EXHIBIT 7
DATE 4.24.07
HB 678

Amendments to House Bill No. 678
Reference Copy

Requested by Representative Wayne Stahl (5)

For the Senate Free Conference Committee

Prepared by Lee Heiman
April 23, 2007 (11:47am)

1. Title, line 5.
Following: "LAWS;"
Insert: "ALLOWING A REFUNDABLE INCOME TAX CREDIT FOR THE AMOUNT OF PROPERTY TAXES PAID ON $20,000 OF MARKET VALUE OF A PRINCIPAL RESIDENCE ATTRIBUTABLE TO THE 95-MILL STATEWIDE LEVIES TO FUND SCHOOLS; GRANTING AUTHORITY TO THE DEPARTMENT OF REVENUE TO REQUIRE SOCIAL SECURITY NUMBERS OR TAXPAYER IDENTIFICATION NUMBERS IN TAX MATTERS;"

2. Title, line 11.
Following: "~~20-9-104,~~"
Insert: "15-1-201,"

3. Title, line 14.
Strike: "AN APPLICABILITY DATE"
Insert: "APPLICABILITY DATES"

4. Page 1, line 17.
Insert: "NEW SECTION. **Section 1. Refundable income tax credit -- statewide equalization property tax levies on principal residence.** (1) (a) There is a credit against the tax imposed by this chapter, which is calculated by multiplying the amount of property taxes imposed and paid on a property taxpayer's principal residence under 20-9-331, 20-9-333, and 20-9-360 on $20,000 of market value on the residence times the relief multiple.

(b) As used in subsection (1)(a), the relief multiple is a number used to change the amount of tax relief allowed under this section. The relief multiple is 5. Each interim the revenue and transportation interim committee shall, based upon actual and projected state revenue and spending and any other appropriate factors, determine if a change in the relief multiple is justified. If a change is justified, the committee shall request a bill to change the relief multiple.

(2) As used in this section, "principal residence" means a class four residential dwelling that is a single-family dwelling unit, unit of a multiple-unit dwelling, trailer, manufactured home, or mobile home and as much of the surrounding land, not exceeding 1 acre, as is reasonably necessary for its use as a dwelling and that is occupied by the owner for at least 7 months

during the tax year.

(3) Only one claim may be made with respect to any property.

(4) If the amount of the credit exceeds the claimant's liability under this chapter, the amount of the excess must be refunded to the claimant. The credit may be claimed even if the claimant has no income taxable under this chapter."

Insert: "Section 2. Section 15-1-201, MCA, is amended to read:

"15-1-201. Administration of revenue laws. (1) (a) The department has general supervision over the administration of the assessment and tax laws of the state, except Title 15, chapters 70 and 71, and over any officers of municipal corporations having any duties to perform under the laws of this state relating to taxation to the end that all assessments of property are made relatively just and equal, at true value, and in substantial compliance with law. The department may make rules to supervise the administration of all revenue laws of the state and assist in their enforcement.

(b) In the administration of any tax over which it has general supervision, the department may require all individuals subject to the tax laws of the state to provide to the department the individual's social security number, federal employee identification number, or taxpayer identification number.

~~(b)~~(c) The department may contract with the U.S. department of the interior or any other federal agency to perform federal royalty audits, collection services, and any other delegable functions related to mining operations on federal lands within the state pursuant to the Federal Oil and Gas Royalty Simplification and Fairness Act of 1996.

~~(c)~~(d) The department shall adopt rules specifying which types of property within the several classes are considered comparable property as defined in 15-1-101.

~~(d)~~(e) The department shall also adopt rules for determining the value-weighted mean sales assessment ratio for all commercial and industrial real property and improvements.

(2) The department shall confer with, advise, and direct officers of municipal corporations concerning their duties, with respect to taxation, under the laws of the state.

(3) The department shall collect annually from the proper officers of the municipal corporations information, in a form prescribed by the department, about the assessment of property, collection of taxes, receipts from licenses and other sources, expenditure of public funds for all purposes, and other information as may be necessary and helpful in the work of the department. It is the duty of all public officers to fill out properly and return promptly to the department all forms and to aid the department in its work. The department shall examine the records of all municipal corporations for purposes considered necessary or helpful."

{*Internal References to 15-1-201:*
15-1-301 15-1-301}"

Renumber: subsequent sections

5. Page 34, line 10.
Insert: "NEW SECTION. **Section 9. {standard} Codification instruction.** [Section 1] is intended to be codified as an integral part of Title 15, chapter 30, and the provisions of Title 15, chapter 30, apply to [section 1]."
Renumber: subsequent sections

6. Page 34, line 11 through line 12.
Strike: "-- APPLICABILITY" on line 11
Strike: ", AND" on line 11 through "2007" on line 12

7. Page 34.
Following: line 12
Insert: "NEW SECTION. **Section 11. Applicability.** (1) [Section 1] applies to tax years beginning after December 31, 2007.

(2) [Section 2] applies to tax years beginning after December 31, 2007.

(3) [Sections 3 through 8] apply to school district budgets for school fiscal years beginning on or after July 1, 2007."

- END -