

SENATE BILL NO. 513

INTRODUCED BY J. TREBAS

A BILL FOR AN ACT ENTITLED: "AN ACT ELIMINATING PROPERTY TAX EXEMPTIONS FOR NONPROFIT HEALTH CARE FACILITIES; AMENDING SECTIONS 15-6-201, 23-2-541, 61-3-321, AND 61-10-214, MCA; AND PROVIDING A DELAYED EFFECTIVE DATE AND AN APPLICABILITY DATE."

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

Section 1. Section 15-6-201, MCA, is amended to read:

"15-6-201. Governmental, charitable, and educational categories -- exempt property. (1) The following categories of property are exempt from taxation:

- (a) except as provided in 15-24-1203, the property of:
 - (i) the United States, except:
 - (A) if congress passes legislation that allows the state to tax property owned by the federal government or an agency created by congress; or
 - (B) as provided in 15-24-1103;
 - (ii) the state, counties, cities, towns, and school districts;
 - (iii) irrigation districts organized under the laws of Montana and not operated for gain or profit;
 - (iv) municipal corporations;
 - (v) public libraries;
 - (vi) rural fire districts and other entities providing fire protection under Title 7, chapter 33;
 - (vii) special districts created pursuant to Title 7, chapter 11, part 10; and
 - (viii) subject to subsection (2), federally recognized Indian tribes in the state if the property is located entirely within the exterior boundaries of the reservation of the tribe that owns the property and the property is used exclusively by the tribe for essential government services. Essential government services are tribal government administration, fire, police, public health, education, recreation, sewer, water, pollution control, public transit, and public parks and recreational facilities.

1 (b) buildings and furnishings in the buildings that are owned by a church and used for actual
 2 religious worship or for residences of the clergy, not to exceed one residence for each member of the clergy,
 3 together with the land that the buildings occupy and adjacent land reasonably necessary for convenient use of
 4 the buildings, which must be identified in the application, and all land and improvements used for educational or
 5 youth recreational activities if the facilities are generally available for use by the general public but may not
 6 exceed 15 acres for a church or 1 acre for a clergy residence after subtracting any area required by zoning,
 7 building codes, or subdivision requirements;

8 (c) land and improvements upon the land, not to exceed 15 acres, owned by a federally
 9 recognized Indian tribe when the land has been set aside by tribal resolution and designated as sacred land to
 10 be used exclusively for religious purposes;

11 (d) property owned and used exclusively for agricultural and horticultural societies not operated for
 12 gain or profit;

13 (e) property, not to exceed 80 acres, which must be legally described in the application for the
 14 exemption, used exclusively for educational purposes, including dormitories and food service buildings for the
 15 use of students in attendance and other structures necessary for the operation and maintenance of an
 16 educational institution that:

- 17 (i) is not operated for gain or profit;
- 18 (ii) has an attendance policy; and
- 19 (iii) has a definable curriculum with systematic instruction;

20 (f) property, of any acreage, owned by a tribal corporation created for the sole purpose of
 21 establishing schools, colleges, and universities if the property meets the requirements of subsection (1)(e);

22 ~~(g) property used exclusively for nonprofit health care facilities, as defined in 50-5-101, licensed by~~
 23 ~~the department of public health and human services and organized under Title 35, chapter 2 or 3. A health care~~
 24 ~~facility that is not licensed by the department of public health and human services and organized under Title 35,~~
 25 ~~chapter 2 or 3, is not exempt.~~

26 ~~(h)~~(g) property that is:

- 27 (i) (A) owned and held by an association or corporation organized under Title 35, chapter 2, 3, 20,
- 28 or 21; or

1 (B) owned by a federally recognized Indian tribe within the state and set aside by tribal resolution;

2 and

3 (ii) devoted exclusively to use in connection with a cemetery or cemeteries for which a permanent
4 care and improvement fund has been established as provided for in Title 35, chapter 20, part 3; and

5 (iii) not maintained and not operated for gain or profit;

