

HOUSE BILL NO. 495

INTRODUCED BY R. COOK

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4 A BILL FOR AN ACT ENTITLED: "AN ACT REVISING STATUTORY APPROPRIATIONS; REDUCING
5 STATUTORY APPROPRIATION DISTRIBUTIONS; CLARIFYING THE PROVISIONS OF THE LOCAL
6 GOVERNMENT ENTITLEMENT SHARE PAYMENT PROGRAM; ELIMINATING THE LOCAL GOVERNMENT
7 ENTITLEMENT SHARE ANNUAL GROWTH FACTOR FOR FISCAL YEARS 2012 AND 2013; REDUCING THE
8 LOCAL GOVERNMENT ENTITLEMENT SHARE FOR TAX INCREMENT FINANCING DISTRICTS;
9 ELIMINATING THE THREE-FIFTHS VOTE REQUIREMENT FOR REVISION OF THE LOCAL GOVERNMENT
10 ENTITLEMENT SHARE PAYMENTS; PROHIBITING AN INCREASE IN THE NUMBER OF MILLS A LOCAL
11 GOVERNMENT MAY LEVY FOR A REIMBURSED TAX BASE DECREASE; AMENDING SECTIONS 15-1-121
12 AND 15-10-420, MCA; AND PROVIDING AN EFFECTIVE DATE AND AN APPLICABILITY DATE."

13

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

15

16 **Section 1.** Section 15-1-121, MCA, is amended to read:

17 **"15-1-121. Entitlement share payment -- purpose -- appropriation.** (1) As described in 15-1-120(3),
18 each local government is entitled to an annual amount that is the replacement for revenue received by local
19 governments for diminishment of property tax base and various earmarked fees and other revenue that, pursuant
20 to Chapter 574, Laws of 2001, amended by section 4, Chapter 13, Special Laws of August 2002, and later
21 enactments, were consolidated to provide aggregation of certain reimbursements, fees, tax collections, and other
22 revenue in the state treasury with each local government's share. The reimbursement under this section is
23 provided by direct payment from the state treasury rather than the ad hoc system that offset certain state
24 payments with local government collections due the state and reimbursements made by percentage splits, with
25 a local government remitting a portion of collections to the state, retaining a portion, and in some cases sending
26 a portion to other local governments. The amount calculated pursuant to this subsection, as adjusted pursuant
27 to subsection (3)(a)(i), is each local government's base entitlement share. The department shall estimate the total
28 amount of revenue that each local government received from the following sources for the fiscal year ending June
29 30, 2001:

30 (2) The sources of dedicated revenue that were relinquished by local governments in exchange for an

1 entitlement share of the state general fund were:

- 2 (a) personal property tax reimbursements pursuant to sections 167(1) through (5) and 169(6), Chapter
3 584, Laws of 1999;
- 4 (b) vehicle, boat, and aircraft taxes and fees pursuant to:
- 5 (i) Title 23, chapter 2, part 5;
- 6 (ii) Title 23, chapter 2, part 6;
- 7 (iii) Title 23, chapter 2, part 8;
- 8 (iv) 61-3-317;
- 9 (v) 61-3-321;
- 10 (vi) Title 61, chapter 3, part 5, except for 61-3-509(3), as that subsection read prior to the amendment
11 of 61-3-509 in 2001;
- 12 (vii) Title 61, chapter 3, part 7;
- 13 (viii) 5% of the fees collected under 61-10-122;
- 14 (ix) 61-10-130;
- 15 (x) 61-10-148; and
- 16 (xi) 67-3-205;
- 17 (c) gaming revenue pursuant to Title 23, chapter 5, part 6, except for the permit fee in 23-5-612(2)(a);
- 18 (d) district court fees pursuant to:
- 19 (i) 25-1-201, except those fees in 25-1-201(1)(d), (1)(g), and (1)(j);
- 20 (ii) 25-1-202;
- 21 (iii) 25-9-506; and
- 22 (iv) 27-9-103;
- 23 (e) certificate of title fees for manufactured homes pursuant to 15-1-116;
- 24 (f) financial institution taxes collected pursuant to the former provisions of Title 15, chapter 31, part 7;
- 25 (g) all beer, liquor, and wine taxes pursuant to:
- 26 (i) 16-1-404;
- 27 (ii) 16-1-406; and
- 28 (iii) 16-1-411;
- 29 (h) late filing fees pursuant to 61-3-220;
- 30 (i) title and registration fees pursuant to 61-3-203;

