

15 (6) If any property owner feels aggrieved by the classification or appraisal made by the department
 16 after the review provided for in subsection (3), the property owner has the right to first appeal to the
 17 county tax appeal board and then to the state tax appeal board, whose findings are final subject to the right
 18 of review in the courts. The appeal to the county tax appeal board must be filed within 15 days after notice
 19 of the department's determination is mailed to the taxpayer. A county tax appeal board or the state tax
 20 appeal board may consider the actual selling price of the property, independent appraisals of the property,
 21 and other relevant information presented by the taxpayer as evidence of the market value of the property.
 22 If the county tax appeal board or the state tax appeal board determines that an adjustment should be made,
 23 the department shall adjust the base value of the property in accordance with the board's order."

24

25 **Section 29.** Section 15-7-208, MCA, is amended to read:

26 "**15-7-208. Reclassification by department.** The department or its agent may reclassify land as
 27 nonagricultural upon giving due notice to the property owner or any purchaser under contract for deed
 28 under the provisions of 15-7-102. Upon notice of a change in classification of land from agricultural to
 29 another use, the property owner may petition the department to reclassify the land as agricultural by
 30 completing a form prescribed by the department and by producing whatever information is necessary to

1 prove that the subject land meets the definition of agricultural land embodied in 15-7-202."

2

3 **Section 30.** Section 15-7-209, MCA, is amended to read:

4 **"15-7-209. Reclassification by owner -- lien.** (1) Whenever land that is or has been in agricultural
5 use and is or has been valued, assessed, and taxed for agricultural use is applied to a use other than
6 agricultural, the owner shall notify the department or its agent.

7 (2) The department or its agent shall provide, in a form eligible for recording, releases of lien, for
8 those liens attributable to the former rollback tax, and the department or its agent shall present the releases
9 to the county clerk and recorder for recording."

10

11 **Section 31.** Section 15-7-304, MCA, is amended to read:

12 **"15-7-304. Report of transfers -- change of ownership records.** (1) All transfers of real property
13 that are not evidenced by a recorded document, except those transfers otherwise provided for in this part,
14 must be reported to the department or its agent on the form prescribed.

15 (2) ~~The~~ Neither the department nor its agent is ~~not~~ required to change any ownership records used
16 for the assessment or taxation of real property unless the department or its agent has received a transfer
17 certificate from the clerk and recorder or a transfer has been reported to the department as provided by
18 rule."

19

20 **Section 32.** Section 15-7-308, MCA, is amended to read:

21 **"15-7-308. Disclosure of information restricted.** The certificate required by this part and the
22 information contained in the certificate is not a public record and must be held confidential by the county
23 clerk and recorder, the county assessor, and the department. This is because the legislature finds that the
24 demands of individual privacy outweigh the merits of public disclosure. The confidentiality provisions do
25 not apply to compilations from the certificates or to summaries, analyses, and evaluations based upon the
26 compilations."

27

28 **Section 33.** Section 15-7-402, MCA, is amended to read:

29 **"15-7-402. Application for residential appraisal of certain land and improvements.** (1) Any person
30 wishing to ensure that the person's residential land and improvements are appraised as residential may file

1 a signed application with the department or its agent.

2 (2) In the application, the owner shall:

3 (a) assert that the property is used only for human habitation and is the principal residence of the
4 owner;

5 (b) sign a statement pledging that the property will continue to be used as residential property; and

6 (c) show that the statement has been filed with the county clerk and recorder of the county in
7 which the property is located.

8 (3) When the department or its agent has approved an application for residential use, the
9 department and its agents shall consider only those indicia of value that the property has for residential use.

10 (4) Failure to file an application under this section may not result in reclassification on real property
11 unless there has been an actual change in use."

12

13 **Section 34.** Section 15-7-403, MCA, is amended to read:

14 **"15-7-403. Rollback tax -- computation.** (1) (a) If land and improvements appraised as residential
15 as a result of an application filed under 15-7-402 are changed to industrial or commercial use, the property
16 is subject to a rollback tax in addition to the property tax levied on the property. The rollback tax is a lien
17 on the property and is due and payable by the owner of the property at the time of the change in use.

18 (b) As used in this section, "rollback" means the period preceding the change in use, not to exceed
19 5 years, during which the property was appraised as residential.

20 (2) The department or its agent shall determine the amount of rollback tax due on the property by:

21 (a) determining the taxable value of the property as industrial or commercial property;

22 (b) multiplying this value by the sum of the annual mill levies applied in the taxing jurisdiction in
23 which the land is located during the rollback period; and

24 (c) subtracting from this figure the actual property tax paid on the property during this period."

25

26 **Section 35.** Section 15-8-102, MCA, is amended to read:

27 **"15-8-102. County to furnish office space.** The county commissioners of each county shall provide
28 existing office space in the county courthouse for use by the county assessor, if the assessor has been
29 designated an agent of the department of revenue pursuant to [section 1], or the department's assessment
30 and appraisal staff, if space is reasonably available. If space is not reasonably available in the courthouse,

1 the department may contract for the procurement of suitable space."

2

3 **Section 36.** Section 15-8-111, MCA, is amended to read:

4 **"15-8-111. Assessment -- market value standard -- exceptions.** (1) All taxable property must be
5 assessed at 100% of its market value except as otherwise provided.

6 (2) (a) Market value is the value at which property would change hands between a willing buyer
7 and a willing seller, neither being under any compulsion to buy or to sell and both having reasonable
8 knowledge of relevant facts.

9 (b) If the department uses construction cost as one approximation of market value, the department
10 shall fully consider reduction in value caused by depreciation, whether through physical depreciation,
11 functional obsolescence, or economic obsolescence.

12 (c) Except as provided in subsection (3), the market value of all motor trucks; agricultural tools,
13 implements, and machinery; and vehicles of all kinds is the average wholesale value shown in national
14 appraisal guides and manuals or the value of the vehicle before reconditioning and profit margin. The
15 department shall prepare valuation schedules showing the average wholesale value when a national
16 appraisal guide does not exist.

17 (3) The department or its agents may not adopt a lower or different standard of value from market
18 value in making the official assessment and appraisal of the value of property, except:

19 (a) the wholesale value for agricultural implements and machinery is the loan value as shown in
20 the Official Guide, Tractor and Farm Equipment, published by the national farm and power equipment
21 dealers association, St. Louis, Missouri;

22 (b) for agricultural implements and machinery not listed in the official guide, the department shall
23 prepare a supplemental manual in which the values reflect the same depreciation as those found in the
24 official guide; and

25 (c) as otherwise authorized in Title 15 and Title 61.

26 (4) For purposes of taxation, assessed value is the same as appraised value.

27 (5) The taxable value for all property is the percentage of market or assessed value established for
28 each class of property.

29 (6) The assessed value of properties in 15-6-131 through 15-6-133 is as follows:

30 (a) Properties in 15-6-131, under class one, are assessed at 100% of the annual net proceeds after

1 deducting the expenses specified and allowed by 15-23-503 or, if applicable, as provided in 15-23-515,
2 15-23-516, or 15-23-517.

3 (b) Properties in 15-6-132, under class two, are assessed at 100% of the annual gross proceeds.

4 (c) Properties in 15-6-133, under class three, are assessed at 100% of the productive capacity of
5 the lands when valued for agricultural purposes. All lands that meet the qualifications of 15-7-202 are
6 valued as agricultural lands for tax purposes.

7 (d) Properties in 15-6-143, under class ten, are assessed at 100% of the forest productivity value
8 of the land when valued as forest land.

9 (7) Land and the improvements on the land are separately assessed when any of the following
10 conditions occur:

11 (a) ownership of the improvements is different from ownership of the land;

12 (b) the taxpayer makes a written request; or

13 (c) the land is outside an incorporated city or town."
14

15 **Section 37.** Section 15-8-112, MCA, is amended to read:

16 "**15-8-112. Assessments to be made on classification and appraisal.** (1) The assessments of all
17 lands, all city and town lots, and all improvements must be made on the classification and appraisal as
18 made or caused to be made by the department.

19 (2) The percentage basis of assessed value as provided for in chapter 6, part 1, is determined and
20 assigned by the department when it makes its annual assessment of the property that it is required to
21 assess centrally. The department shall transmit the determination and assignment to its agents and
22 apportion the assessments to the various counties, and its determination is final except as to the right of
23 review in the state tax appeal board or the proper court."
24

25 **Section 38.** Section 15-8-113, MCA, is amended to read:

26 "**15-8-113. Appeal from percentage assignment.** If any taxpayer disagrees with the percentage
27 assignment made by the department or its agent, the taxpayer may appeal to the county tax appeal board
28 on the percentage assignment the same as a taxpayer may now appeal on valuations and also may appeal
29 from the county tax appeal board to the state tax appeal board, whose findings are final except as to the
30 right of review in the proper courts."

1 **Section 39.** Section 15-8-115, MCA, is amended to read:

2 **"15-8-115. Department to defend property tax appeals -- costs and judgments.** (1) The department
3 or its agent is the party defendant in any proceeding before a county tax appeal board, the state tax appeal
4 board, or a court of law that seeks to dispute or adjust an action of the department under 15-8-101 arising
5 from the exercise of the department's duties as prescribed by law or administrative rule. For the purposes
6 of proceedings before county tax appeal boards, service on the department may be obtained by serving the
7 county assessor, if the assessor has been designated as an agent of the department of revenue pursuant
8 to [section 1], or the person designated to receive service for the department.

9 (2) Costs, if any, must be assessed against the department and not against a local taxing unit.

10 (3) In any suit brought in the courts of this state for the refund of taxes paid under protest and
11 those funds are held by the treasurer of a unit of local government in a protest fund, the court shall enter
12 judgment, exclusive of costs, against the treasurer if the court finds the taxes should be refunded."

13

14 **Section 40.** Section 15-8-201, MCA, is amended to read:

15 **"15-8-201. General assessment day.** (1) The department or its agent shall, between January 1 and
16 the second Monday of July in each year, ascertain the names of all taxable inhabitants and assess all
17 property subject to taxation in each county. The department shall assess property to the person by whom
18 it was owned or claimed or in whose possession or control it was at midnight of the preceding January 1.
19 The department shall also ascertain and assess all mobile homes arriving in the county after midnight of
20 the preceding January 1. A mistake in the name of the owner or supposed owner of real property does not
21 invalidate the assessment.

22 (2) The procedure provided by this section does not apply to:

23 (a) motor vehicles that are required by 15-8-202 to be assessed on January 1 or upon their
24 anniversary registration date;

25 (b) motor homes, travel trailers, and campers;

26 (c) watercraft;

27 (d) livestock;

28 (e) property defined in 61-1-104 as "special mobile equipment" that is subject to assessment for
29 personal property taxes on the date that application is made for a special mobile equipment plate;

30 (f) mobile homes held by a distributor or dealer of mobile homes as stock in trade; and

1 (g) property subject to the provisions of 15-16-203.

2 (3) Credits must be assessed as provided in 15-1-101(1)(f)."

3
4 **Section 41.** Section 15-8-202, MCA, is amended to read:

5 "15-8-202. **Motor vehicle assessment.** (1) The department or its agent shall, in each year, ascertain
6 and assess all motor vehicles, other than motor homes, travel trailers, and campers or mobile homes, in
7 each county subject to taxation as of January 1 or as of the anniversary registration date of those vehicles
8 as provided by law, subject to 61-3-313 through 61-3-316 and 61-3-501. The assessment for all motor
9 vehicles must be made in accordance with 61-3-503. The motor vehicles must be assessed in each year
10 to the persons by whom owned or claimed or in whose possession or control they were at midnight of
11 January 1 or the anniversary registration date, whichever is applicable.

12 (2) A tax may not be assessed against motor vehicles subject to taxation that constitute inventory
13 of motor vehicle dealers as of January 1. These vehicles and all other motor vehicles subject to taxation
14 brought into the state subsequent to January 1 as motor vehicle dealers' inventories must be assessed to
15 their respective purchasers as of the dates the vehicles are registered by the purchasers.

16 (3) "Purchasers" includes dealers who apply for registration or reregistration of motor vehicles,
17 except as otherwise provided by 61-3-502.