6 ~~(j)(h)~~ subject to ~~subsection~~ subsections (2) and (3), property that is owned or property that is leased
7 from a federal, state, or local governmental entity by institutions of purely public charity if the property is directly
8 used for purely public charitable purposes;

9 ~~(j)(i)~~ evidence of debt secured by mortgages of record upon real or personal property in the state of
10 Montana;

11 ~~(k)(j)~~ public museums, art galleries, zoos, and observatories that are not operated for gain or profit;

12 ~~(l)(k)~~ motor vehicles, land, fixtures, buildings, and improvements owned by a cooperative association
13 or nonprofit corporation organized to furnish potable water to its members or customers for uses other than the
14 irrigation of agricultural land;

15 ~~(m)(l)~~ the right of entry that is a property right reserved in land or received by mesne conveyance
16 (exclusive of leasehold interests), devise, or succession to enter land with a surface title that is held by another
17 to explore, prospect, or dig for oil, gas, coal, or minerals;

18 ~~(n)(m)~~ (i) subject to subsection (3), property that is owned and used by a corporation or association
19 organized and operated exclusively for the care of persons with developmental disabilities, persons with mental
20 illness, or persons with physical or mental impairments that constitute or result in substantial impediments to
21 employment and that is not operated for gain or profit; and

22 (ii) subject to ~~subsection~~ subsections (2)(e) and (3), property that is owned and used by an
23 organization owning and operating facilities that are for the care of the retired, aged, or chronically ill and that
24 are not operated for gain or profit;

25 ~~(o)(n)~~ property owned by a nonprofit corporation that is organized to provide facilities primarily for
26 training and practice for or competition in international sports and athletic events and that is not held or used for
27 private or corporate gain or profit. For purposes of this subsection ~~(1)(o)~~ (1)(n), "nonprofit corporation" means
28 an organization that is exempt from taxation under section 501(c) of the Internal Revenue Code and

1 incorporated and admitted under the Montana Nonprofit Corporation Act.

2 ~~(p)~~(o) property rented or leased to a municipality or taxing unit for less than \$100 a year and that is
3 used for public park, recreation, or landscape beautification purposes. For the purposes of this subsection
4 ~~(4)~~~~(p)~~ (1)(o), "property" includes land but does not include buildings. The exemption must be applied for by the
5 municipality or taxing unit, and not more than 10 acres within the municipality or taxing unit may be exempted.

6 (2) (a) (i) For the purposes of tribal property under subsection (1)(a)(viii), the property subject to
7 exemption may not be:

8 (A) operated for gain or profit;

9 (B) held under contract to operate, lease, or sell by a taxable individual;

10 (C) used or possessed exclusively by a taxable individual or entity; or

11 (D) held by a tribal corporation except for educational purposes as provided in subsection (1)(f).

12 (ii) For the purposes of parks and recreational facilities under subsection (1)(a)(viii), the property
13 must be:

14 (A) set aside by tribal resolution and designated as park land, not to exceed 640 acres, or be
15 designated as a recreational facility; and

16 (B) open to the general public.

17 (b) For the purposes of subsection (1)(b), the term "clergy" means, as recognized under the
18 federal Internal Revenue Code:

19 (i) an ordained minister, priest, or rabbi;

20 (ii) a commissioned or licensed minister of a church or church denomination that ordains ministers
21 if the person has the authority to perform substantially all the religious duties of the church or denomination;

22 (iii) a member of a religious order who has taken a vow of poverty; or

23 (iv) a Christian Science practitioner.

24 (c) For the purposes of subsection ~~(4)~~~~(i)~~ (1)(h):

25 (i) the term "institutions of purely public charity" includes any organization that meets the following
26 requirements:

27 (A) The organization offers its charitable goods or services to persons without regard to race,
28 religion, creed, or gender and qualifies as a tax-exempt organization under the provisions of section 501(c)(3),

1 Internal Revenue Code, as amended.

2 (B) The organization accomplishes its activities through absolute gratuity or grants. However, the
3 organization may solicit or raise funds by the sale of merchandise, memberships, or tickets to public
4 performances or entertainment or by other similar types of fundraising activities.