- 1 (j) veterans' cemetery license plate fees pursuant to 61-3-459;
- 2 (k) county personalized license plate fees pursuant to 61-3-406;
- 3 (l) special mobile equipment fees pursuant to 61-3-431;
- 4 (m) single movement permit fees pursuant to 61-4-310;
- 5 (n) state aeronautics fees pursuant to 67-3-101; and
- 6 (o) department of natural resources and conservation payments in lieu of taxes pursuant to Title 77,
- 7 chapter 1, part 5.

8 ~~(2)(a) From the amounts estimated in subsection (1) for each county government, the department shall~~
 9 ~~deduct fiscal year 2001 county government expenditures for district courts, less reimbursements for district court~~
 10 ~~expenses, and fiscal year 2001 county government expenditures for public welfare programs to be assumed by~~
 11 ~~the state in fiscal year 2002.~~

12 ~~(b)(3) The total amount estimated pursuant to subsections (1) and (2)(a) received by each local~~
 13 ~~government in fiscal year 2011 as an entitlement share payment under this section is the base component for~~
 14 ~~fiscal year 2012 and 2013 distributions, and in each subsequent year the prior year entitlement share payment,~~
 15 ~~including any reimbursement payments received pursuant to subsection (7), is each local government's base year~~
 16 ~~component. The sum of all local governments' base year components is the base fiscal year entitlement share~~
 17 ~~pool. For the purpose of calculating the sum of all local governments' base year components, the base year~~
 18 ~~component for a local government may not be less than zero.~~

19 ~~(3)(4) (a) The~~ With the exception of fiscal years 2012 and 2103, the base year entitlement share pool
 20 must be increased annually by a growth rate as provided for in this subsection ~~(3) (4)~~. The amount determined
 21 through the application of annual growth rates is the entitlement share pool for each fiscal year, with the exception
 22 of fiscal years 2012 and 2013. By October 1 of each even-numbered year, the department shall calculate the
 23 growth rate of the entitlement share pool for each year of the next biennium in the following manner:

24 ~~(i) Before applying the growth rate for fiscal year 2007 to determine the fiscal year 2007 entitlement share~~
 25 ~~payments, the department shall subtract from the fiscal year 2006 entitlement share payments the following~~
 26 ~~amounts:~~

27	Beaverhead	_____	\$6,972
28	Big Horn	_____	\$52,551
29	Blaine	_____	\$13,625
30	Broadwater	_____	\$2,564

1	Carbon	\$11,537
2	Carter	\$407
3	Cascade	\$100,000
4	Chouteau	\$3,536
5	Custer	\$7,011
6	Daniels	\$143
7	Dawson	\$3,893
8	Fallon	\$1,803
9	Fergus	\$9,324
10	Flathead	\$100,000
11	Gallatin	\$160,000
12	Garfield	\$91
13	Glacier	\$3,035
14	Golden Valley	\$2,282
15	Granite	\$4,554
16	Hill	\$31,740
17	Jefferson	\$5,700
18	Judith Basin	\$1,487
19	Lake	\$38,314
20	Lewis and Clark	\$160,000
21	Liberty	\$152
22	Lincoln	\$3,759
23	Madison	\$8,805
24	McCone	\$1,651
25	Meagher	\$2,722
26	Mineral	\$2,361
27	Missoula	\$200,000
28	Musselshell	\$23,275
29	Park	\$6,582
30	Petroleum	\$36

