

1 _____ BILL NO. _____

2 INTRODUCED BY _____
3 (Primary Sponsor)

4 A BILL FOR AN ACT ENTITLED: "AN ACT PROVIDING TAX EXEMPTIONS FOR LAND OWNED BY A
5 COMMUNITY LAND TRUST AND A PARTIAL EXEMPTION FOR THE HOMES AND IMPROVEMENTS
6 PLACED ON LAND OWNED BY A COMMUNITY LAND TRUST; AND PROVIDING AN APPLICABILITY
7 DATE."

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

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11 NEW SECTION. **Section 1. Community land trust -- property taxes -- exemption.** (1) The purpose
12 of this section is to recognize the primary and essential purpose of a community land trust as defined in 70-23-
13 102 to provide homeownership to low-income and moderate-income households and the permanent restrictions
14 on the resale price of community land trust homes to ensure that homes remain affordable to low-income and
15 moderate-income households in perpetuity.

16 (2) After filing an application and being granted approval by the department of revenue for a
17 property tax exemption, a community land trust is exempt from property taxes on land that the community land
18 trust owns, including land leased to individual homeowners.

19 (3) (a) Property taxes on the home and other improvements owned by the homeowner are to be
20 assessed at the initial purchase price in the first year of occupancy.

21 (b) For subsequent tax years, the value of the home and other improvements owned by the
22 homeowner that exceed the resale-restricted price specified in the ground lease, deed restriction, or other legal
23 instrument executed between the community land trust and the homeowner is exempt from taxation.

24 (c) Payment of the resulting property taxes on the improvements pursuant to this subsection (3) is
25 the responsibility of the homeowner.

26 (4) A community land trust shall provide annual updates to the department of the resale-restricted
27 price of each home and improvement as provided in subsection (3)(b).

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1 NEW SECTION. Section 2. Codification instruction. [Section 1] is intended to be codified as an
2 integral part of Title 15, chapter 6, part 2, and the provisions of Title 15, chapter 6, part 2, apply to [section 1].

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4 NEW SECTION. Section 3. Applicability. [This act] applies to property tax years beginning after
5 December 31, 2023.

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