

1 _____ BILL NO. _____

2 INTRODUCED BY _____
3 (Primary Sponsor)

4 A BILL FOR AN ACT ENTITLED: "AN ACT INCREASING THE AGGREGATE EXEMPTION FOR CLASS EIGHT
5 BUSINESS EQUIPMENT FROM \$20,000 TO \$50,000; AMENDING SECTION 15-6-138, MCA; AND PROVIDING
6 AN APPLICABILITY DATE."

7
8 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

9
10 **Section 1.** Section 15-6-138, MCA, is amended to read:

11 **"15-6-138. Class eight property -- description -- taxable percentage.** (1) Class eight property
12 includes:

- 13 (a) all agricultural implements and equipment that are not exempt under 15-6-207 or 15-6-220;
- 14 (b) all mining machinery, fixtures, equipment, tools that are not exempt under 15-6-219, and supplies
15 except those included in ~~class five~~ 15-6-135;
- 16 (c) all oil and gas production machinery, fixtures, equipment, including pumping units, oil field storage
17 tanks, water storage tanks, water disposal injection pumps, gas compressor and dehydrator units, communication
18 towers, gas metering shacks, treaters, gas separators, water flood units, gas boosters, and similar equipment
19 that is skidable, portable, or movable, tools that are not exempt under 15-6-219, and supplies except those
20 included in ~~class five~~ 15-6-135;
- 21 (d) all manufacturing machinery, fixtures, equipment, tools, except a certain value of hand-held tools and
22 personal property related to space vehicles, ethanol manufacturing, and industrial dairies and milk processors
23 as provided in 15-6-220, and supplies except those included in ~~class five~~ 15-6-135;
- 24 (e) all goods and equipment that are intended for rent or lease, except goods and equipment that are
25 specifically included and taxed in another class and items of personal property intended for rent or lease as
26 provided in 15-6-219;
- 27 (f) special mobile equipment as defined in 61-1-101;
- 28 (g) furniture, fixtures, and equipment, except that specifically included in another class, used in
29 commercial establishments as defined in this section;
- 30 (h) x-ray and medical and dental equipment;

- 1 (i) citizens' band radios and mobile telephones;
2 (j) radio and television broadcasting and transmitting equipment;
3 (k) cable television systems;
4 (l) coal and ore haulers;
5 (m) theater projectors and sound equipment; and
6 (n) all other property that is not included in any other class in this part, except that property that is subject
7 to a fee in lieu of a property tax.

8 (2) As used in this section, "coal and ore haulers" means nonhighway vehicles that exceed 18,000
9 pounds an axle and that are primarily designed and used to transport coal, ore, or other earthen material in a
10 mining or quarrying environment.

11 (3) "Commercial establishment" includes any hotel, motel, office, petroleum marketing station, or service,
12 wholesale, retail, or food-handling business.

13 (4) Class eight property is taxed at 3% of its market value.

14 (5) The class eight property of a person or business entity that owns an aggregate of ~~\$20,000~~ \$50,000
15 or less in market value of class eight property is exempt from taxation."
16

17 **NEW SECTION. Section 2. Applicability.** [This act] applies to property tax years beginning after
18 December 31, 2007.

19 - END -