18 (4) Goods, wares, and merchandise of motor vehicle dealers, other than new motor vehicles and
19 new mobile homes, must be assessed at market value as of January 1."

20
21 **Section 42.** Section 15-8-205, MCA, is amended to read:

22 "15-8-205. **Initial assessment of class four trailer and mobile home property -- when.** The
23 department or its agent shall assess all class four trailer and mobile home property immediately upon arrival
24 in the county if the taxes have not been previously paid for that year in another county in Montana."

25
26 **Section 43.** Section 15-8-301, MCA, is amended to read:

27 "15-8-301. **Statement -- what to contain.** (1) The department or its agent may require from a
28 person a statement under oath setting forth specifically all the real and personal property owned by, in
29 possession of, or under the control of the person at midnight on January 1. The statement must be in
30 writing, showing separately:

1 (a) all property belonging to, claimed by, or in the possession or under the control or management
2 of the person;

3 (b) all property belonging to, claimed by, or in the possession or under the control or management
4 of any firm of which the person is a member;

5 (c) all property belonging to, claimed by, or in the possession or under the control or management
6 of any corporation of which the person is president, secretary, cashier, or managing agent;

7 (d) the county in which the property is situated or in which the property is liable to taxation and,
8 if liable to taxation in the county in which the statement is made, also the city, town, school district, road
9 district, or other revenue districts in which the property is situated;

10 (e) an exact description of all lands, improvements, and personal property;

11 (f) all depots, shops, stations, buildings, and other structures erected on the space covered by the
12 right-of-way and all other property owned by any person owning or operating any railroad within the
13 county.

14 (2) Whenever one member of a firm or one of the proper officers of a corporation has made a
15 statement showing the property of the firm or corporation, another member of the firm or another officer
16 is not required to include the property in that person's statement but the statement must show the name
17 of the person or officer who made the statement in which the property is included.

18 (3) The fact that a statement is not required or that a person has not made a statement, under oath
19 or otherwise, does not relieve the person's property from taxation."
20

21 **Section 44.** Section 15-8-303, MCA, is amended to read:

22 "**15-8-303. Statement to be completed and returned to department.** The department or its agent
23 may deliver the statement specified in 15-8-301 to the person owning taxable property and require the
24 person, within an appointed time, to return the statement, properly filled out. The department or its agent
25 shall notify the person making the statement of any corrections made by the department."
26

27 **Section 45.** Section 15-8-307, MCA, is amended to read:

28 "**15-8-307. Land assessment.** (1) Except as provided in subsection (2), land must be assessed in
29 parcels or subdivisions not exceeding 640 acres, and tracts of land containing more than 640 acres that
30 have been sectionized by the United States government must be assessed by sections or fractions of

1 sections.

2 (2) If the department or its agent receives the written consent of all persons with an ownership
3 interest, the department may assess multiple parcels or tracts of land with common ownership collectively
4 as a single tract of land.

5 (3) The department or its agent shall itemize in the property tax record the description of each 640
6 acres of land or less, the number of acres, the description, the value of the land, the value of
7 improvements, and the total value. The property tax record must itemize the description of each town or
8 city lot and the value of the lot and any improvements on the lot, except that a lot and improvements must
9 be separately assessed when required under 15-8-111. If all of the unimproved lots of the same value are
10 located in one block or are owned by the same party, the lots may be described and assessed in a single
11 unit in the manner prescribed for each lot. Each parcel and lot must be segregated in the property tax record
12 to correlate the description of the parcel or lot to the total value of the parcel or lot and any improvements
13 on the parcel or lot."

14

15 **Section 46.** Section 15-8-601, MCA, is amended to read:

16 **"15-8-601. Assessment revision -- conference for review.** (1) (a) Except as provided in subsection
17 (1)(b), whenever the department discovers that any taxable property of any person has in any year escaped
18 assessment, been erroneously assessed, or been omitted from taxation, the department may assess the
19 property provided that the property is under the ownership or control of the same person who owned or
20 controlled it at the time it escaped assessment, was erroneously assessed, or was omitted from taxation.
21 All revised assessments must be made within 10 years after the end of the calendar year in which the
22 original assessment was or should have been made.

23 (b) Within the time limits set by 15-23-116, whenever the department discovers property subject
24 to assessment under Title 15, chapter 23, that has escaped assessment, been erroneously assessed, or
25 been omitted from taxation, the department may issue a revised assessment to the person, firm, or
26 corporation who owned the property at the time it escaped assessment, was erroneously assessed, or was
27 omitted from taxation, regardless of the ownership of the property at the time of the department's revised
28 assessment.

29 (2) When the department or its agent proposes to revise the statement reported by the taxpayer
30 under 15-8-301, the action of the department is subject to the notice and conference provisions of this

1 section. Revised assessments of centrally assessed property are subject to review pursuant to 15-1-211.

2 (3) (a) Notice of revised assessment pursuant to this section must be made by the department or
3 its agent by postpaid letter addressed to the person interested within 10 days after the revised assessment
4 has been made. If the property is locally assessed, the notice must include the opportunity for a conference
5 on the matter, at the request of the person interested, within 15 days after notice is given.

6 (b) An assessment revision review conference is not a contested case as defined in the Montana
7 Administrative Procedure Act. The department shall keep minutes in writing of each assessment revision
8 review conference, and the minutes are public records.

9 (c) Following an assessment revision review conference or expiration of the opportunity for a
10 conference, the department shall order an assessment as it considers proper. Any party to the conference
11 aggrieved by the action of the department may appeal to the county tax appeal board at its next meeting.

12 (4) The department or its agent shall enter in the property tax record all changes and corrections
13 made by it."

14

15 **Section 47.** Section 15-8-701, MCA, is amended to read:

16 **"15-8-701. Property tax record -- definition -- listing property in.** (1) Unless the context clearly
17 indicates otherwise, the term "property tax record" means the record that is kept in each county ~~by the~~
18 ~~department~~ and that contains the information described in subsection (2). ~~The county computer system~~
19 ~~is the primary storage location of data for property tax records.~~ The term includes records referred to as
20 an "assessment book" or "assessment roll" and, in a county in which the property tax record is kept on
21 a computer system, the information on the system analogous to the information described in subsection
22 (2).

23 (2) The department or its agent shall prepare a property tax record with appropriate headings, in
24 which must be listed all property within the state and in which must be specified, by an appropriate
25 heading:

26 (a) the name of the person to whom the property is assessed;

27 (b) land by description sufficient to identify it, the locality, and the improvements on the land;

28 (c) all taxable personal property, showing the number, kind, amount, and quality; but a failure to
29 enumerate in detail the personal property does not invalidate the assessment;

30 (d) the assessed value of real estate;

1 (e) the assessed value of improvements on land, except that land and improvements must be
2 separately listed when required under 15-8-111;

3 (f) the assessed value of improvements on real estate assessed to persons other than the owners
4 of the real estate. Taxable improvements owned by a person, located upon land exempt from taxation,
5 must, as to the manner of assessment, be assessed as other real estate. A value may not be assessed
6 against the exempt land, and the land may not be charged with and is not responsible for the assessment
7 made against any taxable improvements located on the land.

8 (g) the assessed value of all taxable personal property;

9 (h) the school, road, and other revenue districts in which each piece of property assessed is
10 situated;

11 (i) the total assessed value of all property;

12 (j) the taxable value of all property;

13 (k) the taxes and fees assessed against the property; and

14 (l) the total of each type of tax, levy, and fee."

15
16 **Section 48.** Section 15-8-707, MCA, is amended to read:

17 "**15-8-707. Correction of defects in property tax record.** (1) At any time after the original
18 assessment is made and prior to a sale for delinquent taxes, omissions, errors, or defects in the property
19 tax record may only be corrected by the department or its agent.

20 (2) If the correction involves an assessment of property that is the subject of pending litigation with
21 a taxing jurisdiction within the county, the county attorney must be notified of the correction."

22
23 **Section 49.** Section 15-9-101, MCA, is amended to read:

24 "**15-9-101. Department to equalize valuations -- hearing.** (1) The department shall:

25 (a) adjust and equalize the valuation of taxable property among the several counties, between the
26 different classes of taxable property in any county and in the several counties, and between individual
27 taxpayers;

28 (b) supervise and review the acts of its agents;

29 (c) change, increase, or decrease valuations made by its agents; and

30 (d) ~~shall~~ do all things necessary to secure a fair, just, and equitable valuation of all taxable property

1 among counties, between the different classes of property, and between individual taxpayers.

2 (2) The department may hold a public hearing to determine the value of any class of property in
3 any county and may raise or lower the value of any class of property on the basis of testimony at the
4 hearing.

5 (3) At the hearing, the department may subpoena witnesses and hear and take evidence as in its
6 discretion it considers proper."

7

8 **Section 50.** Section 15-10-202, MCA, is amended to read:

9 "15-10-202. **Certification of taxable values and millage rates.** By the second Monday in July, the
10 department or its agent shall certify to each taxing authority the taxable value within the jurisdiction of the
11 taxing authority. The department or its agent shall also send to each taxing authority a written statement
12 of its best estimate of the total assessed value of all new construction and improvements not included on
13 the previous property tax record and the value of deletions from the previous property tax record. Exclusive
14 of new construction, improvements, and deletions, the department or its agent shall certify to each taxing
15 authority a millage rate that will provide the same ad valorem revenue for each taxing authority as was
16 levied during the prior year. For the purpose of calculating the certified millage, the department or its agent
17 shall use 95% of the taxable value appearing on the property tax record, exclusive of properties appearing
18 for the first time in the property tax record."

19

20 **Section 51.** Section 15-10-205, MCA, is amended to read:

21 "15-10-205. **Approval and copies of resolution or ordinance.** The resolution or ordinance approved
22 in the manner provided for in this part must be forwarded to the county treasurer, the county assessor if
23 the assessor has been designated as an agent of the department of revenue pursuant to [section 1], and
24 the department. Millage in excess of the department's certified millage may not be levied until the resolution
25 or ordinance to levy required in 15-10-204 is approved by the governing board of the taxing authority and
26 submitted to the department, or the assessor, if applicable."

27

28 **Section 52.** Section 15-10-206, MCA, is amended to read:

29 "15-10-206. **Exceptions for decisions of tax appeal boards.** The department or its agent shall
30 notify each taxing authority of any change in the property tax record that results from actions by the state

1 or county tax appeal boards. An increase in the taxing authority's millage above the millage certified by
2 the department or its agent or adopted by resolution or ordinance of the governing body of the taxing
3 authority that is required solely by a reduction of the property tax record by the state or county tax appeal
4 board may be adopted without further notice."

5
6 **Section 53.** Section 15-10-305, MCA, is amended to read:

7 **"15-10-305. Clerk and recorder to report mill levy -- department to compute and enter taxes.** (1)

8 The county clerk and recorder shall by the third Monday in August notify the department or its agent of the
9 number of mills needed to be levied for each taxing jurisdiction in the county. The department or its agent
10 shall compute the taxes by multiplying the number of mills times the taxable value of the property to be
11 taxed and shall add any fees or assessments required to be levied against a person owning property. All
12 taxes, fees, and assessments must be itemized for the property listed in the property tax record.

13 (2) The department or its agent shall complete the computation of the amount of taxes, fees, and
14 assessments to be levied against the property and shall notify the county clerk and recorder and the county
15 treasurer by the second Monday in October."

16
17 **Section 54.** Section 15-15-101, MCA, is amended to read:

18 **"15-15-101. County tax appeal board -- meetings and compensation.** (1) The board of county
19 commissioners of each county shall appoint a three-member county tax appeal board, with the members
20 to serve staggered terms of 3 years each. The members of each county tax appeal board must be residents
21 of the county in which they serve. The members receive compensation of \$45 a day and travel expenses,
22 as provided for in 2-18-501 through 2-18-503, only when the county tax appeal board is in session to hear
23 taxpayers' appeals from property tax assessments or when they are attending meetings called by the state
24 tax appeal board. Travel expenses and compensation must be paid from the appropriation to the state tax
25 appeal board. Office space and equipment for the county tax appeal boards must be furnished by the
26 county. All other incidental expenses must be paid from the appropriation of the state tax appeal board.