1	Phillips	\$653
2	Pondera	\$10,270
3	Powder River	\$848
4	Powell	\$5,146
5	Prairie	\$717
6	Ravalli	\$93,090
7	Richland	\$3,833
8	Roosevelt	\$9,526
9	Rosebud	\$19,971
10	Sanders	\$30,712
11	Sheridan	\$271
12	Stillwater	\$12,117
13	Sweet Grass	\$2,463
14	Teton	\$5,560
15	Toole	\$7,113
16	Treasure	\$54
17	Valley	\$6,899
18	Wheatland	\$918
19	Wibaux	\$72
20	Yellowstone	\$270,000
21	Anaconda-Deer Lodge	\$20,707
22	Butte-Silver Bow	\$53,057
23	Alberton	\$675
24	Bainville	\$258
25	Baker	\$2,828
26	Bearcreek	\$143
27	Belgrade	\$11,704
28	Belt	\$1,056
29	Big Sandy	\$1,130
30	Big Timber	\$2,910

1	Billings	\$163,499
2	Boulder	\$2,340
3	Bozeman	\$52,805
4	Bridger	\$1,303
5	Broadus	\$766
6	Broadview	\$258
7	Brockton	\$414
8	Browning	\$1,830
9	Cascade	\$1,374
10	Chester	\$1,430
11	Chinook	\$2,275
12	Choteau	\$3,050
13	Circle	\$1,018
14	Clyde Park	\$572
15	Colstrip	\$4,090
16	Columbia Falls	\$6,805
17	Columbus	\$3,245
18	Conrad	\$4,562
19	Culbertson	\$1,216
20	Cut Bank	\$5,316
21	Darby	\$1,348
22	Deer Lodge	\$5,708
23	Denton	\$503
24	Dillon	\$6,928
25	Dodson	\$194
26	Drummond	\$561
27	Dutton	\$661
28	East Helena	\$2,888
29	Ekalaka	\$689
30	Ennis	\$1,518

1	Eureka	\$1,733
2	Fairfield	\$1,120
3	Fairview	\$1,152
4	Flaxville	\$143
5	Forsyth	\$3,286
6	Fort Benton	\$2,579
7	Fort Peck	\$393
8	Froid	\$328
9	Fromberg	\$855
10	Geraldine	\$457
11	Glasgow	\$5,361
12	Glendive	\$8,099
13	Grass Range	\$254
14	Great Falls	\$96,422
15	Hamilton	\$7,148
16	Hardin	\$5,920
17	Harlem	\$1,422
18	Harlowton	\$1,678
19	Havre	\$16,223
20	Helena	\$45,877
21	Hingham	\$263
22	Hobson	\$397
23	Hot Springs	\$912
24	Hysham	\$482
25	Ismay	\$43
26	Joliet	\$1,006
27	Jordan	\$606
28	Judith Gap	\$263
29	Kalispell	\$28,144
30	Kevin	\$304

1	Laurel	\$10,804
2	Lavina	\$361
3	Lewistown	\$10,170
4	Libby	\$4,475
5	Lima	\$397
6	Livingston	\$12,145
7	Lodge Grass	\$889
8	Malta	\$3,389
9	Manhattan	\$2,485
10	Medicine Lake	\$410
11	Melstone	\$234
12	Miles City	\$14,152
13	Missoula	\$104,264
14	Moore	\$319
15	Nashua	\$536
16	Neihart	\$149
17	Opheim	\$180
18	Outlook	\$125
19	Philipsburg	\$1,612
20	Pinesdale	\$1,413
21	Plains	\$2,007
22	Plentywood	\$3,185
23	Plevna	\$225
24	Polson	\$7,722
25	Poplar	\$1,544
26	Red Lodge	\$3,903
27	Rexford	\$263
28	Richey	\$309
29	Ronan	\$3,262
30	Roundup	\$3,280

