

1 Senate BILL NO. 213  
 2 INTRODUCED BY Matthew - Anthony Zucchi  
 3

4 A BILL FOR AN ACT ENTITLED: "AN ACT REVISING THE PROPERTY TAX EXEMPTION FOR A DISABLED  
 5 VETERAN OR SURVIVING SPOUSE; ELIMINATING THE INCOME LIMITATION APPLICABLE TO THE  
 6 PROPERTY TAX EXEMPTION FOR A DISABLED VETERAN; INCREASING THE INCOME LIMITATION  
 7 APPLICABLE TO THE PROPERTY TAX EXEMPTION FOR A SURVIVING SPOUSE; AMENDING SECTION  
 8 15-6-211, MCA; AND PROVIDING AN IMMEDIATE EFFECTIVE DATE AND A RETROACTIVE  
 9 APPLICABILITY DATE."

10  
 11 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

12  
 13 **Section 1.** Section 15-6-211, MCA, is amended to read:

14 **"15-6-211. Certain disabled or deceased veterans' residences exempt.** (1) A residence, including  
 15 the lot on which it is built, that is owned and occupied by a veteran or a veteran's spouse is exempt from  
 16 property taxation ~~under the following conditions. The if the veteran must:~~

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

19 (b) if living:

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

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

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

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

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

30 (b) has an annual adjusted gross income, as reported on the latest federal income tax return, of

1 not more than ~~\$15,000~~ \$25,000;

2 (c) is unmarried; and

3 (d) has obtained from the United States department of veterans affairs a letter indicating that the  
4 veteran was 100% service-connected disabled at the time of death or that the veteran died while on active  
5 duty or as a result of a service-connected disability."

6

7 **NEW SECTION. Section 2. Effective date -- retroactive applicability.** [This act] is effective on  
8 passage and approval and applies retroactively, within the meaning of 1-2-109, to property tax years  
9 beginning after December 31, 1996.

10

-END-

STATE OF MONTANA - FISCAL NOTE

Fiscal Note for SB0213, as introduced

DESCRIPTION OF PROPOSED LEGISLATION:

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

ASSUMPTIONS:

Under current law, it is estimated that the property tax exemption for a disabled veteran or surviving spouse would exempt \$1,500,000 of taxable value from property taxation for each fiscal year in the biennium. This translates into a reduction of revenue of \$151,500 to the state 101 mill levy, \$123,000 for county governments, \$268,500 for local school governments, and \$75,000 for cities/towns.

FISCAL IMPACT:

The proposal does not impact expenditures of the Department of Revenue.


The proposal would decrease FY98 and FY99 property tax revenues. The extent of the impact is dependent on the increase in participation created by the proposal. For each 10% increase in participation, property tax revenue would decrease \$15,150 for the statewide 101 mill levy for each year in the biennium.

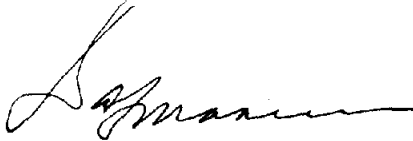
EFFECT ON COUNTY OR OTHER LOCAL REVENUES:

The proposal would decrease FY98 and FY99 property tax revenues. The extent of the impact is dependent on the increase in participation created by the proposal. For each 10% increase in participation, property tax revenue would decrease \$12,300 for county governments, \$26,850 for local school governments, and \$7,500 for cities/towns, for each fiscal year in the biennium.

TECHNICAL NOTE:

The proposal has a retroactive effective date. This would conflict with current law practice. Currently, there is a March 15 application deadline for the exemption. Also, property taxes for personal property mobile homes are paid in April of the tax year.

 1-29-97  
DAVE LEWIS, BUDGET DIRECTOR      DATE  
Office of Budget and Program Planning

 1/29/97  
DALE MAHLUM, PRIMARY SPONSOR      DATE

Fiscal Note for SB0213, as introduced

**SB 213**

## SENATE BILL NO. 213

INTRODUCED BY MAHLUM, PAVLOVICH, QUILICI

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

and

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

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

(III) HAS AN ANNUAL ADJUSTED GROSS INCOME, AS REPORTED ON THE LATEST FEDERAL INCOME TAX RETURN, OF NOT MORE THAN \$30,000 FOR A SINGLE PERSON AND \$36,000 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

1 veteran is deceased, by the veteran's spouse and the spouse:

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

3 (b) has an annual adjusted gross income, as reported on the latest federal income tax return, of  
4 not more than ~~\$15,000~~ \$25,000;

5 (c) is unmarried; and

6 (d) has obtained from the United States department of veterans affairs a letter indicating that the  
7 veteran was 100% service-connected disabled at the time of death or that the veteran died while on active  
8 duty or as a result of a service-connected disability."

