

1 HOUSE BILL NO. 903

2 INTRODUCED BY L. SCHUBERT, M. YAKAWICH, S. KELLY, S. KLAKKEN

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4 A BILL FOR AN ACT ENTITLED: "AN ACT PROVIDING FOR A NEW CLASS OF MANUFACTURING
5 PROPERTY FOR PROPERTY TAX PURPOSES; PROVIDING A TAXABLE PERCENTAGE AND
6 DESCRIPTION FOR MANUFACTURING PROPERTY; AND PROVIDING AN APPLICABILITY DATE."

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

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10 NEW SECTION. **Section 1. Class nineteen property -- description -- taxable percentage.** (1)

11 Subject to subsection (2), class nineteen property includes land and improvements used for manufacturing,
12 except for property included in 15-6-138 as class eight property. Property used for manufacturing includes
13 property used for:

14 (a) the mechanical, physical, or chemical transformation of materials, substances, or components
15 into new products; or

16 (b) the assembling of component parts of manufactured products for purposes other than
17 construction.

18 (2) If a parcel includes both manufacturing property and property included in another class, the
19 land must be included in the class for which the improvements comprise the largest share of total
20 improvements on the parcel.

21 (3) Class nineteen property is taxed at 1.47% of its market value.
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23 NEW SECTION. **Section 2. Codification instruction.** [Section 1] is intended to be codified as an
24 integral part of Title 15, chapter 6, part 1, and the provisions of Title 15, chapter 6, part 1, apply to [section 1].
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26 NEW SECTION. **Section 3. Applicability.** [This act] applies to property tax years beginning on or
27 after January 1, 2026.

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