27 (2) The county tax appeal board shall hold an organizational meeting each year on the date of its
28 first scheduled hearing, immediately before conducting the business for which the hearing was otherwise
29 scheduled. It shall continue in session from time to time to hear protests concerning assessments made
30 by the department or its agent until the business of hearing protests is disposed of, but, except as provided

1 in 15-2-201, not later than 60 days after the department or its agent:

2 (a) has mailed notice of classification and appraisal to all property owners and purchasers under
3 contracts for deed as required in 15-7-102; and

4 (b) has notified the county tax appeal board that classification and appraisal notices have been
5 mailed to all property owners and purchasers under contracts for deed.

6 (3) In connection with an appeal, the county tax appeal board may change any assessment or fix
7 the assessment at some other level. The county clerk and recorder shall publish a notice to taxpayers,
8 giving the time the county tax appeal board will meet to hear protests concerning assessments and the
9 latest date the county tax appeal board may take applications for the hearings. The notice must be
10 published in a newspaper if any is printed in the county or, if none, then in the manner that the county tax
11 appeal board directs. The notice must be published at least 7 days prior to the first meeting of the county
12 tax appeal board.

13 (4) Challenges to a department rule governing the assessment of property or to an assessment
14 procedure apply only to the taxpayer bringing the challenge and may not apply to all similarly situated
15 taxpayers unless an action is brought in the district court as provided in 15-1-406."

16

17 **Section 55.** Section 15-15-102, MCA, is amended to read:

18 **"15-15-102. Application for reduction in valuation.** The valuation of property may not be reduced
19 by the county tax appeal board unless either the taxpayer or the taxpayer's agent makes and files a written
20 application for reduction with the county tax appeal board. The application must be filed on or before the
21 first Monday in June or 15 days after receiving either a notice of classification and appraisal or
22 determination after review under 15-7-102(3) from the department or its agent, whichever is later. If the
23 department's determination after review is not made in time to allow the county tax appeal board to review
24 the matter during the current tax year, the appeal must be reviewed during the next tax year, but the
25 decision by the county tax appeal board is effective for the year in which the request for review was filed
26 with the department. The application must state the post-office address of the applicant, specifically
27 describe the property involved, and state the facts upon which it is claimed the reduction should be made."

28

29 **Section 56.** Section 15-16-119, MCA, is amended to read:

30 **"15-16-119. Taxation of personal property -- duty of department.** (1) If the taxes on personal

1 property are not a lien upon real property in the same county in an amount sufficient to secure the payment
2 of the taxes, the department or its agent shall assess the property and compute the tax for the assessment.
3 The department or its agent shall notify the county treasurer of the assessment and the amount of taxes
4 due. To compute the taxes due on the personal property, the department or its agent shall use the
5 appropriate mills levied during the previous year.

6 (2) The county treasurer shall notify the person against whom the tax is assessed and any other
7 person having a properly perfected security interest of record of the amount and due date of the tax. The
8 tax is due and payable 30 days from the date the treasurer mails the notice. Taxes not paid within 30 days
9 become delinquent, and the penalty and interest provisions of 15-16-101 must be applied.

10 (3) The county treasurer shall, after the tax becomes delinquent, levy upon and take into
11 possession the personal property against which a tax is assessed or any other personal property in the
12 hands of the delinquent taxpayer. The county treasurer may proceed to sell the property in the same
13 manner as property is sold on execution by the sheriff.

14 (4) The county treasurer shall, for the purpose of making the levy and sale, direct the sheriff to
15 make the levy and sale. The sheriff, undersheriff, or any deputy sheriff of the county is ex officio a deputy
16 county treasurer for sale purposes and may receive payment of the taxes, penalty, and interest. The sheriff
17 may receive the same fees as for making a seizure and sale as provided in 15-17-911.

18 (5) The county treasurer and the treasurer's sureties are liable on the treasurer's official bond for
19 all taxes on personal property remaining uncollected by reason of the willful failure and neglect of the
20 treasurer to levy upon and sell the personal property for the taxes levied upon the property, including
21 penalty and interest.

22 (6) Failure by the sheriff, undersheriff, or deputy sheriff acting as a deputy county treasurer to
23 make the levy and sale results in a levy against the official bond of the sheriff, undersheriff, or deputy
24 sheriff for payment of the delinquent tax, including penalty and interest.

25 (7) The provisions of this section do not apply to property for which delinquent property taxes have
26 been suspended or canceled under the provisions of Title 15, chapter 24, part 17."
27

28 **Section 57.** Section 15-16-203, MCA, is amended to read:

29 **"15-16-203. Assessment of property previously exempt.** (1) Real property or improvements exempt
30 from taxation under Title 15, chapter 6, that during a tax year become the property of a person subject to

1 taxation must be assessed and taxed from the date of change from a nontaxable status to a taxable status.

2 (2) As provided in subsection (3), the county treasurer shall adjust the tax that would have been
3 due and payable for the current year on the property under 15-16-102 if the property was not exempt.

4 (3) To determine the amount of tax due for previously exempt property, the county treasurer shall
5 multiply the amount of tax levied and assessed on the original taxable value of the property for the year
6 by the ratio that the number of days in the year that the property will be in taxable status bears to 365.

7 (4) If the property has not been assessed and taxed during the taxable year because of exemption,
8 the department or its agent shall prepare a special assessment for the property and the county treasurer
9 shall determine the amount of taxes that would have been due under subsection (2).

10 (5) Upon determining the amount of tax due, the county treasurer shall notify the person to whom
11 the tax is assessed, in the same manner as notification is provided under 15-16-101(2), of the amount due
12 and the date or dates on which the taxes due are payable as provided in 15-16-102."

13

14 **Section 58.** Section 15-16-402, MCA, is amended to read:

15 **"15-16-402. Tax on personal property lien on realty -- separate assessment -- filing of mortgage**
16 **satisfaction.** (1) The tax due on personal property is a prior lien upon the personal property. The lien has
17 precedence over any other lien, claim, or demand upon the personal property. Except as provided in
18 subsection (2), the tax on personal property is also a lien upon the real property of the owner of the
19 personal property on and after January 1 of each year.

20 (2) The taxes on personal property based on a taxable value up to and including \$10,000 are a first
21 and prior lien upon the real property of the owner of the personal property. Taxes on personal property
22 based on a taxable value in excess of \$10,000 are a first and prior lien upon the real property of the owner
23 unless the owner or holder of any mortgage or other lien upon the real property appearing of record in the
24 office of the clerk and recorder of the county where the real property is situated, at or before the time the
25 personal property tax attached to the real property, has filed a notice as provided in subsection (3). If the
26 notice is filed, the personal property taxes on the taxable value in excess of \$10,000 are not a lien upon
27 the owner's real property. The county treasurer shall, at the request of a mortgagee or lienholder, issue a
28 statement of the personal property tax due on the taxable value up to and including \$10,000. Personal
29 property taxes on a taxable value up to \$10,000 may be paid, redeemed from a tax sale as provided by
30 law, or discharged separately from any personal property taxes in excess of that amount. Payment of the

1 taxes on a taxable value up to \$10,000, as provided in this subsection, discharge the tax lien upon the
2 personal property of the owner to the extent of the payment in the order that the person paying the tax
3 directs.

4 (3) The holder of any mortgage or lien upon real property who desires to obtain the benefits of this
5 section shall file each year in the office of the county treasurer of the county and with the department a
6 notice giving:

7 (a) the name and address of the mortgagee and holder of the mortgage or lien;

8 (b) the name of the reputed owner of the land;

9 (c) the description of the land;

10 (d) the date of record and expiration of the mortgage or lien;

11 (e) the amount of the mortgage or lien; and

12 (f) a statement that the holder claims the benefit of the provisions of this section.

13 (4) The notice is ineffectual as to any taxes that are a lien upon real property prior to the filing of
14 the notice as provided in subsection (3).

15 (5) A holder of a mortgage on real property upon which personal property taxes are a lien under
16 this section, when the owner of the real property and personal property has failed to pay taxes due on the
17 real property and personal property for 1 or more years, may file with the department or its agent a written
18 request to have the personal property and real property of the owner separately assessed. The request must
19 be made by certified mail at least 10 days prior to January 1 in the year for which property is assessed.
20 Upon receipt by the department or its agent of the request, the department or its agent shall make a
21 separate assessment of real and personal property of the owner of the property, and the personal property
22 taxes may not be a lien upon the mortgaged real property. The personal property taxes must be collected
23 in the manner provided by law for other personal property.

24 (6) The holder of a mortgage or lien upon real property who files a certificate of satisfaction and
25 the proof and acknowledgment of filing the certificate, as provided for in 71-1-211, shall file a copy of the
26 certificate and the proof and acknowledgment with:

27 (a) the county treasurer if the holder has filed a notice under subsection (3); and

28 (b) the department or its agent in the county in which the real property is located if the holder has
29 filed a written request under subsection (5).

30 (7) The provisions of this section do not apply to property for which delinquent property taxes have

1 been suspended or canceled under the provisions of Title 15, chapter 24, part 17."

2

3 **Section 59.** Section 15-18-412, MCA, is amended to read:

4 **"15-18-412. Procedure in tax deed quiet title action.** (1) Upon the hearing of the order to show
5 cause, the court has jurisdiction to determine the amount to be deposited and to make an order that the
6 same be paid to the court within a period not exceeding 30 days after the order is made.

7 (2) (a) Except as provided in subsections (2)(b) and (2)(c), if the amount is not paid within the time
8 fixed by the court, the true owner is considered to have waived any defects in the tax proceedings and any
9 right of redemption. In the event of waiver, the true owner has no claim of any kind against the state or
10 purchaser and a decree must be entered in the action quieting the title of the purchaser as against the true
11 owner.

12 (b) The proceedings are void if the taxes were not delinquent or have been paid.

13 (c) A deposit is not required if the true owner is found by the court to be indigent following an
14 examination into the matter by the court upon the request of a true owner claiming to be indigent.

15 (3) If payment is made to the court and the true owner is successful in the action and the tax
16 proceedings are declared void, the amount deposited with the court must be paid to the purchaser.

17 (4) If the purported true owner is not successful in the action and the title of the purchaser is
18 sustained, the money must be returned to the purported true owner.

19 (5) In any action brought by a purchaser to quiet title, several tracts of land, whether contiguous
20 or noncontiguous or owned by different defendants, may be set forth in one complaint. All persons claiming
21 any title to, interest in, or lien upon any of the premises or any part of the premises may be joined as
22 defendants, even though their claims are independent, are not in common, and do not cover the same
23 tracts. The procedure in the action must follow, as nearly as practicable, the procedure specified in
24 70-28-101 through 70-28-109.

25 (6) In the final judgment, the court shall also determine the rights resulting from any additional
26 taxes on the property accruing or being paid by either party during the pendency of the suit.

27 (7) In the quiet title action, the court has complete jurisdiction to fix the amount of taxes that
28 should have been paid, including penalties, interest, and costs, and to determine all questions necessary
29 in granting full relief, including the power to order the department, its agent, or any tax officer to make and
30 certify to the court a corrected or new assessment or to do any other act necessary to enable the court to

1 do complete justice. Errors may be reviewed on appeal from the final judgment."

2

3 **Section 60.** Section 15-23-106, MCA, is amended to read:

4 "15-23-106. **Report to the counties.** (1) On or before July 1, the department shall prepare for each
5 county and, if the assessor has been designated as an agent of the department of revenue pursuant to
6 [section 1], provide to the assessor for each county a statement listing:

7 (a) the assessed value of railroad property, as determined under 15-23-202, apportioned to the
8 county, including the length or other description of the property;

9 (b) the assessed value of utility property, as determined under 15-23-303, apportioned to the
10 county, including the length or other description of the property;

11 (c) the assessed value of property of airline companies, as determined under 15-23-403,
12 apportioned to the county; 90% of the value of the property of airline companies apportioned to any county
13 by reason of a state airport being located in the county must be stated separately from the remaining
14 assessed value of the property of airline companies apportioned to the county;

15 (d) the assessed value of the net proceeds and royalties from mines and oil and gas wells in the
16 county, as determined under 15-23-503, 15-23-505, 15-23-515, 15-23-516, 15-23-517, 15-23-603, and
17 15-23-605; and

18 (e) the assessed value of the gross proceeds from coal mines, as described in 15-23-701.

