

1 SENATE BILL NO. 110  
2 INTRODUCED BY K. REGIER

3  
4 A BILL FOR AN ACT ENTITLED: "AN ACT GENERALLY REVISING PROPERTY TAX ASSISTANCE LAWS;  
5 PROVIDING A FIXED APPRAISED VALUE FOR CERTAIN PRIMARY RESIDENCES OWNED BY  
6 INDIVIDUALS THAT ARE AT LEAST A CERTAIN AGE; REVISING DEFINITIONS; PROVIDING  
7 RULEMAKING AUTHORITY; AMENDING SECTIONS 15-6-301, 15-6-302, AND 15-6-312, MCA; AND  
8 PROVIDING AN APPLICABILITY DATE."

9  
10 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

11  
12 NEW SECTION. **Section 1. Golden years property tax assistance program -- exemption.** (1)

13 There is a golden years property tax assistance program that prevents increases in the appraised value of  
14 qualifying senior property for the purpose of assisting a qualifying senior in residing in a primary senior  
15 residence. To be eligible for the program, applicants must meet the requirements of 15-6-302.

16 (2) The base year appraised value of qualifying senior property is taxed at the rates established by  
17 15-6-134. Any remaining qualifying senior property value is exempt from ad valorem property taxes.

18 (3) (a) A new base year appraised value must be established if an applicant:

19 (i) increases the interior square footage of the primary senior residence; or

20 (ii) constructs an outbuilding that exceeds 200 square feet, not including a porch or a deck.

21 (b) The new base year appraised value for a property that satisfies the criteria in subsection (3)(a)  
22 is equal to the appraised value of the primary senior residence during the first year that the improvements are  
23 considered by the department in a new appraisal.

24  
25 **Section 2.** Section 15-6-301, MCA, is amended to read:

26 **"15-6-301. Definitions.** As used in this part, the following definitions apply:

27 (1) "Annual verification" means the use of a process to:

28 (a) verify an applicant's income for assistance under 15-6-305 or 15-6-311;

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1            (c) The term does not include parcels of land or lots that do not support the primary residential  
2 improvements, regardless of whether those parcels or lots are contiguous with or adjacent to the primary  
3 residential property.

4            ~~(5)(7)~~ "Qualified veteran" means a veteran:

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

6            (b) if living:

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

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

11           ~~(6)(8)~~ "Qualifying income" means:

12           (a) the federal adjusted gross income excluding capital and income losses of an applicant and the  
13 applicant's spouse as calculated on the Montana income tax return for the prior year;

14           (b) for assistance under 15-6-311, the federal adjusted gross income excluding capital and income  
15 losses of an applicant as calculated on the Montana income tax return for the prior tax year; or

16           (c) for an applicant who is not required to file a Montana income tax return, the income determined  
17 using available income information.

18           ~~(7)(9)~~ "Qualifying property" means a primary residence that a qualified applicant owned and occupied  
19 for at least 7 months during the tax year.

20           (10) "Qualifying senior" means a person who is at least 80 years of age on January 1 of the year in  
21 which an exemption is claimed.

22           (11) "Qualifying senior property" means a primary senior residence that a qualifying senior applicant  
23 owned and occupied for at least 7 months during the tax year.

24           ~~(8)(12)~~ "Residential real property" means the land and improvements of a taxpayer's primary  
25 residence."  
26

27           **Section 3.** Section 15-6-302, MCA, is amended to read:

28           **"15-6-302. Property tax assistance -- rulemaking.** (1) The requirements of this section must be met

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68th Legislature

Drafter: Jaret Coles, 406-444-4022

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1 for a taxpayer to qualify for property tax assistance under 15-6-305, ~~or 15-6-311,~~ or [section 1].

2 (2) For the property tax assistance programs provided for in 15-6-305, ~~and 15-6-311,~~ and [section  
3 1], the residential real property must be owned by the applicant or under contract for deed and be the primary  
4 residence ~~as defined in 15-6-301~~ for assistance under 15-6-305 or 15-6-311 or the primary senior residence for  
5 assistance under [section 1]. The department shall make rules specifying the indicators used for determining  
6 whether a residence is a primary residence or primary senior residence for purposes of property tax assistance  
7 programs.