5 (ii) agricultural property owned by a purely public charity is not exempt if the agricultural property is
6 used by the charity to produce unrelated business taxable income as that term is defined in section 512 of the
7 Internal Revenue Code, 26 U.S.C. 512. A public charity claiming an exemption for agricultural property shall file
8 annually with the department a copy of its federal tax return reporting any unrelated business taxable income
9 received by the charity during the tax year, together with a statement indicating whether the exempt property
10 was used to generate any unrelated business taxable income.

11 (iii) up to 15 acres of property owned by a purely public charity is exempt at the time of its purchase
12 even if the property must be improved before it can directly be used for its intended charitable purpose. If the
13 property is not directly used for the charitable purpose within 8 years of receiving an exemption under this
14 section or if the property is sold or transferred before it entered direct charitable use, the exemption is revoked
15 and the property is taxable. In addition to taxes due for the first year that the property becomes taxable, the
16 owner of the property shall pay an amount equal to the amount of the tax due that year times the number of
17 years that the property was tax-exempt under this section. The amount due is a lien upon the property and
18 when collected must be distributed by the treasurer to funds and accounts in the same ratio as property tax
19 collected on the property is distributed. At the time the exemption is granted, the department shall file a notice
20 with the clerk and recorder in the county in which the property is located. The notice must indicate that an
21 exemption pursuant to this section has been granted. The notice must describe the penalty for default under
22 this section and must specify that a default under this section will create a lien on the property by operation of
23 law. The notice must be on a form prescribed by the department.

24 (iv) not more than 160 acres may be exempted by a purely public charity under any exemption
25 originally applied for after December 31, 2004. An application for exemption under this section must contain a
26 legal description of the property for which the exemption is requested.

27 (d) For the purposes of subsection ~~(4)(k)~~ (1)(j), the term "public museums, art galleries, zoos, and
28 observatories" means governmental entities or nonprofit organizations whose principal purpose is to hold

1 property for public display or for use as a museum, art gallery, zoo, or observatory. The exempt property
 2 includes all real and personal property owned by the public museum, art gallery, zoo, or observatory that is
 3 reasonably necessary for use in connection with the public display or observatory use. Unless the property is
 4 leased for a profit to a governmental entity or nonprofit organization by an individual or for-profit organization,
 5 real and personal property owned by other persons is exempt if it is:

- 6 (i) actually used by the governmental entity or nonprofit organization as a part of its public display;
- 7 (ii) held for future display; or
- 8 (iii) used to house or store a public display.

9 (e) For the purposes of facilities for the care of the retired, aged, or chronically ill under subsection
 10 ~~(4)(n)(ii)~~, (1)(m)(ii), the terms "retired" and "aged" mean an individual who satisfies the age and gross household
 11 income limitations of 15-30-2338. The property owner shall verify age and gross household income
 12 requirements on a form prescribed by the department. Applicants are subject to the false swearing penalties
 13 established in 45-7-202.

14 (3) The following categories of property are not exempt from taxation:

15 (a) a health care facility that is not licensed by the department of public health and human services
 16 and organized under Title 35, chapter 2 or 3; and

17 (b) except as provided in subsection (4), property used exclusively for nonprofit health care
 18 facilities, as defined in 50-5-101, licensed by the department of public health and human services and
 19 organized under Title 35, chapter 2 or 3.

20 (4) Vehicles and vessels used exclusively for a nonprofit health care facility provided for in
 21 subsection (3)(b) are exempt from fees imposed under 23-2-541, 61-3-321, and Title 61, chapter 10, part 2."

22

23 **Section 2.** Section 23-2-541, MCA, is amended to read:

24 **"23-2-541. Aquatic invasive species prevention pass for nonresident vessels -- rulemaking. (1)**

25 In order for a motorized vessel exempt from registration in Montana pursuant to 61-3-321 or a nonmotorized
 26 vessel owned by a nonresident to launch on the waters of this state, the operator must possess an aquatic
 27 invasive species prevention pass purchased for the vessel, available for inspection either in physical form or as
 28 an electronic copy at the request of a warden, another officer, or an employee of the department. The pass

1 must include a description of the vessel for which it was purchased.