19 (2) The department or its agent shall enter the reported assessed values in the property tax record
20 for the county."

21

22 **Section 61.** Section 15-23-107, MCA, is amended to read:

23 "15-23-107. **Amended assessment.** Whenever the valuation of centrally assessed property is
24 revised under 15-8-601 or 15-23-102(2), the department or its agent shall, within 15 days following the
25 final decision or order, enter the revision in the property tax record for each applicable county."

26

27 **Section 62.** Section 15-23-115, MCA, is amended to read:

28 "15-23-115. **Interest.** If the department or its agent determines that a taxpayer has incorrectly
29 reported a value under 15-23-502, 15-23-515, 15-23-516, 15-23-517, 15-23-602, 15-23-701, or
30 15-23-802 and if an additional tax is due, there must be added to the tax until paid in full interest at the

1 rate of 1% a month or fraction of a month from the date the original tax was due and payable. A taxpayer
2 subject to imposition of interest pursuant to this section is not subject to the penalty and interest provisions
3 contained in 15-16-102."

4

5 **Section 63.** Section 15-23-507, MCA, is amended to read:

6 "15-23-507. **Taxation and payment on royalty interests.** At the time of computing net proceeds
7 assessments, the department shall also determine the royalty lists or schedules for each county in which
8 the mines and mining claims are located. The department or its agent shall prepare from the net proceeds
9 and royalty assessments a tax roll that must be furnished to the county treasurer on or before the following
10 September 15. Upon furnishing the tax roll, the taxes are due and payable. Assessments of royalty on
11 production of metals and minerals other than petroleum and natural gas must be entered by the department
12 or its agent in the property tax record in the name of the recipient or owner of the royalty. The county
13 treasurer shall give full notice of the assessment to the recipient or royalty owner and shall collect the taxes
14 in the same manner as taxes on net proceeds of mines. Taxes on the royalty assessments and taxes on net
15 proceeds of mines are payable at the times specified in 15-16-102, and any delinquencies in the payment
16 are subject to the interest and penalties provided in 15-16-102."

17

18 **Section 64.** Section 15-23-607, MCA, is amended to read:

19 "15-23-607. **Department to compute taxes.** (1) Immediately after the board of county
20 commissioners has fixed tax levies on the second Monday in August, the department or its agent shall,
21 subject to the provisions of 15-23-612, compute the taxes on net proceeds, as provided in subsections (2)
22 and (3) of this section, and royalty assessments and shall transmit the computed taxes to the county
23 treasurer on or before September 15. The county treasurer shall proceed to give full notice of the
24 assessments to the operator and shall collect the taxes as provided by law.

25 (2) For new production, production from horizontally completed wells, and incremental production,
26 as those terms are defined in 15-23-601, the department or its agent may not levy or assess any mills
27 against the value of the new production, production from horizontally completed wells, or incremental
28 production, but shall instead levy a tax as follows:

29 (a) for new production of petroleum or other mineral or crude oil, 7% of net proceeds, as described
30 in 15-23-603(2);

1 (b) for new production of natural gas, 12% of net proceeds, as described in 15-23-603(2); or

2 (c) (i) except as provided in subsection (4), for incremental production that is classified as
3 secondary recovery from new enhanced recovery projects, as defined in 15-23-601, and for incremental
4 production that is classified as secondary recovery from expanded enhanced recovery projects, as defined
5 in 15-23-601, 5% of net proceeds, as described in 15-23-603(2); or

6 (ii) for incremental production that is classified as tertiary recovery from new enhanced recovery
7 projects, as defined in 15-23-601, and for incremental production that is classified as tertiary recovery from
8 expanded enhanced recovery projects, as defined in 15-23-601, 3.3% of net proceeds, as described in
9 15-23-603(2).

10 (3) For purposes of this section:

11 (a) incremental production from a new enhanced recovery project qualifies for the tax rate imposed
12 in subsection (2)(c)(i) or (2)(c)(ii) if, before the project begins development, the board approves the project
13 and designates the area to be affected by the project.

14 (b) the incremental production from an expanded enhanced recovery project qualifies for the tax
15 rate imposed in subsection (2)(c)(i) or (2)(c)(ii) if, before the expansion begins, the board approves the
16 expansion and designates the area to be affected by the expansion.

17 (4) (a) Incremental production from a new enhanced recovery project is subject to the tax rate
18 imposed in subsection (2)(c)(i) or (2)(c)(ii) if the average price per barrel of oil as reported in the Wall Street
19 Journal for west Texas intermediate crude oil during a calendar quarter is less than \$30 a barrel. If the price
20 of oil is equal to or greater than \$30 per barrel in a calendar quarter as determined in subsection (5),
21 incremental production from a new enhanced recovery project is taxed as provided in subsection (2)(a) for
22 production occurring in that quarter.

23 (b) Incremental production from an expanded enhanced recovery project is subject to the tax rate
24 imposed in subsection (2)(c)(i) or (2)(c)(ii) if the average price per barrel of oil as reported in the Wall Street
25 Journal for west Texas intermediate crude oil during a calendar quarter is less than \$30 a barrel. If the price
26 of oil is equal to or greater than \$30 per barrel in a calendar quarter as determined in subsection (5),
27 incremental production from an expanded enhanced recovery project is taxed as provided in subsection
28 (2)(a) for production occurring in that quarter.

29 (5) For the purposes of subsections (4)(a) and (4)(b), the average price per barrel must be
30 computed by dividing the sum of the daily price for west Texas intermediate crude oil as reported in the

1 Wall Street Journal for the calendar quarter by the number of days on which the price was reported in the
2 quarter.

3 (6) The amount of tax levied in subsections (2)(a), (2)(b), and (2)(c), divided by the appropriate tax
4 rate and multiplied by 60%, must be treated as taxable value for county bonding purposes.

5 (7) The operator or producer is liable for the payment of the taxes that, except as provided in
6 15-16-121, are payable by and must be collected from the operators in the same manner and under the
7 same penalties as provided for the collection of taxes upon net proceeds of mines. However, the operator
8 may withhold from the proceeds of royalty interest, either in kind or in money, an estimated amount of the
9 tax to be paid by the operator upon the royalty or royalty interest. After the withholding, any deviation
10 between the estimated tax and the actual tax may be accounted for by adjusting subsequent withholdings
11 from the proceeds of royalty interests."
12

13 **Section 65.** Section 15-23-702, MCA, is amended to read:

14 **"15-23-702. Entry of gross proceeds in property tax record.** On or before July 1 each year, the
15 department or its agent shall enter the valuation of the gross proceeds of coal mines in the property tax
16 record for each county in which the mines are located."
17

18 **Section 66.** Section 15-23-703, MCA, is amended to read:

19 **"15-23-703. Taxation of gross proceeds -- taxable value for bonding and guaranteed tax base aid**
20 **to schools.** (1) The department or its agent shall compute from the reported gross proceeds from coal a tax
21 roll that must be transmitted to the county treasurer on or before September 15 each year. The department
22 or its agent may not levy or assess any mills against the reported gross proceeds of coal but shall levy a
23 tax of 5% against the value of the reported gross proceeds as provided in 15-23-701(1)(d). The county
24 treasurer shall proceed to give full notice to each coal producer of the taxes due and to collect the taxes
25 as provided in 15-16-101.

26 (2) For bonding, county classification, and all nontax purposes, the taxable value of the gross
27 proceeds of coal is 45% of the contract sales price as defined in 15-35-102(5).

28 (3) Except as provided in subsection (6), the county treasurer shall calculate and distribute to the
29 state, county, and eligible school districts in the county the amount of the coal gross proceeds tax,
30 determined by multiplying the unit value calculated in 15-23-705 times the tons of coal extracted, treated,

1 and sold on which the coal gross proceeds tax was owed during the preceding calendar year.

2 (4) Except as provided in subsections (5), (6), and (8), the county treasurer shall credit the amount
3 determined under subsection (3) and the amounts received under 15-23-706:

4 (a) to the state and to the counties that levied mills in fiscal year 1990 against 1988 production
5 in the relative proportions required by the levies for state and county purposes in the same manner as
6 property taxes were distributed in fiscal year 1990 in the taxing jurisdiction; and

7 (b) to school districts in the county that either levied mills in school fiscal year 1990 against 1988
8 production or used nontax revenue, such as Public Law 81-874 money, in lieu of levying mills against
9 production, in the same manner that property taxes collected or property taxes that would have been
10 collected would have been distributed in the 1990 school fiscal year in the school district.

11 (5) (a) If the total tax liability in a taxing jurisdiction exceeds the amount determined in subsection
12 (3), the county treasurer shall, immediately following the distribution from taxes paid on May 31 of each
13 year, send the excess revenue, excluding any protested coal gross proceeds tax revenue, to the department
14 for redistribution as provided in 15-23-706.

15 (b) If the total tax liability in a taxing jurisdiction is less than the amount determined in subsection
16 (3), the taxing jurisdiction is entitled to a redistribution as provided by 15-23-706.

17 (6) The board of county commissioners of a county may direct the county treasurer to reallocate
18 the distribution of coal gross proceeds taxes that would have gone to a taxing unit, as provided in
19 subsection (4)(a), to another taxing unit or taxing units, other than an elementary school or high school,
20 within the county under the following conditions:

21 (a) The county treasurer shall first allocate the coal gross proceeds taxes to the taxing units within
22 the county in the same proportion that all other property tax proceeds were distributed in the county in
23 fiscal year 1990.

24 (b) If the allocation in subsection (6)(a) exceeds the total budget for a taxing unit, the
25 commissioners may direct the county treasurer to allocate the excess to any taxing unit within the county.

26 (7) The board of trustees of an elementary or high school district may reallocate the coal gross
27 proceeds taxes distributed to the district by the county treasurer under the following conditions:

28 (a) The district shall first allocate the coal gross proceeds taxes to the budgeted funds of the
29 district in the same proportion that all other property tax proceeds were distributed in the district in fiscal
30 year 1990.

1 (b) If the allocation under subsection (7)(a) exceeds the total budget for a fund, the trustees may
2 allocate the excess to any budgeted fund of the school district.

3 (8) The county treasurer shall credit all taxes collected under this part from coal mines that began
4 production after December 31, 1988, in the relative proportions required by the levies for state, county,
5 and school district purposes in the same manner as property taxes were distributed in the previous fiscal
6 year."

7

8 **Section 67.** Section 15-23-803, MCA, is amended to read:

9 "15-23-803. **Valuation -- gross proceeds.** On or before July 1 each year, the department or its
10 agent shall determine the merchantable value of all metal production from the previous calendar year. The
11 department shall record the merchantable value in the property tax record after subtracting the portion of
12 the proceeds exempt from property taxation."

13

14 **Section 68.** Section 15-23-804, MCA, is amended to read:

15 "15-23-804. **Taxation of merchantable value.** The department or its agent shall prepare from the
16 reported valuation a tax roll that must be transmitted to the county treasurer on or before September 15
17 each year. The county treasurer shall proceed to give full notice to each metal producer and to collect the
18 taxes due at the times provided for in 15-16-102, and any delinquencies in the payment of the taxes are
19 subject to the interest and penalties provided for in 15-16-102."

20

21 **Section 69.** Section 15-24-801, MCA, is amended to read:

22 "15-24-801. **Savings and loan associations -- taxation.** Every savings and loan association subject
23 to regulation under Title 32, chapter 2, must be assessed for and pay taxes upon all real and personal
24 property owned by the association. The secretary of an association shall furnish to the department, within
25 5 days after demand, a condensed statement, verified by oath, of the resources and liabilities of the
26 association as disclosed by its books at noon on January 1 in each year. If the secretary fails to make the
27 statement, the department or its agent shall immediately obtain the information from any other available
28 source, and for this purpose it shall have access to the books of the association. The department or its
29 agent shall make an assessment of the real estate and personal property owned by the association in a
30 manner that is as fair and equitable as it may be able to make from the best information available, or the

1 department or its agent may, for the purpose of the assessment, adopt the figures disclosed by any prior
2 report made by the association to any state or federal officer under a state or federal law. A person required
3 by this section to make the statement provided for in this section who fails to furnish it is guilty of a
4 misdemeanor."