1	Ryegate	\$465
2	Saco	\$354
3	Scobey	\$1,798
4	Shelby	\$5,677
5	Sheridan	\$1,150
6	Sidney	\$7,747
7	Stanford	\$737
8	Stevensville	\$3,063
9	St. Ignatius	\$1,367
10	Sunburst	\$709
11	Superior	\$1,521
12	Terry	\$1,011
13	Thompson Falls	\$2,272
14	Three Forks	\$3,130
15	Townsend	\$3,286
16	Troy	\$1,654
17	Twin Bridges	\$695
18	Valier	\$817
19	Virginia City	\$223
20	Walkerville	\$1,183
21	West Yellowstone	\$2,083
22	Westby	\$263
23	White Sulphur Springs	\$1,734
24	Whitefish	\$9,932
25	Whitehall	\$1,889
26	Wibaux	\$893
27	Winifred	\$259
28	Winnett	\$314
29	Wolf Point	\$4,497

30 (ii)(i) The department shall calculate the average annual growth rate of the Montana gross state product,

1 as published by the bureau of economic analysis of the United States department of commerce, for the following
2 periods:

3 (A) the last 4 calendar years for which the information has been published; and

4 (B) the 4 calendar years beginning with the year before the first year in the period referred to in
5 subsection ~~(3)(a)(iii)(A)~~ (4)(a)(i)(A).

6 ~~(iii)(ii)~~ The department shall calculate the average annual growth rate of Montana personal income, as
7 published by the bureau of economic analysis of the United States department of commerce, for the following
8 periods:

9 (A) the last 4 calendar years for which the information has been published; and

10 (B) the 4 calendar years beginning with the year before the first year in the period referred to in
11 subsection ~~(3)(a)(iii)(A)~~ (4)(a)(ii)(A).

12 (b) (i) The entitlement share pool growth rate for the first year of the biennium must be the following
13 percentage of the average of the growth rates calculated in subsections ~~(3)(a)(ii)(B)~~ (4)(a)(i)(B) and ~~(3)(a)(iii)(B)~~
14 (4)(a)(ii)(B):

15 (A) for counties, 54%;

16 (B) for consolidated local governments, 62%; and

17 (C) for incorporated cities and towns, 70%.

18 (ii) The entitlement share pool growth rate for the second year of the biennium must be the following
19 percentage of the average of the growth rates calculated in subsections ~~(3)(a)(ii)(A)~~ and ~~(3)(a)(iii)(A)~~ (4)(a)(i)(A)
20 and (4)(a)(ii)(A):

21 (A) for counties, 54%;

22 (B) for consolidated local governments, 62%; and

23 (C) for incorporated cities and towns, 70%.

24 ~~(4)(5)~~ As used in this section, "local government" means a county, a consolidated local government, an
25 incorporated city, and an incorporated town. A local government does not include a tax increment financing
26 district provided for in subsection ~~(6)~~ (8). For purposes of calculating the base year component for a county or
27 consolidated local government, the department shall include the revenue listed in subsection ~~(1)~~ for all special
28 districts within the county or consolidated local government. The county or consolidated local government is
29 responsible for making an allocation from the county's or consolidated local government's share of the entitlement
30 share pool to each special district within the county or consolidated local government in a manner that reasonably

1 reflects each special district's loss of revenue sources ~~listed in subsection (1)~~ for which reimbursement is provided
 2 in this section. The allocation for each special district that existed in 2002 must be based on the relative
 3 proportion of the loss of revenue in 2002.

4 ~~(5)(6)~~ (a) The entitlement share pools calculated in this section and the ~~block grants~~ funding provided
 5 for in subsection ~~(6)~~ (8) are statutorily appropriated, as provided in 17-7-502, from the general fund to the
 6 department for distribution to local governments. ~~Each local government is entitled to a pro rata share of each~~
 7 ~~year's entitlement share pool based on the local government's base component in relation to the base year~~
 8 ~~entitlement share pool.~~ The distributions must be made on a quarterly basis.

9 (b) (i) The growth amount is the difference between the entitlement share pool in the current fiscal year
 10 and the entitlement share pool in the previous fiscal year. ~~For the purposes of subsection (5)(b)(ii)(A), a county~~
 11 ~~with a negative base year component has a base year component of zero.~~ The growth factor in the entitlement
 12 share must be calculated separately for:

13 (A) counties;

14 (B) consolidated local governments; and

15 (C) incorporated cities and towns.

