

## HOUSE BILL NO. 217

INTRODUCED BY M. MILLER

A BILL FOR AN ACT ENTITLED: "AN ACT EXTENDING THE PROPERTY TAX EXEMPTION FOR RESIDENCES OF CERTAIN DISABLED OR DECEASED VETERANS TO ALSO EXEMPT FEES AND ASSESSMENTS FOR SERVICES AND SPECIAL IMPROVEMENTS THAT ARE COLLECTED WITH PROPERTY TAXES; AMENDING SECTION 15-6-211, MCA; AND PROVIDING AN APPLICABILITY DATE."

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

**Section 1.** Section 15-6-211, MCA, is amended to read:

**"15-6-211. Certain disabled or deceased veterans' residences exempt.** (1) Subject to subsection (7), a residence and appurtenant land, not to exceed 5 acres, on which it is built that is owned and occupied by a veteran or a veteran's spouse is exempt from property taxation and from fees and assessments for services and special improvements that are collected with property taxes as provided in this section if the veteran:

(a) was killed while on active duty or died as a result of a service-connected disability; or

(b) if living:

(i) was honorably discharged from active service in any branch of the armed services; and

(ii) is currently rated 100% disabled or is paid at the 100% disabled rate by the U.S. department of veterans affairs for a service-connected disability, as verified by official documentation from the U.S. department of veterans affairs.

(2) (a) Property qualifying for a property tax exemption under subsection (1) is taxed at the rate provided in 15-6-134(2)(a) multiplied by a percentage figure based on income and determined from the following table:

Income	Income	Percentage
Single Person	Married Couple	Multiplier
	Head of Household	
\$0 - \$30,000	\$0 - \$36,000	0%
\$30,001 - \$33,000	\$36,001 - \$39,000	20%
\$33,001 - \$36,000	\$39,001 - \$42,000	30%
\$36,001 - \$39,000	\$42,001 - \$45,000	50%

(b) To determine the amount of the exemption from fees and assessments for services and special improvements that are collected with property taxes, each fee and assessment must be multiplied by the applicable percentage multiplier in subsection (2)(a) to determine the amount of the fee or assessment to be paid.

(3) The ~~property tax~~ exemption under this section from property taxation and from fees and assessments collected with property taxes remains in effect as long as the property is the primary residence owned and occupied by the veteran or, if the veteran is deceased, by the veteran's spouse and the spouse:

(a) is the owner and occupant of the house;

(b) is unmarried; and

(c) has obtained from the U.S. department of veterans affairs a letter indicating that the veteran was rated 100% disabled or was paid at the 100% disabled rate by the U.S. department of veterans affairs for a service-connected disability at the time of death or that the veteran died while on active duty or as a result of a service-connected disability.

(4) (a) Property qualifying for a property tax exemption under subsection (3) is taxed at the rate provided in 15-6-134(2)(a) multiplied by a percentage figure based on income and determined from the following table:

Income	Percentage
Surviving Spouse	Multiplier
\$0 - \$25,000	0%
\$25,001 - \$28,000	20%
\$28,001 - \$31,000	30%
\$31,001 - \$34,000	50%

(b) To determine the amount of the exemption from fees and assessments for services and special improvements that are collected with property taxes, each fee and assessment must be multiplied by the applicable percentage multiplier in subsection (4)(a) to determine the amount of the fee or assessment to be paid.

(5) For the purposes of the exemption under this section, the income referred to in subsections (2) and (4) is the taxpayer's federal adjusted gross income for the preceding calendar year, as reported on the taxpayer's federal income tax return. A taxpayer who is not required to file a federal income tax return for the preceding calendar year shall determine the taxpayer's federal adjusted gross income as if the taxpayer had filed a return and shall provide other evidence of income as required by the department.

(6) (a) The income levels contained in the tables in subsections (2)(a) and (4)(a) must be adjusted for inflation annually by the department. The adjustment to the income levels is determined by:

1 (i) multiplying the appropriate dollar amount from the table by the ratio of the PCE for the second quarter  
2 of the year prior to the year of application to the PCE for the second quarter of 2002; and

3 (ii) rounding the product obtained in subsection (6)(a)(i) to the nearest dollar amount.

4 (b) "PCE" means the implicit price deflator for personal consumption expenditures as published quarterly  
5 in the Survey of Current Business by the bureau of economic analysis of the U.S. department of commerce.

6 (7) A claim for exemption on a form prescribed by the department must be filed with the department on  
7 or before April 15 of the year for which the exemption is claimed."

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9 NEW SECTION. **Section 2. Applicability.** [This act] applies to property tax years beginning after  
10 December 31, 2011.

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