

Amendments to House Bill No. 408  
1st Reading Copy

Requested by Representative Edward Butcher

For the House Taxation Committee

Prepared by Greg Petesch  
March 9, 2005 (8:28am)

1. Title, line 5.

**Strike:** "AMENDMENTS"

**Insert:** "AN AMENDMENT"

**Strike:** "AND ARTICLE VIII, SECTION 16,"

2. Title, lines 6 and 7.

**Following:** "TAXATION" on line 6

**Strike:** remainder of line 6 through "REVENUE" on line 7

3. Title, lines 9 and 10.

**Following:** "CIRCUMSTANCES;" on line 9

**Strike:** remainder of line 9 through "AMOUNT;" on line 10

4. Page 1, line 23 through page 1, line 26.

**Following:** "(a)" on page 1, line 23

**Strike:** remainder of line 23 through page 1, line 26 in their entirety

**Insert:** "An individual who files a Montana resident income tax return may request that all property owned in Montana be exempt from property taxation by filing a request with the department of revenue along with a list of the counties in which property is owned. The property tax exemption does not apply to special assessments or voted bond obligations.

(b) (i) To qualify for the exemption in subsection (4)(a), each of the members of the immediate family of the individual, including dependents, shall file a Montana resident income tax return.

(ii) The department shall immediately notify the counties in which the property is located that the property owner has qualified for an exemption.

(iii) Each county shall total the amount of the property tax exemption and notify the department of the total. The department shall reimburse the county for the amount of the exemption.

(c) (i) The property tax exemption in subsection (4)(b) shall continue as long as the property owner qualifies as a Montana resident required to file income taxes. If a qualified

individual fails to file a resident income tax return by April 15 of a tax year, the individual does not qualify for the property tax exemption and the loss of the exemption applies as of the beginning of the tax year.

(ii) The department shall notify each appropriate county treasurer that the property owned by an individual described in subsection (4)(c)(i) is subject to taxation and is not eligible for the state reimbursement under subsection (4)(b)(iii)."

**Renumber:** subsequent subsections

5. Page 1, line 27.

**Strike:** "(ii)"

**Insert:** "(5) (a) The"

6. Page 1, line 28.

**Strike:** "(4)(a)(iii)"

**Insert:** "(5)(b)"

**Following:** "(4)(a)(iii),"

**Insert:** "is exempt"

7. Page 1, line 30.

**Strike:** "(A)"

**Insert:** "(i)"

**Renumber:** subsequent subsection

8. Page 2, line 3.

**Strike:** "; and"

**Insert:** "."

9. Page 2, line 4.

**Strike:** "(iii) property"

**Insert:** "(b) Property"

**Following:** "legal entity"

**Insert:** "is exempt"

10. Page 2, line 6.

**Strike:** "(b)"

**Insert:** "(6)"

**Renumber:** subsequent subsection

11. Page 2, line 6.

**Strike:** "that is not subject to income taxes"

12. Page 2, line 7.

**Following:** "(4)(a)"

**Insert:** "unless both the lessor and the lessee qualify pursuant to subsection (4)"

13. Page 2, line 9.

**Following:** "taxes."

**Insert:** "Under this section, property taxes may not be increased beyond an inflation factor as provided by law."

14. Page 2, line 10.

**Strike:** "(5)"

**Insert:** "(8)"

15. Page 2, line 12 through line 28.

**Strike:** section 2 in its entirety

**Renumber:** subsequent sections

16. Page 2, line 30.

**Strike:** "these amendments are"

**Insert:** "this amendment is"

17. Page 3, line 6.

**Following:** "residents"

**Strike:** ", "

**Insert:** "and"

18. Page 3, line 7.

**Following:** "taxes"

**Strike:** remainder of line 7 through "rebates"

19. Page 3, line 8.

**Following:** "residents"

**Strike:** ", "

**Insert:** "and"

20. Page 3, line 9.

**Following:** "taxes"

**Strike:** remainder of line 9 through "rebates"

-END-