5
6 **Section 70.** Section 15-24-902, MCA, is amended to read:

7 **"15-24-902. Assessment of livestock.** The department or its agent shall assess all nonexempt
8 livestock in each county where they are located on February 1 of each year. The livestock must be
9 assessed to the person by whom they were owned or claimed or in whose possession or control they were
10 at midnight of February 1 in that year."

11
12 **Section 71.** Section 15-24-903, MCA, is amended to read:

13 **"15-24-903. Duty of owner to assist in assessment.** (1) The owner of livestock, as defined in
14 15-24-901, or the owner's agent, shall at the time of assessment make and deliver to the department or
15 its agent for the county or counties where the owner's livestock were located on February 1 a written
16 statement, under oath, listing the owner's different kinds of livestock within the county or counties,
17 together with a listing of their marks and brands.

18 (2) As used in this section, "agent" means any person, persons, company, or corporation, including
19 a feedlot operator or owner of grazing land, who has charge of livestock on the assessment date."

20
21 **Section 72.** Section 15-24-904, MCA, is amended to read:

22 **"15-24-904. Penalty for violation of law.** If any person, persons, company, or corporation who is
23 the owner or is in charge of any livestock within this state fails to make the statement or statements as
24 provided in 15-24-903, the department or its agent may, after 10 days' notice to the person who failed to
25 file the report, increase the assessment by 10% as a penalty."

26
27 **Section 73.** Section 15-24-905, MCA, is amended to read:

28 **"15-24-905. Livestock brought into state -- notice to department or its agent.** The owner or the
29 agent, manager, or supervisor of any person, corporation, or association bringing livestock into this state
30 after February 1 shall immediately after the livestock cross the state line forward to the department or its

1 agent in the county into which the livestock are moved a certified letter, containing the name of the owner
2 of the livestock, the number of livestock, the brand on the livestock, the ages of the livestock, the time and
3 place at which the livestock were brought across the state line, and the county or counties into which the
4 livestock are moved. The department of livestock shall at least once each month furnish from its own
5 records to the department or its agent a list of the number and kind of livestock moved into each county,
6 together with the name of the owner of the livestock."
7

8 **Section 74.** Section 15-24-906, MCA, is amended to read:

9 "15-24-906. **Collection of tax on livestock.** The department or its agent, upon receipt of the letter
10 provided for in 15-24-905 or other information that livestock has been brought into a county from outside
11 of the state after February 1 in any year, shall immediately proceed under the provisions of this part."
12

13 **Section 75.** Section 15-24-920, MCA, is amended to read:

14 "15-24-920. **Election for proration of tax on livestock -- refunds -- additional assessment.** (1) An
15 owner of livestock who moves the livestock interstate may elect to have the nonexempt livestock taxed
16 on a prorated basis.

17 (2) The owner shall file an election with the department or its agent on the statement required in
18 15-24-903. The statement must indicate the number of months the owner's livestock will be in the state.

19 (3) If a livestock owner elects to be taxed on a prorated basis, the tax on livestock that are moved
20 interstate must be prorated according to the ratio of the number of months the livestock have taxable situs
21 in the county to the total number of months in the taxable year. Livestock must be prorated as provided
22 in this section regardless of when the livestock gain taxable situs in the county during the taxable year.

23 (4) Subject to the provisions of 15-16-603 through 15-16-605, a taxpayer whose nonexempt
24 livestock are assessed under subsection (3) for a period longer than the actual number of months that the
25 livestock have taxable situs in the state is entitled to a refund. The amount of the refund is equal to the
26 difference between the original prorated amount paid and the subsequent amount owed after the actual
27 number of tax situs months are determined at the end of the tax year. A taxpayer shall apply for a refund
28 allowed under this subsection by January 31 following the year of assessment. The application must
29 include a statement showing the date when the livestock were moved out of the state.

30 (5) A taxpayer whose nonexempt livestock are assessed under subsection (3) for a period shorter

1 than the actual number of months that the livestock have taxable situs is subject to additional taxes for the
2 number of additional months that the livestock has taxable situs in the state."
3

4 **Section 76.** Section 15-24-921, MCA, is amended to read:

5 **"15-24-921. Per capita tax levy to pay expenses of enforcing livestock laws.** (1) In addition to
6 appropriations made for those purposes, a per capita tax is authorized and directed to be levied by the
7 department or its agent on all poultry and bees, all swine 3 months of age or older, and all other livestock
8 9 months of age or older in each county of this state for the purpose of aiding in the payment of the
9 salaries and all expenses connected with the enforcement of the livestock laws of the state and for the
10 payment of bounties on wild animals as provided in 81-7-104.

11 (2) As used in this section, "livestock" means cattle, sheep, swine, poultry, bees, goats, horses,
12 mules, asses, llamas, alpacas, domestic bison, and domestic ungulates."
13

14 **Section 77.** Section 15-24-1402, MCA, is amended to read:

15 **"15-24-1402. New or expanding industry -- assessment -- notification.** (1) In the first 5 years after
16 a construction permit is issued, qualifying improvements or modernized processes that represent new
17 industry or expansion of an existing industry, as designated in the approving resolution, must be taxed at
18 50% of their taxable value. Each year thereafter, the percentage must be increased by equal percentages
19 until the full taxable value is attained in the 10th year. In subsequent years, the property must be taxed at
20 100% of its taxable value.

21 (2) (a) In order for a taxpayer to receive the tax benefits described in subsection (1), the governing
22 body of the affected county or the incorporated city or town must have approved by separate resolution
23 for each project, following due notice as defined in 76-15-103 and a public hearing, the use of the schedule
24 provided for in subsection (1) for its respective jurisdiction. The governing body may not grant approval for
25 the project until all of the applicant's taxes have been paid in full. Taxes paid under protest do not preclude
26 approval.

27 (b) The governing body may end the tax benefits by majority vote at any time, but the tax benefits
28 may not be denied an industrial facility that previously qualified for the benefits.

29 (c) The resolution provided for in subsection (2)(a) must include a definition of the improvements
30 or modernized processes that qualify for the tax treatment that is to be allowed in the taxing jurisdiction.

1 The resolution may provide that real property other than land, personal property, improvements, or any
2 combination thereof is eligible for the tax benefits described in subsection (1).

3 (3) The taxpayer shall apply to the department or its agent for the tax treatment allowed under
4 subsection (1). The application by the taxpayer must first be approved by the governing body of the
5 appropriate local taxing jurisdiction, and the governing body shall indicate in its approval that the property
6 of the applicant qualifies for the tax treatment provided for in this section. Upon receipt of the form with
7 the approval of the governing body of the affected taxing jurisdiction, the department or its agent shall
8 make the assessment change pursuant to this section.

9 (4) The tax benefit described in subsection (1) applies only to the number of mills levied and
10 assessed for local high school district and elementary school district purposes and to the number of mills
11 levied and assessed by the governing body approving the benefit over which the governing body has sole
12 discretion. The benefit described in subsection (1) may not apply to levies or assessments required under
13 Title 15, chapter 10, 20-9-331, 20-9-333, or 20-9-360 or otherwise required under state law.

14 (5) Prior to approving the resolution under this section, the governing body shall notify by certified
15 mail all taxing jurisdictions affected by the tax benefit."
16

17 **Section 78.** Section 15-24-1501, MCA, is amended to read:

18 **"15-24-1501. Remodeling, reconstruction, or expansion of buildings or structures -- assessment**
19 **provisions -- levy limitations.** (1) Subject to the authority contained in subsection (4), remodeling,
20 reconstruction, or expansion of existing buildings or structures, which increases their taxable value by at
21 least 2 1/2% as determined by the department or its agent, may receive tax benefits during the
22 construction period and for the following 5 years in accordance with subsections (2) through (4) and the
23 following schedule. The percentages must be applied as provided in subsections (3) and (4) and are limited
24 to the increase in taxable value caused by remodeling, reconstruction, or expansion:
25

26 Construction period	0%
27 First year following construction	20%
28 Second year following construction	40%
29 Third year following construction	60%
30 Fourth year following construction	80%

1	Fifth year following construction	100%
2	Following years	100%

3

4 (2) In order to confer the tax benefits described in subsection (1), the governing body of the
5 affected county or, if the construction will occur within an incorporated city or town, the governing body
6 of the incorporated city or town must approve by resolution for each remodeling, reconstruction, or
7 expansion project the use of the schedule provided for in subsection (1) or a schedule adopted pursuant
8 to subsection (4).

9 (3) The tax benefit described in subsection (1) applies only to the number of mills levied and
10 assessed for high school district and elementary school district purposes and to the number of mills levied
11 and assessed by the local governing body approving the benefit. The benefit described in subsection (1)
12 may not apply to statewide levies.

13 (4) A local government may, in the resolution required by subsection (2), modify the percentages
14 contained in subsection (1) that apply to the first year following construction through the fourth year
15 following construction. A local government may not modify the percentages contained in subsection (1)
16 that apply to the fifth year following construction or years following the fifth year. A local government may
17 not modify the time limits contained in subsection (1). The modifications to the percentages in subsection
18 (1) adopted by a local government apply uniformly to each remodeling, reconstruction, or expansion project
19 approved by the governing body."
20

21 **Section 79.** Section 15-24-1802, MCA, is amended to read:

22 "**15-24-1802. Business incubator tax exemption -- procedure.** (1) A business incubator owned or
23 leased and operated by a local economic development organization is eligible for an exemption from
24 property taxes as provided in this section.

25 (2) In order to qualify for the tax exemption described in this section, the governing body of the
26 county, consolidated government, incorporated city or town, or school district in which the property is
27 located shall approve the tax exemption by resolution, after due notice, as defined in 76-15-103, and
28 hearing. The governing body may approve or disapprove the tax exemption provided for in subsection (1).
29 If a tax exemption is approved, the governing body shall do so by a separate resolution for each business
30 incubator in its respective jurisdiction. The governing body may not grant approval for the business

1 incubator until all of the applicant's taxes have been paid in full or, if the property is leased to a business
 2 incubator, until all of the owner's property taxes on that property have been paid in full. Taxes paid under
 3 protest do not preclude approval. Prior to holding the hearing, the governing body shall determine that the
 4 local economic development organization:

5 (a) is a private nonprofit corporation as provided in Title 35, chapter 2, and is exempt from taxation
 6 under section 501(c)(3) or 501(c)(6) of the Internal Revenue Code;

7 (b) is engaged in economic development and business assistance work in the area; and

8 (c) owns or leases and operates or will operate the business incubator.

9 (3) Upon receipt of approval of the governing body of the affected taxing jurisdiction, the
 10 department or its agent shall make the assessment change for the tax exemption provided for in this
 11 section.

12 (4) The tax exemption described in subsection (1) applies only to the number of mills levied and
 13 assessed by the governing body approving the exemption over which the governing body has sole
 14 discretion. If the governing body of a county, consolidated government, or incorporated city or town
 15 approves the exemption, the exemption applies to levies and assessments required under Title 15, chapter
 16 10, 20-9-331, or 20-9-333 or otherwise required under state law."

17

18 **Section 80.** Section 15-24-1902, MCA, is amended to read:

19 **"15-24-1902. Industrial park tax exemption -- procedure -- termination.** (1) An industrial park
 20 owned and operated by a local economic development organization or a port authority is eligible for an
 21 exemption from property taxes as provided in this section.

22 (2) In order to qualify for the tax exemption described in this section, the governing body of the
 23 county, consolidated government, incorporated city or town, or school district in which the property is
 24 located shall approve the tax exemption by resolution, after due notice, as defined in 76-15-103, and
 25 hearing. The governing body may approve or disapprove the tax exemption provided for in subsection (1).
 26 If a tax exemption is approved, the governing body shall do so by a separate resolution for each industrial
 27 park in its respective jurisdiction. The governing body may not grant approval for the industrial park until
 28 all of the applicant's taxes have been paid in full. Taxes paid under protest do not preclude approval. Prior
 29 to holding the hearing, the governing body shall determine that:

30 (a) the local economic development organization:

1 (i) is a private, nonprofit corporation as provided in Title 35, chapter 2, and is exempt from taxation
2 under section 501(c)(3) or 501(c)(6) of the Internal Revenue Code;

3 (ii) is engaged in economic development and business assistance work in the area; and

4 (iii) owns and operates or will own and operate the industrial development park; or

5 (b) the port authority legally exists under the provisions of 7-14-1101 or 7-14-1102.

