

Montana State Legislature

Exhibit Number: 1

The following exhibit is several assorted documents that exceeds the 10-page limit therefore it cannot be scanned.

A small portion has been scanned to aid in your research for information. The exhibit is on file at the Montana Historical Society and can be viewed there.

"The 'Free Ride' in Montana must stop!"

- Senator Sam Kitzenberg

The Solution: SB 512

4% Sales Tax. This will provide elimination of the
101 mills on property and fund other programs.

Unprepared food and medical are exempt.

4.4% funding for Elderly Programs

2.32% funding for MUS Scholarships

2.32% funding for Older American Trust Fund

4.9% funding for Alcohol & Chemical
Dependency Programs

13.3% for S.H.I.P.

3.4% for Small Business Health Credit

56.06% to Eliminate Statewide Mills

1.5% for Administration of Sales Tax

12.2% Left to Fund Other Programs

2004 Classes of Property and Tax Year 2004 Tax Rates

| | | |
|-----------------|---|--|
| Class 1 | Net proceeds of mines and mining claims except coal and metal mines (MCA 15-6-131) | 100% of annual net proceeds |
| Class 2 | Gross proceeds of metal mines (MCA 15-6-132) | 3% of annual gross proceeds |
| Class 3 | Agricultural land (MCA 15-6-133) | 3.30% |
| | Non-productive patented mining claims | 3.30% |
| | Non-qualified agricultural land | 23.10% |
| Class 4 | Residential, commercial, and industrial land and improvements (MCA 15-6-134) | 3.30% |
| | Mobile homes | 3.30% |
| | Eligible golf courses | 1.65% |
| Class 5 | Air and water pollution control equipment (MCA 15-6-135) | 3.00% |
| | Independent and rural electric and telephone cooperatives | 3.00% |
| | Real and personal property of "New Industry" | 3.00% |
| | Machinery and equipment used in electrolytic reduction facilities | 3.00% |
| | Real and personal property of research and development firms | 3.00% |
| | Real and personal property used in the production of gasohol | 3.00% |
| Class 6 | Repealed. Sec. 9, Ch. 267, L. 1993 | |
| Class 7 | Non-centrally assessed utilities (MCA 15-6-137) | 8.00% |
| Class 8 | Business equipment (MCA 15-6-138) | 3.00% |
| | A business with equipment that has a total market value of less than \$5,000 is exempt from class 8 taxation | |
| Class 9 | All property of pipelines and the non-electric generating property of electric utilities (MCA 15-6-141) | 12.00% |
| Class 10 | Forestland (MCA 15-6-143) | 0.35% |
| Class 11 | Repealed. Sec. 9, Ch. 267, L. 1993 | |
| Class 12 | All property of railroads and airlines (MCA 15-6-145) | 3.81% for tax year 2004 (recalculated each year) |
| Class 13 | All property of telecommunication utilities and the electric generating property of electric utilities (MCA 15-6-156) | 6.00% |