2 (2) (a) The annual fee for an aquatic invasive species prevention pass purchased pursuant to this
3 section is:

4 (i) \$10 for a nonmotorized vessel; and

5 (ii) \$30 for a motorized vessel.

6 (b) The pass expires at the end of each calendar year and is not transferable between vessels.

7 (3) Fees collected pursuant to this section must be deposited in the invasive species account
8 established in 80-7-1004.

9 (4) The department may adopt rules to implement the provisions of this section.

10 (5) The provisions of this section do not apply to a motorized vessel owned or controlled by the
11 United States or any state, county, city, special district as defined in 18-8-202, or tribal government or to a
12 motorized vessel that meets the description of property exempt from taxation under 15-6-201(1)(d), ~~(1)(n)~~
13 (1)(m), or ~~(1)(e)~~ (1)(n), or (4), or 15-6-215.

14 (6) For the purposes of this section, the term "nonmotorized vessel" includes catamarans, drift
15 boats, kayaks, rafts, and sailboats."
16

17 **Section 3.** Section 61-3-321, MCA, is amended to read:

18 **"61-3-321. Registration fees of vehicles and vessels -- certain vehicles exempt from**

19 **registration fees -- disposition of fees -- definition.** (1) Except as otherwise provided in this section,
20 registration fees must be paid upon registration or, if applicable, renewal of registration of motor vehicles,
21 snowmobiles, watercraft, trailers, semitrailers, and pole trailers as provided in subsections (2) through (20).

22 (2) (a) Except as provided in subsection (2)(b), unless a light vehicle is permanently registered
23 under 61-3-562, the annual registration fee for light vehicles, trucks, and buses that weigh 1 ton or less and for
24 logging trucks that weigh 1 ton or less is as follows:

25 (i) if the vehicle is 4 or less years old, \$217;

26 (ii) if the vehicle is 5 through 10 years old, \$87; and

27 (iii) if the vehicle is 11 or more years old, \$28.

28 (b) For a light vehicle with a manufacturer's suggested retail price of more than \$150,000 that is 10

1 years old or less, the annual registration fee is the amount provided for in subsection (2)(a) plus \$825.

2 (3) (a) Except as provided in subsections (3)(b) and (15), the one-time registration fee based on
3 the declared weight of a trailer, semitrailer, or pole trailer is as follows:

4 (i) if the declared weight is less than 6,000 pounds, \$61.25; or

5 (ii) if the declared weight is 6,000 pounds or more, \$148.25.

6 (b) For a trailer, semitrailer, or pole trailer that is registered under 61-3-701, the annual registration
7 fee based on the declared weight is as follows:

8 (i) if the declared weight is less than 6,000 pounds, \$30; or

9 (ii) if the declared weight is 6,000 pounds or more, \$60.

10 (4) Except as provided in subsection (15), the one-time registration fee for motor vehicles owned
11 and operated solely as collector's items pursuant to 61-3-411, based on the weight of the vehicle, is as follows:

12 (a) 2,850 pounds and over, \$10; and

13 (b) under 2,850 pounds, \$5.

14 (5) (a) Except as provided in subsections (5)(b) and (15), the one-time registration fee for off-
15 highway vehicles other than a quadricycle or motorcycle is \$61.25.

16 (b) Whenever a valid summer motorized recreation trail pass issued pursuant to 23-2-111 is
17 affixed to an off-highway vehicle other than a quadricycle or motorcycle, the one-time registration fee is \$41.25.

18 (6) The annual registration fee for heavy trucks, buses, and logging trucks in excess of 1 ton is
19 \$22.75.

