

1 SENATE BILL NO. 303

2 INTRODUCED BY D. HARGROVE

3

4 A BILL FOR AN ACT ENTITLED: "AN ACT REVISING THE MANNER OF DETERMINING PROPERTY TAXES
 5 IMPOSED ON AGRICULTURAL PROPERTY AND FOREST LAND FOR THE PAYMENT OF THE PRINCIPAL
 6 AND INTEREST ON BONDS ISSUED BY A PUBLIC BODY FOR THE PRESERVATION OF OPEN SPACE;
 7 AMENDING SECTION 76-6-109, MCA; AND PROVIDING AN IMMEDIATE EFFECTIVE DATE AND AN
 8 APPLICABILITY DATE."

9

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

11

12 ~~NEW SECTION. Section 1. Limitation on taxation of agricultural property for bonds.~~ The property
 13 tax levied for the payment of the principal and interest on general obligation bonds issued by a public body
 14 pursuant to this chapter may, for agricultural land described in 15-7-202(1), be levied only on the principal
 15 dwelling, if any, on the property.

16

17 **Section 1.** Section 76-6-109, MCA, is amended to read:

18 **"76-6-109. Powers of public bodies.** (1) A public body has all the powers necessary or convenient
 19 power to carry out the purposes and provisions of this chapter, including the following powers in addition
 20 to others granted by this chapter:

21 (a) to borrow funds and make expenditures necessary to carry out the purposes of this chapter;

22 (b) to advance or accept advances of public funds;

23 (c) to apply for and accept and ~~utilize~~ use grants and any other assistance from the federal
 24 government and any other public or private sources, to give security as may be required, to enter into and
 25 carry out contracts or agreements in connection with the assistance, and to include in any contract for
 26 assistance from the federal government conditions imposed pursuant to federal laws as the public body
 27 may consider reasonable and appropriate and that are not inconsistent with the purposes of this chapter;

28 (d) to make and execute contracts and other instruments necessary or convenient to the exercise
 29 of its powers under this chapter;

30 (e) in connection with the real property acquired or designated for the purposes of this chapter,

1 to provide or to arrange or contract for the provision, construction, maintenance, operation, or repair by
 2 any person or agency, public or private, of services, privileges, works, streets, roads, public utilities, or
 3 other facilities or structures that may be necessary to the provision, preservation, maintenance, and
 4 management of the property as open-space land;

5 (f) to insure or provide for the insurance of any real or personal property or operations of the public
 6 body against any risks or hazards, including the power to pay premiums on the insurance;

7 (g) to demolish or dispose of any structures or facilities that may be detrimental to or inconsistent
 8 with the use of real property as open-space land; and

9 (h) to exercise any ~~or all~~ of its functions and powers under this chapter jointly or cooperatively
 10 with public bodies of one or more states, if they are authorized by state law, and with one or more public
 11 bodies of this state and to enter into agreements for joint or cooperative action.

12 (2) For the purposes of this chapter, the state or a city, town, other municipality, or county may:

13 (a) appropriate funds;

14 (b) subject to 15-10-420, levy taxes and assessments according to existing codes and statutes
 15 not to exceed 1 mill;

16 (c) issue and sell its general obligation bonds in the manner and within the limitations prescribed
 17 by the applicable laws of the state, subject to ~~section 11~~ SUBSECTION (3); and

18 (d) exercise its powers under this chapter through a board or commission or through the office
 19 or officers that its governing body by resolution determines or as the governor determines in the case of
 20 the state.

21 (3) PROPERTY TAXES LEVIED TO PAY THE PRINCIPAL AND INTEREST ON GENERAL OBLIGATION BONDS ISSUED BY
 22 A CITY, TOWN, OTHER MUNICIPALITY, OR COUNTY PURSUANT TO THIS CHAPTER MAY NOT BE LEVIED AGAINST THE
 23 FOLLOWING PROPERTY:

24 (A) AGRICULTURAL LAND ELIGIBLE FOR VALUATION, ASSESSMENT, AND TAXATION AS AGRICULTURAL LAND UNDER
 25 15-7-202;

26 (B) FOREST LAND AS DEFINED IN 15-44-102;

27 (C) ALL AGRICULTURAL IMPROVEMENTS ON AGRICULTURAL LAND REFERRED TO IN SUBSECTION (3)(A);

28 (D) ALL NONCOMMERCIAL IMPROVEMENTS ON FOREST LAND REFERRED TO IN SUBSECTION (3)(B);

29 (E) AGRICULTURAL IMPLEMENTS AND EQUIPMENT DESCRIBED IN 15-6-138(1)(A); AND

30 (F) LIVESTOCK DESCRIBED IN 15-6-136(1)(A)."

1

2 ~~NEW SECTION. Section 3. Codification instruction.~~ [Section 1] is intended to be codified as an
3 integral part of Title 76, chapter 6, part 1, and the provisions of Title 76, chapter 6, part 1, apply to
4 {section 1}.

5

6 ~~NEW SECTION. Section 4. Saving clause.~~ [This act] does not affect rights and duties that
7 matured, penalties that were incurred, or proceedings that were begun before [the effective date of this
8 act].

9

10 NEW SECTION. Section 2. Effective date. [This act] is effective ~~July 1, 2004~~ ON PASSAGE AND
11 APPROVAL.

12

13 NEW SECTION. Section 3. Applicability. [This act] applies to mill levies assessed against property
14 for the payment of interest and principal on open-space bonds ~~authorized and~~ issued after [the effective
15 date of this act].

16

- END -