6 (3) Upon receipt of approval of the governing body of the affected taxing jurisdiction, the
7 department or its agent shall make the assessment change for the tax exemption provided for in this
8 section.

9 (4) The tax exemption described in subsection (1) applies only to the number of mills levied and
10 assessed by the governing body approving the exemption over which the governing body has sole
11 discretion. If the governing body of a county, consolidated government, or incorporated city or town
12 approves the exemption, the exemption applies to levies or assessments required under Title 15, chapter
13 10, 20-9-331, or 20-9-333 or otherwise required under state law.

14 (5) If a local economic development organization sells, leases, or otherwise disposes of the exempt
15 property to a purchaser or lessee that is not a local economic development organization or a unit of federal,
16 state, or local government, the tax exemption provided in this section terminates. The termination of the
17 exemption applies January 1 of the taxable year immediately following the sale, lease, or other disposition
18 of the property. Upon termination of the exemption, the property must be assessed as provided in
19 15-16-203."

20
21 **Section 81.** Section 15-24-2002, MCA, is amended to read:

22 **"15-24-2002. Building and land tax exemption -- procedure -- termination.** (1) A building and land
23 owned by a local economic development organization that the local economic development organization
24 intends to sell or lease to a profit-oriented, employment-stimulating business are eligible for an exemption
25 from property taxes as provided in this section.

26 (2) In order to qualify for the tax exemption described in this section, the governing body of the
27 affected county, consolidated government, incorporated city or town, or school district in which the
28 building and land are located shall approve the tax exemption by resolution, after due notice, as defined
29 in 76-15-103, and hearing. The governing body may approve or disapprove the tax exemption provided for
30 in subsection (1). The governing body shall approve a tax exemption by a separate resolution. The

1 governing body may not grant approval for the building and land until all of the applicant's taxes have been
2 paid in full. Taxes paid under protest do not preclude approval. Prior to holding the hearing, the governing
3 body shall determine that the local economic development organization:

4 (a) is a private, nonprofit corporation, as provided in Title 35, chapter 2, and is exempt from
5 taxation under section 501(c)(3) or 501(c)(6) of the Internal Revenue Code;

6 (b) is engaged in economic development and business assistance work in the area; and

7 (c) owns or will own the building and land.

8 (3) Upon receipt of approval of the governing body of the affected taxing jurisdiction, the
9 department or its agent shall make the assessment change for the tax exemption provided for in this
10 section.

11 (4) The tax exemption described in subsection (1) applies only to the number of mills levied and
12 assessed by the governing body approving the exemption over which the governing body has sole
13 discretion. If the governing body of a county, consolidated government, or incorporated city or town
14 approves the exemption, the exemption applies to levies or assessments required under Title 15, chapter
15 10, 20-9-331, or 20-9-333 and other levies required under state law.

16 (5) When a local economic development organization sells, leases, or otherwise disposes of the
17 exempt property to a purchaser or lessee that is not a local economic development organization or a unit
18 of federal, state, or local government, the tax exemption provided in this section terminates. The
19 termination of the exemption applies January 1 of the taxable year immediately following the sale, lease,
20 or other disposition of the property. Upon termination of the exemption, the property must be assessed as
21 provided in 15-16-203."

22
23 **Section 82.** Section 15-36-104, MCA, is amended to read:

24 **"15-36-104. Record of product -- carriers to furnish data.** Each person subject to 15-36-102 shall
25 keep a record in the form that the department requires of all petroleum and other mineral or crude oil or
26 natural gas extracted or produced by the person in this state, and the records must at all times during
27 business hours be subject to inspection by the department or its agent. Railroad, pipeline, and
28 transportation companies carrying petroleum and other crude or mineral oil or natural gas shall furnish to
29 the department, whenever requested to do so, all data relative to the shipment of those products that may
30 be required to properly enforce the provisions of this part. The failure of any railroad, pipeline, or

1 transportation company to comply with the provisions of this section subjects the company to a penalty
2 of \$100 for each day it fails to furnish the statement."
3

4 **Section 83.** Section 15-59-104, MCA, is amended to read:

5 "15-59-104. **Manufacturers to keep records.** Each person subject to 15-59-102 shall keep a record
6 in the form required by the department of all cement, gypsum, gypsum plaster, stucco, wallboard, land
7 plaster, or other products of cement or gypsum manufactured or produced by the person in this state. The
8 records must at all times during business hours be subject to inspection by the department or its agent."
9

10 **Section 84.** Section 15-59-203, MCA, is amended to read:

11 "15-59-203. **Record of cement received.** (1) Each person subject to 15-59-201 shall keep a record
12 showing all cement, cement plaster, gypsum plaster, and other byproducts of cement:

13 (a) purchased or received by or delivered to the person for sale by the person at retail in this state
14 for the manufacturing or production of those items; and

15 (b) for which the license tax has not been paid.

16 (2) The record must show the date of each purchase or delivery, the number of barrels or tons
17 contained, and the name of the person from whom the items were purchased or received. The records must
18 at all times during business hours be subject to inspection by the department or its agent."
19

20 **Section 85.** Section 20-9-122, MCA, is amended to read:

21 "20-9-122. **Statement of district, city, and town valuations.** (1) By the second Monday of July,
22 the department of revenue or its agent shall deliver to the county superintendent and to each city or town
23 clerk a statement showing separately for each district and each city or town in the county the total
24 assessed value and the total taxable value of all property in the districts, cities, or towns, as these
25 valuations appear in the property tax record.

26 (2) In the case of a joint school district, the department of revenue or its agent shall, at the time
27 of delivering the statement to the county superintendent, send a statement of the assessed value and
28 taxable value of the portion of the joint school district situated in the appropriate county to the county
29 superintendents and to the county commissioners of each county in which a part of the joint school district
30 is situated."

1 **Section 86.** Section 50-61-112, MCA, is amended to read:

2 **"50-61-112. Prior approval required for construction or alteration of educational and institutional**
3 **occupancies.** (1) Within an incorporated municipality, an educational or institutional occupancy, whether
4 public or private, may not be constructed or have alterations made costing \$1,500 or more until sketches
5 or architectural plans for the construction or alteration, whichever are available, are submitted to and
6 approved by the state fire prevention and investigation program of the department of justice.

7 (2) Outside an incorporated municipality, an assembly, educational, or institutional occupancy may
8 not be constructed or have alterations made costing \$1,500 or more until a permit has been issued for the
9 construction or alteration by the county commissioners. A fee of \$10 must be paid to the county treasurer
10 for each permit. A copy of the permit must be furnished to the department of revenue or its agent. A permit
11 may not be issued until sketches or architectural plans for the construction or alteration, whichever are
12 available, are submitted to and approved by the state fire prevention and investigation program of the
13 department of justice. The state fire prevention and investigation program of the department of justice and
14 county sheriffs are responsible for enforcing the provisions of this subsection."
15

16 **Section 87.** Section 61-3-207, MCA, is amended to read:

17 **"61-3-207. Mobile home or housetrailer -- transfer of interest.** (1) Upon a transfer of any interest
18 in a mobile home or housetrailer under the provisions of this chapter, the application for the transfer must
19 be made through the county treasurer's office in the county in which the mobile home or housetrailer is
20 located at the time of the transfer.

21 (2) When a mobile home or housetrailer is sold under contract or under such conditions that title
22 is not immediately conveyed, the parties to the transaction shall immediately file with the county clerk and
23 recorder a notice of intention to transfer title. The notice must indicate the name of the party who is
24 responsible for payment of taxes upon the mobile home or housetrailer after the transfer. The clerk and
25 recorder shall immediately notify the department of revenue or its agent of the information in the notice.
26 The penalty provisions of 61-3-201(2) do not apply if the notice of intent to transfer is filed with the county
27 clerk and recorder within 20 days after the transfer."
28

29 **Section 88.** Section 61-3-303, MCA, is amended to read:

30 **"61-3-303. Application for registration.** (1) Every owner of a motor vehicle operated or driven upon

1 the public highways of this state shall for each motor vehicle owned, except as otherwise provided in this
2 section, file or cause to be filed in the office of the county treasurer where the owner permanently resides
3 at the time of making the application or, if the vehicle is owned by a corporation or used primarily for
4 commercial purposes, in the taxing jurisdiction of the county where the vehicle is permanently assigned,
5 an application for registration or reregistration upon a blank form to be prepared and furnished by the
6 department. The application must contain:

7 (a) name and address of owner, giving county, school district, and town or city within whose
8 corporate limits the motor vehicle is taxable, if taxable, or within whose corporate limits the owner's
9 residence is located if the motor vehicle is not taxable;

10 (b) name and address of the holder of any security interest in the motor vehicle;

11 (c) description of motor vehicle, including make, year model, engine or serial number,
12 manufacturer's model or letter, gross weight, and type of body and, if a truck, rated capacity; and

13 (d) other information that the department may require.

14 (2) A person who files an application for registration or reregistration of a motor vehicle, except
15 of a mobile home as defined in 15-1-101(1), shall upon the filing of the application pay to the county
16 treasurer:

17 (a) the registration fee, as provided in 61-3-311 and 61-3-321; and

18 (b) unless it has been previously paid:

19 (i) the personal property taxes assessed against the vehicle for the current year of registration and
20 the immediately previous year; or

21 (ii) the new motor vehicle sales tax against the vehicle for the current year of registration.

22 (3) The application may not be accepted by the county treasurer unless the payments required by
23 subsection (2) accompany the application. The department of revenue or its agent may not assess and the
24 county treasurer may not collect taxes or fees for a period other than:

25 (a) the current year; and

26 (b) the immediately previous year if the vehicle was not registered or operated on the highways
27 of the state, regardless of the period of time since the vehicle was previously registered or operated.

28 (4) The department of revenue or its agent may make full and complete investigation of the tax
29 status of the vehicle. Any applicant for registration or reregistration shall submit proof from the tax or other
30 appropriate records of the proper county at the request of the department of revenue."

1 **Section 89.** Section 61-3-503, MCA, is amended to read:

2 **"61-3-503. Assessment.** (1) Except as provided in 61-3-520 and subsection (2) of this section,
3 the following apply to the taxation of motor vehicles:

4 (a) Except as provided in subsections (1)(c) through (1)(e), a person who files an application for
5 registration or reregistration of a motor vehicle shall before filing the application with the county treasurer
6 submit the application to the department of revenue or its agent. The department of revenue or its agent
7 shall enter on the application in a space to be provided for that purpose the market value and taxable value
8 of the vehicle as of January 1 of the year for which the application for registration is made.

9 (b) Except as provided in subsection (1)(c), motor vehicles are assessed for taxes on January 1 in
10 each year irrespective of the time fixed by law for the assessment of other classes of personal property and
11 irrespective of whether the levy and tax may be a lien upon real property within the state. A motor vehicle
12 is not subject to assessment, levy, and taxation more than once in each year.

13 (c) Vehicles subject to the provisions of 61-3-313 through 61-3-316 must be assessed as of the
14 first day of the registration period, using the average trade-in or wholesale value as of January 1 of the year
15 of assessment of the vehicle as contained in the most recent volume of the Mountain States Edition of the
16 National Automobile Dealers Association (N.A.D.A.) Official Used Car Guide, the National Edition of
17 N.A.D.A. Appraisal Guides Official Older Used Car Guide, or another nationally published used vehicle or
18 appraisal guide approved by the department of revenue or, for a vehicle that was never listed in any edition
19 of the preceding guides, the retail value of the vehicle as determined by the department of revenue or its
20 agent, and thereafter depreciated 10% per year until a value of \$500 is reached, not including additions
21 or deductions for options and mileage but including additions or deductions, whether or not one of the
22 preceding guides is used, for diesel engines; and a lien for taxes and fees due on the vehicle occurs on the
23 anniversary date of the registration and continues until the fees and taxes have been paid. If the value
24 shown in any of the appraisal guides listed in this section is less than \$500, the department or its agent
25 shall value the vehicle at \$500.

