

HOUSE JOINT RESOLUTION NO. 43
INTRODUCED BY PETERSON

A JOINT RESOLUTION OF THE SENATE AND THE HOUSE OF REPRESENTATIVES OF THE STATE OF MONTANA REQUESTING AN INTERIM STUDY OF THE CLASSIFICATION, VALUATION, AND TAXATION OF AGRICULTURAL LAND.

WHEREAS, the Montana Constitution requires the equalization of valuation of all property subject to taxation; and

WHEREAS, agricultural land is classified for property tax purposes according to its use that includes irrigated use, nonirrigated use, and grazing use and is further subclassified by production categories; and

WHEREAS, agricultural land is taxed based on its productive capacity; and

WHEREAS, the several classification categories and other determinants of value may result in anomalies in the equalization of value of agricultural land; and

WHEREAS, the current classification and valuation methods applied to agricultural land may be outdated and unfair; and

WHEREAS, the Department of Revenue requested legislation to revise the valuation of agricultural land; and

WHEREAS, the proposed legislation did not adequately deal with the many problems associated with the valuation of agricultural land.

NOW, THEREFORE, BE IT RESOLVED BY THE SENATE AND THE HOUSE OF REPRESENTATIVES OF THE STATE OF MONTANA:

That the Legislative Council be requested to designate an appropriate interim committee, pursuant to section 5-5-217, MCA, or direct sufficient staff resources to examine the current methods used for the classification and valuation of agricultural land for property tax purposes and to examine alternative methods of classification and valuation.

BE IT FURTHER RESOLVED, that participants in the study include representatives of the Department of Revenue, the Department of Agriculture, and persons and organizations knowledgeable in agriculture and agricultural economics.

BE IT FURTHER RESOLVED, that if the study is assigned to staff, any findings or conclusions be

presented to and reviewed by an appropriate committee designated by the Legislative Council.

BE IT FURTHER RESOLVED, that all aspects of the study, including presentation and review requirements, be concluded before September 15, 2006.

BE IT FURTHER RESOLVED, that the final results of the study, including any findings, conclusions, comments, or recommendations of the appropriate committee, be reported to the 60th Legislature.

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