16 (ii) In each fiscal year, the growth amount for counties must be allocated as follows:

17 (A) 50% of the growth amount must be allocated based upon each county's percentage of the ~~base prior~~
 18 fiscal year entitlement share pool for all counties; and

19 (B) 50% of the growth amount must be allocated based upon the percentage that each county's
 20 population bears to the state population not residing within consolidated local governments as determined by the
 21 latest interim year population estimates from the Montana department of commerce as supplied by the United
 22 States bureau of the census.

23 (iii) In each fiscal year, the growth amount for consolidated local governments must be allocated as
 24 follows:

25 (A) 50% of the growth amount must be allocated based upon each consolidated local government's
 26 percentage of the ~~base prior~~ fiscal year entitlement share pool for all consolidated local governments; and

27 (B) 50% of the growth amount must be allocated based upon the percentage that each consolidated local
 28 government's population bears to the state's total population residing within consolidated local governments as
 29 determined by the latest interim year population estimates from the Montana department of commerce as
 30 supplied by the United States bureau of the census.

1 (iv) In each fiscal year, the growth amount for incorporated cities and towns must be allocated as follows:

2 (A) 50% of the growth amount must be allocated based upon each incorporated city's or town's
 3 percentage of the ~~base~~ prior fiscal year entitlement share pool for all incorporated cities and towns; and

4 (B) 50% of the growth amount must be allocated based upon the percentage that each city's or town's
 5 population bears to the state's total population residing within incorporated cities and towns as determined by the
 6 latest interim year population estimates from the Montana department of commerce as supplied by the United
 7 States bureau of the census.

8 (v) In each fiscal year, the amount of the entitlement share pool ~~not represented by~~ before the growth
 9 amount or adjustments made under subsection (7) are applied is to be distributed to each local government in
 10 the same manner as the entitlement share pool was distributed in the prior fiscal year.

11 (7) If the legislature enacts a reimbursement provision that is to be distributed pursuant to this section,
 12 the department shall determine the reimbursement amount as provided in the enactment and add the appropriate
 13 amount to the entitlement share distribution under this section. The total entitlement share distributions in a fiscal
 14 year, including distributions made pursuant to this subsection, equal the local fiscal year entitlement share pool.
 15 The ratio of each local government's distribution from the entitlement share pool must be recomputed to
 16 determine each local government's ratio to be used in the subsequent year's distribution determination under
 17 subsections (6)(b)(ii)(A), (6)(b)(iii)(A), and (6)(b)(iv)(A).

18 ~~(6)(8)~~ (a) If a tax increment financing district was not in existence during the fiscal year ending June 30,
 19 2000, then the tax increment financing district is not entitled to any ~~block grant~~ funding. If a tax increment
 20 financing district referred to in subsection ~~(6)(b)~~ (8)(b) terminates, then the ~~block grant~~ funding for the district
 21 provided for in subsection ~~(6)(b)~~ (8)(b) terminates.

22 (b) One-half of the payments provided for in this subsection ~~(6)(b)~~ (8)(b) must be made by November
 23 30 and the other half by May 31 of each year. Subject to subsection ~~(6)(a)~~ (8)(a), the entitlement share for tax
 24 increment financing districts is as follows:

25	Cascade	Great Falls - downtown	\$468,966
26	Deer Lodge	TIF District 1	3,148 <u>\$2,833</u>
27	Deer Lodge	TIF District 2	3,126 <u>2,813</u>
28	Flathead	Kalispell - District 1	758,359
29	Flathead	Kalispell - District 2	5,153 <u>4,638</u>
30	Flathead	Kalispell - District 3	41,368 <u>37,231</u>

1	Flathead	Whitefish District	464,660	<u>148,194</u>
2	Gallatin	Bozeman - downtown	34,620	<u>31,158</u>
3	Lewis and Clark	Helena - #2		731,614
4	Missoula	Missoula - 4-1B & 1-1C	4,100,507	<u>225,251</u>
5	Missoula	Missoula - 4-1C	33,343	<u>30,009</u>
6	Silver Bow	Butte - uptown	283,804	<u>255,421</u>
7	Yellowstone	Billings		436,815

8 ~~(7)~~(9) The estimated ~~base~~ fiscal year entitlement share pool and any subsequent entitlement share pool
 9 for local governments do not include revenue received from tax increment financing districts, from countywide
 10 transportation block grants, or from countywide retirement block grants.

