

HOUSE BILL NO. 325

INTRODUCED BY M. MILLER

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4 A BILL FOR AN ACT ENTITLED: "AN ACT ALLOWING A PROPERTY TAX EXEMPTION FOR CERTAIN
5 MONTANA RESIDENTS SERVING ON ACTIVE DUTY IN THE REGULAR ARMED FORCES OR THE
6 MONTANA NATIONAL GUARD AND STATIONED OUT OF STATE; ESTABLISHING ELIGIBILITY
7 REQUIREMENTS; REQUIRING THAT A TAXPAYER FILE AN APPLICATION TO RECEIVE THE EXEMPTION;
8 PROVIDING THAT THE EXEMPTION DOES NOT APPLY TO SPECIAL IMPROVEMENT DISTRICT
9 ASSESSMENTS; PROVIDING RULEMAKING AUTHORITY; AND PROVIDING AN APPLICABILITY DATE."

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

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13 NEW SECTION. **Section 1. Definitions.** As used in [sections 1 through 4], the following definitions
14 apply:

15 (1) "Taxes" or "property taxes" means ad valorem taxes and other assessments on property, except an
16 assessment for a special improvement district or a rural special improvement district, that are required to be paid
17 to the county treasurer.

18 (2) "Taxpayer" or "owner" means an individual who has filed a claim for an exemption or individuals who
19 have jointly filed a claim for an exemption from property taxes under [sections 1 through 4].

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21 NEW SECTION. **Section 2. Claim for property tax exemption.** (1) Subject to [section 3], class four
22 property that is owned by an eligible person is exempt from 50% of the assessed property taxes.

23 (2) To be eligible for the exemption, the following conditions must be met:

24 (a) the owner of the property must be a resident of Montana, be serving on active duty as a member of
25 the regular armed forces or the Montana national guard, and be stationed out of state for at least 7 months of the
26 year;

27 (b) the property may not be occupied during the 7 months or more that the owner is stationed out of
28 state;

29 (c) the owner may not rent or lease the property; and

30 (d) the owner may not derive income from the property.

1 (3) The property tax exemption provided for in this section terminates on December 31 of the year that:

2 (a) the owner of the property does not qualify for the property tax exemption;

3 (b) the property is moved out of the county; or

4 (c) property taxes on the exempt property are delinquent.

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6 **NEW SECTION. Section 3. Claim for property tax exemption -- property eligible -- application --**

7 **rulemaking.** (1) To qualify for the exemption under [sections 1 through 4], the person claiming the exemption is

8 required, solely or together with the person's spouse, to own the fee simple estate or to be purchasing the fee

9 simple estate under a recorded instrument of sale.

10 (2) A person applying for the exemption under [sections 1 through 4] shall provide a complete affidavit

11 to the department, on a form provided by the department, setting forth that the taxpayer and the property meet

12 the requirements of [sections 1 through 4]. The form may require the taxpayer to supply other information that

13 may be relevant to the taxpayer's eligibility. The application must be made before July 31 of the tax year in which

14 the exemption is to begin. The department may inquire by mail whether any change has taken place and may

15 require a new statement of eligibility if considered necessary.

16 (3) The affidavit is sufficient if the taxpayer signs a statement affirming the correctness of the information

17 supplied, whether or not the statement is signed before a person authorized to administer oaths, and mails the

18 application and statement to the department. The signed statement is considered a statement under oath or

19 equivalent affirmation for the purposes of 45-7-202, relating to the criminal offense of false swearing.

20 (4) The exemption provided for in [section 2] is limited to 20 acres.

21 (5) The department shall make rules to implement [sections 1 through 4].

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23 **NEW SECTION. Section 4. Property tax distribution.** Taxes collected on property exempt under

24 [sections 1 through 4] must be distributed in the relative proportions required by property tax levies for state,

25 county, school district, and municipal purposes.

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27 **NEW SECTION. Section 5. Codification instruction.** [Sections 1 through 4] are intended to be codified

28 as an integral part of Title 15, chapter 16, and the provisions of Title 15, chapter 16, apply to [sections 1 through

29 4].

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