

**Unofficial Draft Copy**

As of: August 20, 2014 (2:04pm)

LC02v2

\*\*\*\* Bill No. \*\*\*\*

Introduced By \*\*\*\*\*

By Request of the \*\*\*\*\*

A Bill for an Act entitled: "An Act allowing certain industrial property taxpayers to appeal to the state tax appeal board or the county tax appeal board; clarifying appeals that may not be made to the county tax appeal board; and amending sections 15-2-302 and 15-15-103, MCA."

Be it enacted by the Legislature of the State of Montana:

**Section 1.** Section 15-2-302, MCA, is amended to read:

**"15-2-302. Direct appeal from department decision to state tax appeal board -- hearing.** (1) (a) A person may appeal to the state tax appeal board a final decision of the department of revenue involving:

~~(a)~~(i) property centrally assessed under chapter 23;

~~(b)~~(ii) classification of property as new industrial property;

~~(c)~~(iii) any other tax, other than the property tax, imposed under this title; or

~~(d)~~(iv) any other matter in which the appeal is provided by law.

(b) A person may not appeal to the county tax appeal board a final decision of the department provided for in subsection (1)(a).

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(2) A person may appeal the valuation of an industrial property that is assessed annually by the department to the state tax appeal board as provided in this section or to the county tax appeal board for the county in which the property is located as provided in Title 15, chapter 15, part 1.

~~(2)~~(3) The appeal is made by filing a complaint with the board within 30 days following receipt of notice of the department's final decision. The complaint must set forth the grounds for relief and the nature of relief demanded. The board shall immediately transmit a copy of the complaint to the department.

~~(3)~~(4) The department shall file with the board an answer within 30 days following filing of a complaint.

~~(4)~~(5) The board shall conduct the appeal in accordance with the contested case provisions of the Montana Administrative Procedure Act.

~~(5)~~(6) The decision of the state tax appeal board is final and binding upon all interested parties unless reversed or modified by judicial review. Proceedings for judicial review of a decision of the state tax appeal board under this section are subject to the provisions of 15-2-303 and the Montana Administrative Procedure Act to the extent that it does not conflict with 15-2-303."

{*Internal References to 15-2-302:*

15-1-212x      15-1-213x      15-15-103a      16-11-149x }

**Section 2.** Section 15-15-103, MCA, is amended to read:

**"15-15-103. Examination of applicant -- failure to hear application.** (1) Before the county tax appeal board grants any application or makes any reduction applied for, it shall examine on oath the person or agent making the application with regard to the value of the property of the person. A reduction may not be made unless the applicant makes an application, as provided in 15-15-102, and attends the county tax appeal board hearing. An appeal of the board's decision may not be made to the state tax appeal board unless the person or the person's agent has exhausted the remedies available through the county tax appeal board. In order to exhaust the remedies, the person or the person's agent shall attend the county tax appeal board hearing. On written request by the person or the person's agent and on the written concurrence of the department, the county tax appeal board may waive the requirement that the person or the person's agent attend the hearing. The testimony of all witnesses at the hearing must be electronically recorded and preserved for 1 year. If the decision of the county tax appeal board is appealed, the record of the proceedings, including the electronic recording of all testimony, must be forwarded, together with all exhibits, to the state tax appeal board. The date of the hearing, the proceedings before the board, and the decision must be entered upon the minutes of the board, and the board shall notify the applicant of its decision by mail within 3 days. A copy of the minutes of the county tax appeal board must be transmitted to the state tax appeal board no later than 3 days after the board holds its final hearing of the year.

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(2) (a) Except as provided in 15-15-201, if a county tax appeal board refuses or fails to hear a taxpayer's timely application for a reduction in valuation of property, the taxpayer's application is considered to be granted on the day following the board's final meeting for that year. The department shall enter the appraisal or classification sought in the application in the property tax record. An application is not automatically granted for the following appeals:

(i) those listed in 15-2-302(1); and

(ii) if a taxpayer's appeal from the department's determination of classification or appraisal made pursuant to 15-7-102 was not received in time, as provided for in 15-15-102, to be considered by the board during its current session.

(b) The county tax appeal board shall provide written notification of each application that was automatically granted pursuant to subsection (2)(a) to the department, the state tax appeal board, and any affected municipal corporation. The notice must include the name of the taxpayer and a description of the subject property."

{*Internal References to 15-15-103:*

15-2-301x          15-15-104x          15-15-104x          15-15-104x }

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