9

10 NEW SECTION. **Section 2. Effective date -- ~~retroactive~~ applicability.** [This act] is effective ~~on~~  
11 ~~passage and approval~~ JANUARY 1, 1998, and applies ~~retroactively, within the meaning of 1-2-109,~~ to  
12 property tax years beginning after December 31, ~~1996~~ 1997.

13

-END-

## SENATE BILL NO. 213

INTRODUCED BY MAHLUM, PAVLOVICH, QUILICI

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

~~and~~

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

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

(III) HAS AN ANNUAL ADJUSTED GROSS INCOME, AS REPORTED ON THE LATEST FEDERAL INCOME TAX RETURN, OF NOT MORE THAN \$30,000 FOR A SINGLE PERSON AND \$36,000 FOR A MARRIED COUPLE.

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

1 veteran is deceased, by the veteran's spouse and the spouse:

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

3 (b) has an annual adjusted gross income, as reported on the latest federal income tax return, of  
4 not more than ~~\$15,000~~ \$25,000;

5 (c) is unmarried; and

6 (d) has obtained from the United States department of veterans affairs a letter indicating that the  
7 veteran was 100% service-connected disabled at the time of death or that the veteran died while on active  
8 duty or as a result of a service-connected disability."  
9

10 NEW SECTION. Section 2. Effective date -- ~~retroactive~~ applicability. [This act] is effective on  
11 ~~passage and approval~~ JANUARY 1, 1998, and applies ~~retroactively, within the meaning of 1-2-109,~~  
12 property tax years beginning after December 31, ~~1996~~ 1997.

13

-END-

## SENATE BILL NO. 213

INTRODUCED BY MAHLUM, PAVLOVICH, QUILICI

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

and

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

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

(iii) HAS AN ANNUAL ADJUSTED GROSS INCOME, AS REPORTED ON THE LATEST FEDERAL INCOME TAX RETURN, OF NOT MORE THAN \$30,000 FOR A SINGLE PERSON AND \$36,000 FOR A MARRIED COUPLE.

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



- 1 veteran is deceased, by the veteran's spouse and the spouse:
- 2 (a) is the owner and occupant of the house;
- 3 (b) has an annual adjusted gross income, as reported on the latest federal income tax return, of
- 4 not more than ~~\$15,000~~ \$25,000;
- 5 (c) is unmarried; and
- 6 (d) has obtained from the United States department of veterans affairs a letter indicating that the
- 7 veteran was 100% service-connected disabled at the time of death or that the veteran died while on active
- 8 duty or as a result of a service-connected disability."

9

10 **NEW SECTION. Section 2. Effective date -- retroactive applicability.** [This act] is effective on

11 ~~passage and approval~~ JANUARY 1, 1998, and applies ~~retroactively, within the meaning of 1-2-100,~~ to

12 property tax years beginning after December 31, ~~1996~~ 1997.

13

-END-

## SENATE BILL NO. 213

INTRODUCED BY MAHLUM, PAVLOVICH, QUILICI

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

and

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

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

(III) HAS AN ANNUAL ADJUSTED GROSS INCOME, AS REPORTED ON THE LATEST FEDERAL INCOME TAX RETURN, OF NOT MORE THAN \$30,000 FOR A SINGLE PERSON AND \$36,000 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

- 1 veteran is deceased, by the veteran's spouse and the spouse:
- 2 (a) is the owner and occupant of the house;
- 3 (b) has an annual adjusted gross income, as reported on the latest federal income tax return, of
- 4 not more than ~~\$15,000~~ \$25,000;
- 5 (c) is unmarried; and
- 6 (d) has obtained from the United States department of veterans affairs a letter indicating that the
- 7 veteran was 100% service-connected disabled at the time of death or that the veteran died while on active
- 8 duty or as a result of a service-connected disability."

9

10 NEW SECTION. Section 2. Effective date -- retroactive applicability. [This act] is effective on

11 ~~passage and approval~~ JANUARY 1, 1998, and applies ~~retroactively, within the meaning of 1-2-109,~~ to

12 property tax years beginning after December 31, ~~1996~~ 1997.

13

-END-