8 (3) An applicant's qualifying income, as defined in 15-6-301, may not exceed the threshold  
9 established in 15-6-305 or 15-6-311 or in rules established pursuant to those sections. There is no qualifying  
10 income threshold for the assistance program provided for in [section 1].

11 (4) (a) A claim for assistance must be submitted on a form prescribed by the department.

12 (b) The form must contain:

13 (i) for assistance under 15-6-305 or 15-6-311, the qualifying income of the applicant and the  
14 applicant's spouse;

15 (ii) an affirmation that the applicant owns and maintains the land and improvements as the primary  
16 residence as defined in 15-6-301;

17 (iii) the social security number of the applicant and of the applicant's spouse; ~~and~~

18 (iv) for assistance under [section 1], a birth certificate for the applicant; and

19 (iv)(v) any other information required by the department that is relevant to the applicant's eligibility.

20 (5) (a) An application must be filed by April 15 of the year for which assistance is first claimed.

21 (b) ~~Once~~ When assistance is approved, the applicant remains eligible for property tax assistance  
22 in subsequent years through the annual verification process defined in 15-6-301 without the need to reapply.

23 (c) A taxpayer shall inform the department of any change in eligibility occurring from one year to  
24 the next.

25 (6) ~~The~~ For assistance under 15-6-305 or 15-6-311, the department may verify an applicant's and  
26 an applicant's spouse's social security number and benefits with the social security administration and the U.S.  
27 department of veterans affairs.

28 (7) ~~The~~ For assistance under 15-6-305 or 15-6-311, the department ~~must~~ shall annually verify an

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1 applicant's eligibility, including the applicant's and spouse's income, and approve, renew, or deny benefits for  
2 the current year based upon ~~on~~ the findings. For assistance under [section 1], the department may annually  
3 verify an applicant's eligibility and approve, renew, or deny benefits for the current year based on the findings.

4 (8) (a) When providing information for property tax assistance under 15-6-305, ~~or~~ 15-6-311, or  
5 [section 1], applicants are subject to the false swearing penalties established in 45-7-202.

6 (b) The department may investigate the information provided in an application and an applicant's  
7 continued eligibility.

8 (c) The department may request applicant verification of the primary residence.

9 (9) The department may address unusual circumstances of ownership and income that arise in  
10 administering taxpayer assistance programs provided for in 15-6-305, ~~and~~ 15-6-311, and [section 1].

11 (10) A temporary stay in a nursing home or similar facility does not change a taxpayer's primary  
12 residence for the purposes of taxpayer assistance programs provided for in 15-6-305, ~~and~~ 15-6-311, and  
13 [section 1].

14 (11) ~~The~~ For assistance under 15-6-305 or 15-6-311, the department shall award property  
15 assistance under the property tax assistance program that provides the greatest benefit to the taxpayer by  
16 reviewing applications and eligibility requirements, and notify the applicant of the department's decision.

17 (12) A taxpayer that claims assistance under [section 1] ~~is not entitled to may~~ claim assistance  
18 under 15-6-305 or 15-6-311 for the same tax year."

19

20 **Section 4.** Section 15-6-312, MCA, is amended to read:

21 **"15-6-312. Time period for property tax assistance.** (1) A person who qualifies for assistance under  
22 15-6-305, ~~or~~ 15-6-311, or [section 1] is entitled to assistance as provided for in this section.

23 (2) The property tax assistance is provided for the full tax year:

24 (a) in the first year in which the applicant qualifies for assistance if the applicant resides in the  
25 qualifying property or qualifying senior property for the remainder of the tax year;

26 (b) if the applicant resides in the qualifying property or qualifying senior property for the full tax  
27 year;

28 (c) for qualifying property or qualifying senior property owned by an applicant at the time the tax