26 (d) Motorcycles and quadricycles must be assessed, using the greater of the following:

27 (i) \$250; or

28 (ii) the average trade-in or wholesale value as of January 1 of the year of assessment of the vehicle
29 as contained in the most recent volume of the applicable National Edition of the N.A.D.A.
30 Motorcycle/Moped/ATV Appraisal Guide or N.A.D.A. Recreational Vehicle Appraisal Guide or another

1 nationally published used vehicle or appraisal guide approved by the department of revenue, not including
2 additions or deductions for options and mileage.

3 (e) If a vehicle assessed under subsection (1)(c) or (1)(d) is not originally listed in the applicable
4 N.A.D.A. guide or other approved guide, the department of revenue or its agent shall depreciate the original
5 f.o.b. factory list price, f.o.b. port-of-entry list price, or the manufacturer's suggested list price, using the
6 following methods:

7 (i) if the new car sales tax has been previously paid and the vehicle is less than 1 year in age, the
8 depreciation percentage is 20%; or

9 (ii) if the vehicle is 1 year or older in age and it is not listed in any of the appraisal guides listed in
10 this section, the department of revenue shall determine the depreciation percentage to approximate the
11 average wholesale or trade-in values in the current N.A.D.A. guides or other approved guides referred to
12 in this subsection. For purposes of this subsection (1), the age of the vehicle is determined by subtracting
13 the manufacturer's model year of the vehicle from the calendar year of assessment.

14 (f) When a minimum value of \$500 is reached, the value must remain at that minimum as long as
15 the vehicle is registered.

16 (g) If a previously registered vehicle is no longer listed in the applicable N.A.D.A. guide or other
17 approved guide, the department of revenue or its agent shall depreciate the value of the vehicle at the rate
18 of 10% a year until a minimum amount of \$500 is attained, and the value must remain at that amount as
19 long as the vehicle is registered.

20 (2) The provisions of subsections (1)(a) through (1)(g) do not apply to motor homes, travel trailers,
21 campers, or mobile homes as defined in 15-1-101(1)."

22

23 **Section 90.** Section 61-12-402, MCA, is amended to read:

24 **"61-12-402. Notice to owner.** (1) Within 72 hours after any vehicle is removed and held by or at
25 the direction of the Montana highway patrol, the highway patrol shall notify the sheriff of the county in
26 which the vehicle was located at the time it was taken into custody and the place where the vehicle is
27 being held. In addition, the Montana highway patrol shall furnish the sheriff a complete description of the
28 vehicle, including year, make, model, serial number, and license number if available; any costs incurred to
29 that date in the removal, storage, and custody of the vehicle; and any available information concerning its
30 ownership.

1 (2) The sheriff or the city police shall make reasonable efforts to ascertain the name and address
2 of the owner, lienholder, or person entitled to possession of the vehicle taken into custody under
3 61-12-401. If a name and address are ascertained, the sheriff or the city police shall notify the owner and
4 lienholder or person of the location of the vehicle.

5 (3) If the vehicle is registered in the office of the department, notice is considered to have been
6 given when a registered or certified letter addressed to the registered owner of the vehicle and lienholder,
7 if any, at the latest address shown by the records in the office of the department, return receipt requested
8 and postage prepaid, is mailed at least 30 days before the vehicle is sold.

9 (4) If the identity of the last-registered owner cannot be determined, if the registration does not
10 contain an address for the owner, or if it is impossible to determine with reasonable certainty the identity
11 and addresses of all lienholders, notice by one publication in one newspaper of general circulation in the
12 county where the motor vehicle was abandoned is sufficient to meet all requirements of notice pursuant
13 to this part. The notice by publication can contain multiple listings of abandoned vehicles. The notice must
14 be provided in the same manner as prescribed in 25-13-701(1)(b).

15 (5) If the abandoned vehicle is in the possession of a motor vehicle wrecking facility licensed under
16 75-10-511, the wrecking facility may make the required search to ascertain the name and address of the
17 owner, lienholder, or person entitled to possession of the vehicle and shall give the notices required in
18 subsections (2) through (4). The wrecking facility shall deliver to the sheriff or the city police a certificate
19 describing the efforts made to ascertain the name and address of the owner, lienholder, or person entitled
20 to possession of the vehicle and shall deliver to the sheriff or the city police proof of the notice given.

21 (6) A vehicle found by law enforcement officials to be a "junk vehicle" as defined by 75-10-501
22 and certified as having an appraised value of \$100 or less as determined by the department of revenue or
23 its agent may be directly submitted for disposal in accordance with the provisions of part 5 of chapter 10,
24 Title 75, upon a release given by the sheriff or the city police. In the release, the sheriff or the city police
25 shall include a description of the vehicle, including year, make, model, serial number, and license number
26 if available. A release provided by the sheriff or the city police under this section must be transmitted to
27 the motor vehicle wrecking facility and must be considered by that facility to meet the requirements for
28 records under 75-10-512 and 75-10-513. Vehicles described in this section may be submitted without
29 notice and without a required holding period."
30

1 **Section 91.** Section 70-23-304, MCA, is amended to read:

2 **"70-23-304. Declaration to be approved by department of revenue before recording.** Before a
3 declaration may be recorded in the county in which the property is located, it must be approved by the
4 department of revenue or its agent. A declaration must be approved unless:

- 5 (1) the name is proper so as to comply with 70-23-303; and
6 (2) all taxes and assessments due and payable have been paid."

7

8 **Section 92.** Section 70-23-305, MCA, is amended to read:

9 **"70-23-305. Recording of declaration.** (1) When a declaration is made and approved as required,
10 it must, upon the payment of the fees provided by law, be recorded by the recording officer. The fact of
11 recording and the date of recording must be entered on the declaration.

12 (2) At the time of recording a declaration, the person offering it for record shall also file a copy,
13 certified by the recording officer to be a true copy, with the department of revenue or its agent in the
14 county in which the property is located.

15 (3) If the property is located in a city or town, a copy of the declaration only must also be filed with
16 the city or town clerk at the time of recording."

17

18 **Section 93.** Section 76-13-207, MCA, is amended to read:

19 **"76-13-207. Determination and collection of costs of fire protection.** (1) The department shall
20 prepare an annual operation assessment plan in which fire protection costs are determined. The department
21 shall request the legislature to appropriate the state's portion of the cost. After the appropriation is made
22 by the legislature, the department shall cause an assessment to be made on the owners of classified forest
23 land, as specified in 76-13-201, sufficient to bring the total amount received from the landowners to no
24 greater than one-third of the amount specified in the appropriation.

25 (2) On or before the second Tuesday in August of each year, the department shall certify in writing
26 to the department of revenue or its agent in the county, if the assessor of that county has been designated
27 as an agent of the department of revenue pursuant to [section 1], the names of these owners of forest
28 lands in each county, together with a description of their lands and a statement of the amount found to be
29 due and owing by each of the owners to the department for forest fire protection.

30 (3) Upon receiving the certificate from the department showing the amount due, the department

1 of revenue or its agent shall extend the amounts upon the county tax rolls covering the lands, and the sums
2 become obligations of the owner, to be paid and collected in the same manner and at the same time and
3 subject to the same penalties as general state and county taxes upon the same property are collected."
4

5 **Section 94.** Section 76-15-518, MCA, is amended to read:

6 **"76-15-518. Certification of assessment to department of revenue -- entry on property tax record.**

7 The board of county commissioners of each county in which any portion of the district is situated may levy
8 the assessment provided in this part or part 6. The assessment must be certified to the department of
9 revenue or its agent and entered on the property tax record of each county."
10

11 **Section 95.** Section 77-1-501, MCA, is amended to read:

12 **"77-1-501. List of state lands by county.** The department shall, before the first Monday of April
13 of every year, prepare and transmit a statement to the department of revenue or its agent that designates
14 each county in which the state has real property in excess of 6% of the total land area of the county and
15 from which the state derives grazing, agricultural, or forest income. The statement must contain the total
16 number of acres owned by the state in that county and list the acres separately as grazing, agricultural, or
17 forest land."
18

19 **Section 96.** Section 77-1-503, MCA, is amended to read:

20 **"77-1-503. Form to be completed by department of revenue.** The department shall provide a form
21 for each county to be followed and completed by the department of revenue or its agent. The department
22 of revenue or its agent shall, before October 1, make the computations required and submit to the
23 department the completed forms, which must show the computations and method used in arriving at the
24 state land equalization payment."
25

26 **Section 97.** Section 77-1-504, MCA, is amended to read:

27 **"77-1-504. Processing of statements.** The department shall examine for accuracy the statement
28 returned by the department of revenue or its agent, and the state land equalization payment may not be
29 approved unless the state exemption figure is deducted from the gross assessment figure in the statement.
30 The department shall, before November 1 of each year, prepare and file a claim with the department of

1 administration for all counties that are eligible for state land equalization payments, and this claim must
2 show the amount of money each eligible county will receive."

3
4 **Section 98.** Section 77-2-313, MCA, is amended to read:

5 "77-2-313. **Land subject to taxation.** (1) State lands purchased from the state are subject to
6 taxation. The department of revenue shall assess the purchaser for the full value of the land on January
7 1 following the date of purchase. The holder of certificates of purchase to lands within an irrigation district
8 is liable for the entire irrigation district tax levied against the land.

9 (2) The improvements on the land must be assessed and taxed as other improvements on farm
10 lands.

11 (3) On or before January 15 of each year, the department shall furnish the department of revenue
12 or its agent with a complete list of all state lands sold in each county during the previous calendar year.
13 This list must show the name and address of the purchaser, the legal description of the land, and the
14 acreage contained in the purchase."

15
16 **Section 99.** Section 80-2-203, MCA, is amended to read:

17 "80-2-203. **Participation in program -- tax.** (1) A taxpayer or an association of taxpayers engaged
18 in the growing of crops other than those specified in this part or other agricultural or horticultural products
19 subject to injury or destruction by hail may, by individual or joint election filed with and approved by the
20 board of hail insurance, accept the provisions of this part and elect to become subject to this part. The risks
21 may be classified by the board, and suitable levies may be imposed as agreed upon by the board and the
22 taxpayers. The taxpayers are entitled to the benefits and protection afforded by the insurance provisions
23 of this part.

24 (2) Each farmer taxpayer who signifies a desire to become subject to the provisions of this part
25 shall file with the department of revenue or its agent the properly filled out form not later than August 15.
26 The taxpayer is chargeable with the tax provided for on lands growing crops subject to injury or destruction
27 by hail and shall share in the protection and benefits under the hail insurance provisions of this part. The
28 application for hail insurance is in full force and effect at 12:01 a.m. the day immediately following the
29 acceptance of the application by the department of revenue or its agent.

30 (3) This part may not be construed to empower anyone except the actual owner of the land to

1 make the land subject to the hail tax provided in this part."

2

3 **Section 100.** Section 80-2-204, MCA, is amended to read:

4 **"80-2-204. Duty of department of revenue -- election of benefits of law.** The department of
5 revenue or its agent shall upon request explain to each taxpayer engaged in the growing of crops subject
6 to injury or destruction by hail the provisions of this part. The department of revenue shall issue hail
7 insurance policies to each taxpayer who desires to become subject to this part, to become liable for the tax
8 levies provided in this part, and to be eligible for the benefits and protection of this part. A taxpayer who
9 elects to become subject to this part is liable for the taxes levied for hail insurance and shall participate in
10 the benefits and protection afforded by this part. Either the owners of lands worked by others under lease
11 or contract may make the election for hail insurance or the lessee of the land may tender payment of the
12 tax levied for hail insurance to protect the lessee's crops, in cash, to the officer authorized to receive
13 payment."

14

15 **Section 101.** Section 80-2-206, MCA, is amended to read:

16 **"80-2-206. Cash payment.** When an applicant for hail insurance tenders cash for the insurance to
17 the department of revenue or its agent, the applicant is allowed a discount of 4%. The hail insurance must
18 be issued upon the cash payment less the 4%. The charge for the insurance must be based on the
19 maximum rates shown on the application for hail insurance. If the current rates are reduced later, the board
20 of hail insurance shall arrange for the proper refund to the insured. All cash received by the department of
21 revenue or its agent must be promptly turned over to the county treasurer, who shall furnish the insured
22 with a current receipt and place the money in the hail insurance fund."

