

Bill Wilson

SENATE BILL NO. 213

*Bob Spivich
Franklin*

INTRODUCED BY

*W. Ryan, J. ... Wilson
Dorothy Kelly*

A BILL FOR AN ACT ENTITLED: "AN ACT INCREASING THE INCOME LIMITATIONS APPLICABLE TO A PROPERTY TAX EXEMPTION FOR A DISABLED VETERAN OR SURVIVING SPOUSE; AMENDING SECTION 15-6-211, MCA; AND PROVIDING AN IMMEDIATE EFFECTIVE DATE AND A RETROACTIVE APPLICABILITY DATE."

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

Section 1. Section 15-6-211, MCA, is amended to read:

"15-6-211. Certain disabled or deceased veterans' residences exempt. (1) A residence, including the lot on which it is built, that is owned and occupied by a veteran or a veteran's spouse is exempt from property taxation ~~under the following conditions. The~~ if the veteran ~~must:~~

(a) ~~have been~~ was killed while on active duty or ~~have~~ died as a result of a service-connected disability; or

(b) if living:

(i) ~~have been~~ was honorably discharged from active service in any branch of the armed services;

(ii) ~~be~~ has been rated 100% disabled due to a service-connected disability by the United States department of veterans affairs or its successor; and

(iii) ~~have~~ has an annual adjusted gross income, as reported on the latest federal income tax return, of not more than ~~\$15,000~~ \$20,000 for a single person and ~~\$18,000~~ \$23,000 for a married couple.

(2) ~~Property shall continue to be exempt~~ The property tax exemption under this section remains in effect ~~so~~ as long as the property is the primary residence owned and occupied by the veteran or, if the veteran is deceased, by the veteran's spouse and the spouse:

(a) is the owner and occupant of the house;

(b) has an annual adjusted gross income, as reported on the latest federal income tax return, of not more than ~~\$15,000~~ \$20,000;

(c) is unmarried; and

(d) has obtained from the United States department of veterans affairs a letter indicating that the

1 veteran was 100% service-connected disabled at the time of death or that the veteran died while on active
2 duty or as a result of a service-connected disability."

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4 NEW SECTION. **Section 2. Effective date -- retroactive applicability.** [This act] is effective on
5 passage and approval and applies retroactively, within the meaning of 1-2-109, to tax years beginning after
6 December 31, 1994.

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-END-

STATE OF MONTANA - FISCAL NOTE

Fiscal Note for SB0213, as introduced

DESCRIPTION OF PROPOSED LEGISLATION:

An act increasing the income limitations applicable to a property tax exemption for a disabled veteran or surviving spouse; and providing an immediate effective date and a retroactive applicability date.

ASSUMPTIONS:

1. The Department of Revenue would be required to inform the public of the change in eligibility criteria contained in the proposal. It is estimated that this would require a one-time advertising expenditure of \$3,000 in FY95.


FISCAL IMPACT:


Expenditures:

The proposal results in a one-time expenditure of \$3,000 in FY95.

Revenues:

The proposal would slightly decrease FY96 or FY97 property tax revenues. The extent of the impact is dependent on the increase in participation created by the proposal. The Department of Revenue does not have data available to estimate the impact of the proposal.


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


WILLIAM WILSON, PRIMARY SPONSOR DATE
Fiscal Note for SB0213, as introduced