

1 HOUSE BILL NO. 459  
2 INTRODUCED BY G. PARRY

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4 A BILL FOR AN ACT ENTITLED: "AN ACT REVISING THE TIME FOR CLAIMING THE INTANGIBLE LAND  
5 VALUE EXEMPTION; AMENDING SECTION 15-6-240, MCA; AND PROVIDING AN APPLICABILITY DATE."

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

8  
9 Section 1. Section 15-6-240, MCA, is amended to read:

10 "15-6-240. Intangible land value property exemption -- application procedure. (1) There is an  
11 intangible land value assistance program that provides graduated levels of property tax exemptions to assist  
12 owners of primary residences with land values that are disproportionate to the value of a primary residence and  
13 improvements. To be eligible for the exemption, applicants must meet the requirements of this section.

14 (2) If the total appraised value of the land is equal to or less than 150% of the appraised value of  
15 the primary residence and improvements situated on the land, then the land exemption provided in this section  
16 does not apply.

17 (3) Subject to subsection (6), if the total appraised value of the land is greater than 150% of the  
18 appraised value of the primary residence and improvements situated on the land, then the land is valued at  
19 150% of the appraised value of the primary residence and improvements situated on the land, subject to the  
20 minimum equalization of value requirement in subsection (4), and the remainder of the land value is exempt  
21 from taxation.

22 (4) If the calculation in subsection (3) creates a land value that is less than the statewide average  
23 value of land, then the value of the land may not be reduced in an amount that is less than the statewide  
24 average value of land multiplied by the acreage of land for the subject property.

25 (5) This section does not provide an exemption for the primary residence and improvements  
26 situated on the land.

27 (6) (a) A claim for assistance must be filed by ~~March 1 of the tax year for which the exemption is~~  
28 ~~sought, on an application form provided by the department~~ on a form provided by the department within 30



1 days from the date on the classification and appraisal notice, as provided for in 15-7-102, for the exemption to  
2 be considered for both years of the 2-year valuation cycle provided for in 15-7-111. An application made more  
3 than 30 days from the date of the classification and appraisal notice will be applicable only for the second year  
4 of the 2-year valuation cycle. After an exemption is approved, the applicant remains eligible for the exemption  
5 for the remainder of the 2-year valuation cycle ~~provided for in 15-7-111~~ as long as the property is continually  
6 used as a primary residence by the applicant. An applicant who does not apply for assistance during the first  
7 year of the valuation cycle may apply ~~during~~ no later than March 1 of the second year of the cycle.

8 (b) The application form must contain:

9 (i) an affirmation that the applicant owns and maintains the land and improvements as the primary  
10 residence;

11 (ii) an affirmation that the land has been owned by the applicant or a family member of the  
12 applicant within the third degree of consanguinity for at least 30 consecutive years; and

13 (iii) any other information required by the department that is relevant to the applicant's eligibility.

14 (c) When providing information to the department for qualification under this section, applicants  
15 are subject to the false swearing penalties established in 45-7-202.

16 (d) The department may investigate the information provided in an application and an applicant's  
17 continued eligibility.

18 (e) The department may request applicant verification of the primary residence.

19 (7) As used in this section the following definitions apply:

20 (a) "Land" means:

21 (i) parcels of land or lots of not more than 5 acres under single ownership that support the primary  
22 residential improvements. The term does not include parcels of land or lots that do not support the primary  
23 residential improvements, regardless of whether those parcels or lots are contiguous with or adjacent to the  
24 primary residential property.

25 (ii) subject to the limitations in subsection (7)(a)(i), separately assessed land on which a mobile or  
26 manufactured home is located, but only if the mobile or manufactured home and the land are both owned by  
27 the applicant.

28 (b) "Primary residence" means a single-family dwelling:

1 (i) in which an applicant can demonstrate the applicant lived for at least 7 months of the year for  
2 which benefits are claimed;

3 (ii) that is the only residence for which the land exemption claimed in this section is claimed by the  
4 applicant; and

5 (iii) that is owned or under contract for deed by the applicant.

6 (c) "Single-family dwelling" means a residential dwelling, manufactured home, trailer, or mobile  
7 home. The term does not include a condominium unit or a unit of a multiple-unit dwelling.

8 (d) "Statewide average value of land" is a value calculated by the department that is equal to the  
9 statewide average market value of 1 acre of class four real property described in 15-6-134(1)(a) through (1)(d)."

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11 NEW SECTION. **Section 2. Applicability.** [This act] applies to property tax years beginning after  
12 December 31, 2023.

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