11 ~~(8) (a) If revenue that is included in the sources listed in subsections (1)(b) through (1)(c) is significantly~~
 12 ~~reduced, except through legislative action, the department shall deduct the amount of revenue loss from the~~
 13 ~~entitlement share pool beginning in the succeeding fiscal year and the department shall work with local~~
 14 ~~governments to propose legislation to adjust the entitlement share pool to reflect an allocation of the loss of~~
 15 ~~revenue.~~

16 ~~(b) For the purposes of subsection (8)(a), a significant reduction is a loss that causes the amount of~~
 17 ~~revenue received in the current year to be less than 95% of the amount of revenue received in the base year.~~

18 ~~(9) A three-fifths vote of each house is required to reduce the amount of the entitlement share calculated~~
 19 ~~pursuant to subsections (1) through (3).~~

20 (10) When there has been an underpayment of a local government's share of the entitlement share pool,
 21 the department shall distribute the difference between the underpayment and the correct amount of the
 22 entitlement share. When there has been an overpayment of a local government's entitlement share, the local
 23 government shall remit the overpaid amount to the department.

24 (11) A local government may appeal the department's estimation of the base ~~year~~ component, the
 25 entitlement share pool growth rate, or a local government's allocation of the entitlement share pool, according
 26 to the uniform dispute review procedure in 15-1-211.

27 (12) A payment required pursuant to this section may not be offset by a debt owed to a state agency by
 28 a local government in accordance with Title 17, chapter 4, part 1."

29

30 **Section 2.** Section 15-10-420, MCA, is amended to read:

1 **"15-10-420. Procedure for calculating levy.** (1) (a) Subject to the provisions of this section, a
2 governmental entity that is authorized to impose mills may impose a mill levy sufficient to generate the amount
3 of property taxes actually assessed in the prior year plus one-half of the average rate of inflation for the prior 3
4 years. The maximum number of mills that a governmental entity may impose is established by calculating the
5 number of mills required to generate the amount of property tax actually assessed in the governmental unit in the
6 prior year based on the current year taxable value, less the current year's value of newly taxable property, plus
7 one-half of the average rate of inflation for the prior 3 years.

8 (b) A governmental entity that does not impose the maximum number of mills authorized under
9 subsection (1)(a) may carry forward the authority to impose the number of mills equal to the difference between
10 the actual number of mills imposed and the maximum number of mills authorized to be imposed. The mill authority
11 carried forward may be imposed in a subsequent tax year.

12 (c) For the purposes of subsection (1)(a), the department shall calculate one-half of the average rate of
13 inflation for the prior 3 years by using the consumer price index, U.S. city average, all urban consumers, using
14 the 1982-84 base of 100, as published by the bureau of labor statistics of the United States department of labor.

15 (2) A governmental entity may apply the levy calculated pursuant to subsection (1)(a) plus any additional
16 levies authorized by the voters, as provided in 15-10-425, to all property in the governmental unit, including newly
17 taxable property.

18 (3) (a) For purposes of this section, newly taxable property includes:

19 (i) annexation of real property and improvements into a taxing unit;

20 (ii) construction, expansion, or remodeling of improvements;

21 (iii) transfer of property into a taxing unit;

22 (iv) subdivision of real property; and

23 (v) transfer of property from tax-exempt to taxable status.

24 (b) Newly taxable property does not include an increase in value that arises because of an increase in
25 the incremental value within a tax increment financing district.

