

SENATE BILL NO. 328

INTRODUCED BY

Bradley Clutt

Tom Nelson HARP

A BILL FOR AN ACT ENTITLED: "AN ACT CLARIFYING THAT THE PROPERTY TAX IMPOSED ON PERSONAL PROPERTY OWNED BY A BUSINESS IS A BUSINESS EQUIPMENT TAX; REQUIRING THE DEPARTMENT OF REVENUE TO NOTIFY TAXPAYERS THAT THE STATEMENT FOR REPORTING PERSONAL PROPERTY OWNED BY A BUSINESS IS FOR BUSINESS EQUIPMENT AND OTHER BUSINESS PERSONAL PROPERTY; AND AMENDING SECTION 15-8-301, MCA."

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

NEW SECTION. Section 1. Business equipment tax on business personal property.

A personal property tax applied to any class of personal property, excluding livestock, described in this part that belongs to, is claimed by, or is in the possession of or under the control or management of a sole proprietor, firm, association, partnership, business, corporation, or limited liability company is a business equipment tax.

Section 2. Section 15-8-301, MCA, is amended to read:

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

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

(b) all property belonging to, claimed by, or in the possession or under the control or management of any firm of which the person is a member;

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

(d) the county in which the property is situated or in which the property is liable to taxation and, if liable to taxation in the county in which the statement is made, also the city, town, school district, road

1 district, or other revenue districts in which the property is situated;

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

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

6 (2) The department shall notify the taxpayer in the statement for reporting personal property owned
7 by a business or used in a business that the statement is for reporting business equipment and other
8 business personal property described in Title 15, chapter 6, part 1.

9 ~~(2)(3)~~ Whenever one member of a firm or one of the proper officers of a corporation has made a
10 statement showing the property of the firm or corporation, another member of the firm or another officer
11 is not required to include the property in that person's statement but the statement must show the name
12 of the person or officer who made the statement in which the property is included.

13 ~~(3)(4)~~ The fact that a statement is not required or that a person has not made a statement, under
14 oath or otherwise, does not relieve the person's property from taxation."
15

16 NEW SECTION. Section 3. Codification instruction. [Section 1] is intended to be codified as an
17 integral part of Title 15, chapter 6, part 1, and the provisions of Title 15, chapter 6, part 1, apply to
18 [section 1].

19 -END-

STATE OF MONTANA - FISCAL NOTE

Fiscal Note for SB0328, as introduced

DESCRIPTION OF PROPOSED LEGISLATION:

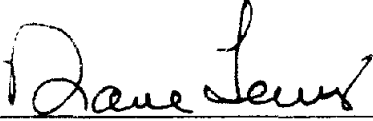
An act clarifying that the property tax imposed on personal property owned by a business is a business equipment tax; requiring the Department of Revenue to notify taxpayers that the statement for reporting personal property owned by a business is for business equipment and other business personal property.

ASSUMPTIONS:

1. This proposal would become effective October 1, 1995.

FISCAL IMPACT:

This bill has no impact on revenues. It requires that the Department of Revenue notify the taxpayer in the statement for reporting personal property that the statement is for reporting business equipment and other business personal property. There may be some cost associated with changing the personal property reporting statement but these are expected to be minimal.

 2-11-95
DAVE LEWIS, BUDGET DIRECTOR DATE
Office of Budget and Program Planning

 2-11-95
SUE BARTLETT, PRIMARY SPONSOR DATE
Fiscal Note for SB0328, as introduced

SB 328

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2 INTRODUCED BY

Christie Clutt

Don Nelson HARP

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15 proprietor, firm, association, partnership, business, corporation, or limited liability company is a business
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18 **Section 2.** Section 15-8-301, MCA, is amended to read:

19 **"15-8-301. Statement -- what to contain.** (1) The department may require from a person a
20 statement under oath setting forth specifically all the real and personal property owned by, in possession
21 of, or under the control of the person at midnight on January 1. The statement must be in writing, showing
22 separately:

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

25 (b) all property belonging to, claimed by, or in the possession or under the control or management
26 of any firm of which the person is a member;

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

29 (d) the county in which the property is situated or in which the property is liable to taxation and,
30 if liable to taxation in the county in which the statement is made, also the city, town, school district, road

1 district, or other revenue districts in which the property is situated;

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

3 (f) all depots, shops, stations, buildings, and other structures erected on the space covered by the
4 right-of-way and all other property owned by any person owning or operating any railroad within the
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9 ~~(2)~~(3) Whenever one member of a firm or one of the proper officers of a corporation has made a
10 statement showing the property of the firm or corporation, another member of the firm or another officer
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(c) all property belonging to, claimed by, or in the possession or under the control or management of any corporation of which the person is president, secretary, cashier, or managing agent;

(d) the county in which the property is situated or in which the property is liable to taxation and, if liable to taxation in the county in which the statement is made, also the city, town, school district, road

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

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4 right-of-way and all other property owned by any person owning or operating any railroad within the
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6 (2) The department shall notify the taxpayer in the statement for reporting personal property owned
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