23

24 **Section 102.** Section 80-2-207, MCA, is amended to read:

25 **"80-2-207. Delinquent taxes -- application by delinquent -- crop lien.** (1) An owner of land who has
26 more than 1 year's delinquent taxes on the land may not be allowed hail insurance under the provisions of
27 this part, unless the owner's application is accompanied by a cash payment for the amount that would be
28 due on the application in the event of a maximum levy for that year.

29 (2) Any grain grower unable to secure state hail insurance under the provisions of this part because
30 of delinquent taxes or for other reasons may make application to the department of revenue or its agent,

1 and the department of revenue or its agent may receive and accept the applications when the applicant
2 furnishes a sufficient crop lien that is subject only to a seed lien. The crop lien may be accepted only under
3 rules and requirements that may be prescribed by the board of hail insurance and under the provision that
4 the board may cancel any hail insurance accepted in violation of the rules and requirements. Upon receipt
5 of the application, the department of revenue or its agent shall make a record of the application and shall
6 file the original in the office of the clerk and recorder of the county. The department of revenue or its agent
7 shall also cause an assessment for the proper amount to be made on the property tax record in the same
8 manner provided for in the case of other special levies or assessments.

9 (3) A tenant who has delinquent hail insurance that was secured by a crop lien only and not
10 secured by real estate may not be allowed another policy in any succeeding year until the delinquent
11 account or accounts are paid or until the tenant pays cash for the current hail insurance.

12 (4) If a tenant becomes delinquent for hail insurance after having failed to apply for relief as
13 provided by the board under 80-2-229, the tenant may apply to the board for a reduction. If the reasons
14 for requesting a reduction are approved by the board, the board may reduce the charge to not less than
15 one-half the original amount charged."
16

17 **Section 103.** Section 81-2-302, MCA, is amended to read:

18 **"81-2-302. Duty of department of revenue.** The property tax record of the county in which the
19 disease control area is to be established is the basis for computing the required percentage of livestock
20 owners and livestock. The department of revenue or its agent shall certify to the department when the
21 necessary 75% of the owners of livestock representing not less than 50% of the species of livestock to
22 be inspected, tested, treated, or vaccinated have signed the required petition."
23

24 **Section 104.** Section 81-4-511, MCA, is amended to read:

25 **"81-4-511. Assessment of horses taken in roundup.** Following a roundup held pursuant to this part,
26 the department of revenue or its agent shall immediately assess all horses that have been taken up in a
27 roundup and that may be sold or reclaimed before sale and not already assessed for the current year. The
28 department of revenue or its agent shall transmit to the county treasurer a copy of each assessment made.
29 Any horses that have escaped the assessment mentioned in 81-4-501 must be assessed as provided for
30 in 15-8-306."

1 **Section 105.** Section 81-4-513, MCA, is amended to read:

2 **"81-4-513. Report of roundup foreman -- disposition of copies.** The roundup foreman in charge of
3 the roundup shall keep an accurate record of all proceedings under the order for the roundup. Within 30
4 days after the roundup is completed, the foreman shall prepare in triplicate and verify by oath a full, true,
5 and accurate report of all the proceedings under the order for the roundup. The report must include a
6 complete financial statement, the number and description of horses impounded, and the manner of
7 disposition of the horses. One copy of the report must be filed with the clerk of the board of county
8 commissioners, and the filing is notice of the contents of the report and prima facie proof of the facts
9 stated in the report. One copy of the report must be filed with the department of revenue or its agent, and
10 one copy must be filed with the county treasurer, for their information and appropriate action."
11

12 **Section 106.** Section 81-4-516, MCA, is amended to read:

13 **"81-4-516. Limitation of powers or duties of officers.** Except as provided in this part, this part may
14 not be construed as limiting the powers or duties of the department of revenue or its agents, county
15 treasurers, or other boards or officers."
16

17 **Section 107.** Section 81-7-303, MCA, is amended to read:

18 **"81-7-303. County commissioners permitted to require per capita license fee on sheep.** (1) To
19 defray the expense of protection, the board of county commissioners of any county may require all owners
20 or persons in possession of any sheep 1 year old or older in the county on the regular assessment date of
21 each year to pay a per capita license fee in an amount to be determined by the board. All owners or persons
22 in possession of any sheep 1 year old or older coming into the county after the regular assessment date
23 and subject to taxation under the provisions of 15-24-301 are subject to payment of the license fee.

24 (2) Upon the order of the board of county commissioners, the license fees may be imposed by
25 entering the name of the licensee upon the property tax record of the county by the department of revenue
26 or its agent. The license fees are payable to and must be collected by the county treasurer. When levied,
27 the fees are a lien upon the property, both real and personal, of the licensee. If the person against whom
28 the license fee is levied does not own real estate against which the license fee is or may become a lien,
29 then the license fee is payable immediately upon its levy and the treasurer shall collect the fee in the
30 manner provided by law for the collection of personal property taxes that are not a lien upon real estate.

1 (3) When collected, the fees must be placed in the predatory animal control fund and the fund may
2 be expended on order of the board of county commissioners of the county for predatory animal control
3 only."

4
5 **Section 108.** Section 85-7-2136, MCA, is amended to read:

6 **"85-7-2136. Collection of taxes or assessment.** (1) On or before the third Monday in August of
7 each year, the board of commissioners shall furnish to the department of revenue or its agent a correct list
8 of all the district lands in the county, together with the amount of the total taxes or assessments against
9 the lands for district purposes. The department of revenue or its agent shall immediately upon receipt of
10 the list enter the assessment roll in the property tax record of the county for each year.

11 (2) The county treasurer of each county in which any irrigation district is located, in whole or in
12 part, shall collect and receipt for all taxes and assessments levied by the district, in the same manner and
13 at the same time as is required in the collection of taxes upon real estate for county purposes as provided
14 in 15-16-102. The treasurer shall receive from any taxpayer, at any time, the amount due on account of
15 any district assessments of any kind, whether other taxes on the same real estate are paid or not.

16 (3) During the water delivery season, as determined by the irrigation district commissioners, the
17 county treasurer shall make available to the board of commissioners of an irrigation district notice of the
18 receipt of payments of district assessments by 9 a.m. on the day following receipt of those payments.

19 (4) If requested in writing by a board of commissioners of an irrigation district, the county treasurer
20 may receive assistance from an employee of the irrigation district or a commissioner of the district for the
21 purpose of collecting district assessments as provided in 15-16-102, investing district funds as directed
22 by the board of commissioners of the district, and preparing district assessment notices.

23 (5) When any real estate on account of which the district taxes and assessments have been levied
24 has been sold to the county and tax certificate of sale is held by the county, the taxpayer may pay to the
25 treasurer at any time any semiannual installment of the district tax or assessment, together with the penalty
26 and interest to date of payment on the installment. However, the payment may not be considered a
27 redemption of the property from the tax sale but must be credited on account of any redemption that may
28 be made. In case of any payment pursuant to this subsection, a separate tax receipt must issue, showing
29 exactly what assessments have been paid, and must show that no other tax on the real estate has been
30 received by the treasurer. The county treasurer may not collect, receive, or receipt for any taxes levied for

1 county purposes upon real estate situated wholly or in part within any irrigation district upon which an
2 assessment for the purposes of the irrigation district has been levied unless the assessment levied for
3 irrigation district purposes is paid as permitted in this section and the receipt for the payment presented to
4 the county treasurer at the time the taxes are paid, or paid at the same time."
5

6 **Section 109.** Section 85-8-601, MCA, is amended to read:

7 **"85-8-601. Certification and collection of district taxes.** (1) On or before the third Monday in
8 August of each year, the commissioners shall certify to the department of revenue or its agent a correct
9 list of all the district lands in each county and the owners of the lands, together with a statement of the
10 amount of the total tax or assessment against the lands for district purposes for that year. The department
11 of revenue shall immediately enter the assessment roll in the property tax record of the county for each
12 year.

13 (2) The county treasurer of each county in which a drainage district is located, in whole or in part,
14 shall collect and receipt for all taxes and assessments levied by the district, in the same manner and at the
15 same time as is required in the collection of taxes upon real estate for county purposes as provided in
16 15-16-102. However, the treasurer must receive from any taxpayer, at any time, the amount due on
17 account of any district assessments of any kind, whether other taxes on the same real estate are paid or
18 not. When any real estate on account of which the district taxes and assessments have been levied has
19 been sold to the county and tax certificate of sale is held by the county, the taxpayer may pay to the
20 treasurer at any time any semiannual installment of the district tax or assessment, together with the penalty
21 and interest to date of payment on the installment. However, the payment may not be considered a
22 redemption of the property from the tax sale, but must be credited on account of any redemption that may
23 later be made. In case of any payment pursuant to this subsection, a separate tax receipt must be issued
24 showing exactly what assessments have been paid and showing that no other tax on the real estate has
25 been received by the treasurer. However, the county treasurer may not collect, receive, or receipt for any
26 taxes levied for county purposes upon real estate situated wholly or in part within any drainage district
27 upon which an assessment for the purposes of the drainage district has been levied unless the assessment
28 levied for the drainage district purposes is either paid as provided in this section and the receipt is presented
29 to the county treasurer at the time the real estate taxes are paid or paid at the time the drainage district
30 taxes are paid."

1 **Section 110.** Section 85-9-603, MCA, is amended to read:

2 **"85-9-603. Directors to provide financial information.** (1) Before the second Monday in July of each
3 year, the directors shall provide the department of revenue or its agent and the county treasurer with:

4 (a) the budget for the current fiscal year;

5 (b) a statement of the amount of special assessments to be collected for the districts; and

6 (c) a listing of all real property within the district.

7 (2) If the district is located in more than one county, the directors shall provide this information
8 to the department of revenue or its agent and each of the affected county treasurers."

9

10 NEW SECTION. **Section 111. Codification instruction.** [Section 1] is intended to be codified as
11 an integral part of Title 15, chapter 8, and the provisions of Title 15, chapter 8, apply to [section 1].

12

-END-

HOUSE BILL NO. 389

INTRODUCED BY LARSON, KITZENBERG, ORR, FELAND, PAVLOVICH, OHS, L. SMITH, ELLIOTT,
FORRESTER, L. NELSON, BECK, BURNETT

A BILL FOR AN ACT ENTITLED: "AN ACT ALLOWING AN ELECTED COUNTY ASSESSOR TO BE DESIGNATED AS AN AGENT OF THE DEPARTMENT OF REVENUE; PROVIDING THAT ONE-HALF OF THE SALARY OF AN ASSESSOR AGENT IS PAID BY THE STATE; PROVIDING A METHOD FOR THE DECONSOLIDATION OF COUNTY OFFICES; ~~PROVIDING THAT THE COUNTY COMPUTER SYSTEM IS THE PRIMARY STORAGE LOCATION FOR COMPUTERIZED TAX RECORDS;~~ AND AMENDING SECTIONS 7-3-1309, 7-4-2301, 7-4-2302, 7-4-2304, 7-4-2305, 7-4-2306, 7-4-2309, 7-4-2310, 7-6-4409, 7-6-4410, 7-12-4181, 7-13-233, 7-13-2304, 7-13-2306, 7-13-2527, 7-13-2528, 7-13-4309, 7-13-4507, 7-14-2738, 7-14-2740, 7-14-2743, 7-14-2745, 15-1-101, 15-1-201, 15-1-202, 15-1-303, 15-7-102, 15-7-208, 15-7-209, 15-7-304, 15-7-308, 15-7-402, 15-7-403, 15-8-102, 15-8-111, 15-8-112, 15-8-113, 15-8-115, 15-8-201, 15-8-202, 15-8-205, 15-8-301, 15-8-303, 15-8-307, 15-8-601, 15-8-701, 15-8-707, 15-9-101, 15-10-202, 15-10-205, 15-10-206, 15-10-305, 15-15-101, 15-15-102, 15-16-119, 15-16-203,

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