20 (7) (a) Except as provided in subsection (7)(c), the annual registration fee for a motor home, based
21 on the age of the motor home, is as follows:

22 (i) less than 2 years old, \$282.50;

23 (ii) 2 years old and less than 5 years old, \$224.25;

24 (iii) 5 years old and less than 8 years old, \$132.50; and

25 (iv) 8 years old and older, \$97.50.

26 (b) The owner of a motor home that is 11 years old or older and that is subject to the registration
27 fee under this section may permanently register the motor home upon payment of:

28 (i) a one-time registration fee of \$237.50;

- 1 (ii) unless a new set of license plates is being issued, an insurance verification fee of \$5, which
2 must be deposited in the account established under 61-6-158;
- 3 (iii) if applicable, five times the renewal fees for personalized license plates under 61-3-406; and
4 (iv) if applicable, the donation fee for a generic specialty license plate under 61-3-480 or a
5 collegiate license plate under 61-3-465.
- 6 (c) For a motor home with a manufacturer's suggested retail price of more than \$300,000 that is 10
7 years old or less, the annual registration fee is the amount provided in subsection (7)(a) plus \$800.
- 8 (8) (a) (i) Except as provided in subsections (8)(b), (8)(c), and (15), the one-time registration fee for
9 motorcycles and quadricycles registered for use on the public highways is \$53.25, the one-time registration fee
10 for motorcycles and quadricycles registered for off-highway use is \$53.25, and the one-time registration fee for
11 motorcycles and quadricycles registered for both off-road use and for use on the public highways is \$114.50.
- 12 (ii) An additional fee of \$16 must be collected for the registration of each motorcycle or quadricycle
13 as a safety fee, which must be deposited in the state motorcycle safety account provided for in 20-25-1002.
- 14 (b) (i) The annual registration fee for motorcycles and quadricycles registered for use on the public
15 highways under 61-3-701 is \$44.
- 16 (ii) The annual registration fee for motorcycles and quadricycles registered for off-highway use
17 under 61-3-701 is \$44.
- 18 (iii) The annual registration fee for motorcycles and quadricycles registered for both off-road use
19 and for use on the public highways under 61-3-701 is \$88.
- 20 (iv) An additional safety fee of \$7 must be collected annually for each motorcycle or quadricycle
21 registered under 61-3-701. The safety fee must be deposited in the state motorcycle safety account provided
22 for in 20-25-1002.
- 23 (c) Whenever a valid summer motorized recreation trail pass issued pursuant to 23-2-111 is
24 affixed to a motorcycle or quadricycle, the one-time registration fee for motorcycles and quadricycles registered
25 for:
- 26 (i) use on the public highways is \$33.25; and
27 (ii) both off-road use and for use on the public highways is \$94.50.
- 28 (9) Except as provided in subsection (15), the one-time registration fee for travel trailers, based on

1 the length of the travel trailer, is as follows:

2 (a) under 16 feet in length, \$72; and

3 (b) 16 feet in length or longer, \$152.

4 (10) Except as provided in subsection (15), the one-time registration fee for a motorboat, sailboat,
5 personal watercraft, or motorized pontoon required to be numbered under 23-2-512 is as follows:

6 (a) for a personal watercraft or a motorboat, sailboat, or motorized pontoon less than 16 feet in
7 length, \$65.50;

8 (b) for a motorboat, sailboat, or motorized pontoon at least 16 feet in length but less than 19 feet in
9 length, \$125.50; and

10 (c) for a motorboat, sailboat, or motorized pontoon 19 feet in length or longer, \$295.50.

11 (11) (a) Except as provided in subsections (11)(b), (11)(c), and (15), the one-time registration fee for
12 a snowmobile is \$60.50.

13 (b) Whenever a valid winter trail pass issued pursuant to 23-2-636 is affixed to a snowmobile, the
14 one-time registration fee is \$40.50.

15 (c) (i) A snowmobile that is licensed by a Montana business and is owned exclusively for the
16 purpose of daily rental to customers is assessed:

17 (A) a fee of \$40.50 in the first year of registration; and

18 (B) if the business reregisters the snowmobile for a second year, a fee of \$20.

