

HOUSE BILL NO. 573

INTRODUCED BY R. COOK

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A BILL FOR AN ACT ENTITLED: "AN ACT REVISING EDUCATION FUNDING LAWS RELATED TO TAX INCREMENT FINANCING; EXEMPTING PUBLIC SCHOOL EQUALIZATION MILL LEVIES FROM TAX INCREMENT FINANCING; AMENDING SECTION 7-15-4286, MCA; AND PROVIDING AN APPLICABILITY DATE."

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

Section 1. Section 7-15-4286, MCA, is amended to read:

"7-15-4286. Procedure to determine and disburse tax increment. (1) Mill rates of taxing bodies for taxes levied after the effective date of the tax increment provision must be calculated on the basis of the sum of the taxable value, as shown by the last equalized assessment roll, of all taxable property located outside the urban renewal area or targeted economic development district and the base taxable value of all taxable property located within the area or district. The mill rate determined must be levied against the sum of the actual taxable value of all taxable property located within as well as outside the area or district.

(2) (a) The tax increment, if any, received in each year from the levy of the combined mill rates of all the affected taxing bodies against the incremental taxable value within the area or district, except for the university system mills levied and assessed against property and the public school equalization mills levied pursuant to 20-9-331, 20-9-333, and 20-9-360, must be paid into a special fund held by the treasurer of the local government and used as provided in 7-15-4282 through 7-15-4294.

(b) The balance of the taxes collected in each year must be paid to each of the taxing bodies as otherwise provided by law."

NEW SECTION. Section 2. Applicability. [This act] applies to urban renewal districts and targeted economic development districts established under Title 7, chapter 15, part 42, that are initiated on or after [the effective date of this act].

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