26 (4) (a) For the purposes of subsection (1), the taxable value of newly taxable property includes the
27 release of taxable value from the incremental taxable value of a tax increment financing district because of:

28 (i) a change in the boundary of a tax increment financing district;

29 (ii) an increase in the base value of the tax increment financing district pursuant to 7-15-4287; or

30 (iii) the termination of a tax increment financing district.

1 (b) If a tax increment financing district terminates prior to the certification of taxable values as required
2 in 15-10-202, the increment value is reported as newly taxable property in the year in which the tax increment
3 financing district terminates. If a tax increment financing district terminates after the certification of taxable values
4 as required in 15-10-202, the increment value is reported as newly taxable property in the following tax year.

5 (c) For the purpose of subsection (3)(a)(ii), the value of newly taxable class four property that was
6 constructed, expanded, or remodeled property since the completion of the last reappraisal cycle is the current
7 year market value of that property less the previous year market value of that property.

8 (d) For the purpose of subsection (3)(a)(iv), the subdivision of real property includes the first sale of real
9 property that results in the property being taxable as class four property under 15-6-134 or as nonqualified
10 agricultural land as described in 15-6-133(1)(c).

11 (5) Subject to subsection (8), subsection (1)(a) does not apply to:

12 (a) school district levies established in Title 20; or

13 (b) a mill levy imposed for a newly created regional resource authority.

14 (6) For purposes of subsection (1)(a), taxes imposed do not include net or gross proceeds taxes received
15 under 15-6-131 and 15-6-132.

16 (7) In determining the maximum number of mills in subsection (1)(a), the governmental entity:

17 (a) may increase the number of mills to account for a decrease in reimbursements; and

18 (b) may not increase the number of mills to account for a loss of tax base because of legislative action
19 that is reimbursed under the provisions of 15-1-121(7).

20 (8) The department shall calculate, on a statewide basis, the number of mills to be imposed for purposes
21 of 15-10-108, 20-9-331, 20-9-333, 20-9-360, and 20-25-439. However, the number of mills calculated by the
22 department may not exceed the mill levy limits established in those sections. The mill calculation must be
23 established in tenths of mills. If the mill levy calculation does not result in an even tenth of a mill, then the
24 calculation must be rounded up to the nearest tenth of a mill.

25 (9) (a) The provisions of subsection (1) do not prevent or restrict:

26 (i) a judgment levy under 2-9-316, 7-6-4015, or 7-7-2202;

27 (ii) a levy to repay taxes paid under protest as provided in 15-1-402;

28 (iii) an emergency levy authorized under 10-3-405, 20-9-168, or 20-15-326;

29 (iv) a levy for the support of a study commission under 7-3-184;

30 (v) a levy for the support of a newly established regional resource authority; or

1 (vi) the portion that is the amount in excess of the base contribution of a governmental entity's property
2 tax levy for contributions for group benefits excluded under 2-9-212 or 2-18-703.

3 (b) A levy authorized under subsection (9)(a) may not be included in the amount of property taxes
4 actually assessed in a subsequent year.

5 (10) A governmental entity may levy mills for the support of airports as authorized in 67-10-402,
6 67-11-301, or 67-11-302 even though the governmental entity has not imposed a levy for the airport or the airport
7 authority in either of the previous 2 years and the airport or airport authority has not been appropriated operating
8 funds by a county or municipality during that time.

9 (11) The department may adopt rules to implement this section. The rules may include a method for
10 calculating the percentage of change in valuation for purposes of determining the elimination of property, new
11 improvements, or newly taxable property in a governmental unit."

12

13 NEW SECTION. **Section 3. Saving clause.** [This act] does not affect rights and duties that matured,
14 penalties that were incurred, or proceedings that were begun before [the effective date of this act].

15

16 NEW SECTION. **Section 4. Effective date.** [This act] is effective July 1, 2011.

17

18 NEW SECTION. **Section 5. Applicability.** [This act] applies to fiscal years beginning after June 30,
19 2011.

20 - END -