19 (ii) If the business reregisters the snowmobile for a third year, the snowmobile must be
20 permanently registered and the business is assessed the registration fee imposed in subsection (11)(a).

21 (12) (a) The one-time registration fee for a low-speed electric vehicle is \$25.

22 (b) The one-time registration fee for a golf cart that is owned by a person who has or is applying for
23 a low-speed restricted driver's license is \$25.

24 (c) The one-time registration fee for golf carts authorized to operate on certain public streets and
25 highways pursuant to 61-8-391 is \$25. Upon receipt of the fee, the department shall issue the owner a decal,
26 which must be displayed visibly on the golf cart.

27 (13) (a) Except as provided in subsection (13)(b), a fee of \$10 must be collected when a new set of
28 standard license plates, a new single standard license plate, or a replacement set of special license plates

1 required under 61-3-332 is issued. The \$10 fee imposed under this subsection does not apply when previously
2 issued license plates are transferred under 61-3-335. All registration fees imposed under this section must be
3 paid if the vehicle to which the plates are transferred is not currently registered.

4 (b) An additional fee of \$15 must be collected if a vehicle owner elects to keep the same license
5 plate number from license plates issued before January 1, 2010, when replacement of those plates is required
6 under 61-3-332(3).

7 (c) The fees imposed in this subsection (13) must be deposited in the account established under
8 61-6-158, except that \$2 of the fee imposed in subsection (13)(a) must be deposited in the state general fund.

9 (14) The provisions of this part with respect to the payment of registration fees do not apply to and
10 are not binding upon motor vehicles, trailers, semitrailers, snowmobiles, watercraft, or tractors owned or
11 controlled by the United States of America or any state, county, city, or special district, as defined in 18-8-202,
12 or to a vehicle or vessel that meets the description of property exempt from taxation under 15-6-201(1)(a),
13 (1)(d), (1)(e), ~~(1)(g)~~, ~~(1)(h)~~, (1)(g), ~~(1)(i)~~, (1)(h), ~~(1)(k)~~, (1)(j), ~~(1)(l)~~, (1)(k), ~~(1)(n)~~, (1)(m), ~~or (1)(e)~~, (1)(n), or (4), 15-6-
14 203, or 15-6-215, except as provided in 61-3-520.

15 (15) Whenever ownership of a trailer, semitrailer, pole trailer, off-highway vehicle, motorcycle,
16 quadricycle, travel trailer, motor home, motorboat, sailboat, personal watercraft, motorized pontoon,
17 snowmobile, motor vehicle owned and operated solely as a collector's item pursuant to 61-3-411, or low-speed
18 electric vehicle is transferred, the new owner shall title and register the vehicle or vessel as required by this
19 chapter and pay the fees imposed under this section.

20 (16) A person eligible for a waiver under 61-3-460 is exempt from the fees required under this
21 section.

22 (17) Except as otherwise provided in this section, revenue collected under this section must be
23 deposited in the state general fund.

24 (18) The fees imposed by subsections (2) through (12) are not required to be paid by a dealer for
25 the enumerated vehicles or vessels that constitute inventory of the dealership.

26 (19) (a) Unless a person exercises the option in either subsection (19)(b) or (19)(c), an additional
27 fee of \$9 must be collected for each light vehicle registered under this part. This fee must be accounted for and
28 transmitted separately from the registration fee. Of the \$9 fee:

1 (i) \$6.74 must be deposited in the state special revenue account established in 23-1-105 and
2 used for state parks;

3 (ii) 50 cents must be deposited in an account in the state special revenue fund to the credit of the
4 department of fish, wildlife, and parks and used for fishing access sites;

5 (iii) \$1.37 must be deposited in the trails and recreation facilities state special revenue account
6 established in 23-2-108; and

7 (iv) 39 cents must be deposited in the Montana heritage preservation and development account
8 established in 22-3-1004 and used for the operation of state-owned facilities at Virginia City and Nevada City.

9 (b) A person who registers a light vehicle may, at the time of annual registration, certify that the
10 person does not intend to use the vehicle to visit state parks and fishing access sites and may make a written
11 election not to pay the additional \$9 fee provided for in subsection (19)(a). If a written election is made, the fee
12 may not be collected.

13 (c) (i) A person who registers one or more light vehicles may, at the time of annual registration,
14 certify that the person does not intend to use any of the vehicles to visit state parks and fishing access sites and
15 may make a written election not to pay the additional \$9 fee provided for in subsection (19)(a). If a written
16 election is made, the fee may not be collected at any subsequent annual registration unless the person makes
17 the written election to pay the additional fee on one or more of the light vehicles.

18 (ii) The written election not to pay the additional fee on a light vehicle expires if the vehicle is
19 registered to a different person.

20 (20) For each light vehicle, trailer, semitrailer, pole trailer, heavy truck, motor home, motorcycle,
21 quadricycle, and travel trailer subject to a registration fee under this section, an additional fee of \$10 must be
22 collected and forwarded to the state for deposit in the account established in 44-1-504.

23 (21) (a) If a person exercises the option in subsection (21)(b), an additional fee of \$5 must be
24 collected for each light vehicle registered under this part. This fee must be accounted for and transmitted
25 separately from the registration fee. The fee must be deposited in an account in the state special revenue fund.
26 Funds in the account are statutorily appropriated, as provided in 17-7-502, to the department of transportation
27 and must be allocated as provided in 60-3-309.

28 (b) A person who registers one or more light vehicles may, at the time of annual registration, make

1 a written or electronic election to pay the additional \$5 fee provided for in subsection (21)(a).

2 (22) This section does not apply to a motor vehicle, trailer, semitrailer, or pole trailer that is
3 governed by 61-3-721.

4 (23) (a) The \$800 and \$825 amounts collected based on the manufacturer's suggested retail price
5 in subsections (2) and (7) are exempt from the provisions of 15-1-122 and must be deposited in the motor
6 vehicle division administration account established in 61-3-112.

7 (b) By August 15 of each year, beginning in the fiscal year beginning July 1, 2019, the department
8 of justice shall deposit into the general fund an amount equal to the fiscal yearend balance minus 25% of the
9 current fiscal year appropriation for the account established in 61-3-112.

10 (24) For the purposes of this section, "manufacturer's suggested retail price" means the price
11 suggested by a manufacturer for each given type, style, or model of a light vehicle or motor home produced and
12 first made available for retail sale by the manufacturer."
13

14 **Section 4.** Section 61-10-214, MCA, is amended to read:

15 **"61-10-214. Exemptions.** (1) Motor vehicles operating exclusively for transportation of persons for
16 hire within the limits of incorporated cities or towns and within 15 miles from the limits are exempt from this part.

17 (2) Motor vehicles brought or driven into Montana by a nonresident, migratory, bona fide
18 agricultural worker temporarily employed in agricultural work in this state when those motor vehicles are used
19 exclusively for transportation of agricultural workers are exempt from this part.

20 (3) Vehicles lawfully displaying a dealer's or wholesaler's plate as provided in 61-4-102 and 61-4-
21 125 are exempt from this part for a period not to exceed 7 days when moving to or from a dealer's or
22 wholesaler's place of business when unloaded or loaded with dealer's or wholesaler's property only or while
23 being demonstrated in the course of the dealer's or wholesaler's business. Vehicles being demonstrated may
24 not be leased, rented, or operated for compensation by the licensed dealer or wholesaler.

25 (4) Vehicles exempt from property tax under 15-6-201(1)(a), (1)(d), (1)(e), ~~(1)(g), (1)(h)~~ (1)(g), (1)(i)
26 (1)(h), (1)(k), (1)(j), (1)(l), (1)(k), (1)(n), (1)(m), or (1)(e), (1)(n), or (4) or 15-6-228(4) are exempt from this part. The
27 department of transportation may require documentation of tax-exempt status from the department of revenue
28 before granting this exemption."

