

HOUSE BILL NO. 411

INTRODUCED BY J. GILLETTE

A BILL FOR AN ACT ENTITLED: "AN ACT EXEMPTING AGRICULTURAL PROPERTY FROM OPEN SPACE  
PROPERTY TAX LEVIES; AMENDING SECTION ~~7-6-2527, 76-6-109~~, MCA; AND PROVIDING AN  
~~IMMEDIATE EFFECTIVE DATE AND A RETROACTIVE~~ APPLICABILITY DATE."

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

**Section 1.** Section 7-6-2527, MCA, is amended to read:

~~"7-6-2527. Taxation -- public and governmental purposes. (1) A county may impose a property tax  
levy for any public or governmental purpose not specifically prohibited by law. Public and governmental  
purposes include but are not limited to:~~

~~(1)(a) district court purposes as provided in 7-6-2511;~~

~~(2)(b) county-owned or county-operated health care facility purposes as provided in 7-6-2512;~~

~~(3)(c) county law enforcement services and maintenance of county detention center purposes as  
provided in 7-6-2513 and search and rescue units as provided in 7-32-235;~~

~~(4)(d) multijurisdictional service purposes as provided in 7-11-1022;~~

~~(5)(e) transportation services for senior citizens and persons with disabilities as provided in 7-14-111;~~

~~(6)(f) support for a port authority as provided in 7-14-1132;~~

~~(7)(g) county road, bridge, and ferry purposes as provided in 7-14-2101, 7-14-2501, 7-14-2502, 7-14-  
2503, 7-14-2801, and 7-14-2807;~~

~~(8)(h) recreational, educational, and other activities of the elderly as provided in 7-16-101;~~

~~(9)(i) purposes of county fair activities, parks, cultural facilities, and any county-owned civic center,  
youth center, recreation center, or recreational complex as provided in 7-16-2102 and 7-16-2109;~~

~~(10)(j) programs for the operation of licensed day care centers and homes as provided in 7-16-2108  
and 7-16-4114;~~

~~(11)(k) support for a museum, facility for the arts and the humanities, collection of exhibits, or a~~

~~museum district created under provisions of Title 7, chapter 11, part 10, or former Title 7, chapter 16, part 22;~~  
~~(12)(l) extension work in agriculture and home economics as provided in 7-21-3203;~~  
~~(13)(m) weed control and management purposes as provided in 7-22-2142;~~  
~~(14)(n) insect control programs as provided in 7-22-2306;~~  
~~(15)(o) fire control as provided in 7-33-2209;~~  
~~(16)(p) ambulance service as provided in 7-34-102;~~  
~~(17)(q) public health purposes as provided in 50-2-111;~~  
~~(18)(r) public assistance purposes as provided in 53-3-115;~~  
~~(19)(s) indigent assistance purposes as provided in 53-3-116;~~  
~~(20)(t) developmental disabilities facilities as provided in 53-20-208;~~  
~~(21)(u) mental health services as provided in 53-21-1010;~~  
~~(22)(v) airport purposes as provided in 67-10-402 and 67-11-302;~~  
~~(23)(w) purebred livestock shows and sales as provided in 81-8-504;~~  
~~(24)(x) economic development purposes as provided in 90-5-112;~~  
~~(25)(y) prevention programs, including programs that reduce substance abuse; and~~  
~~(26)(z) forest or grassland hazardous fuels reduction projects in areas near homes and communities where wildland fire is a threat.~~

~~(2) Property classified as agricultural property under 15-6-133 is exempt from open space property tax levies. If agricultural property that is exempt from open space property tax levies under this subsection (2) receives a payment from open space levy revenue, the county may reduce the open space payment for the exempt agricultural property."~~

**Section 1.** Section 76-6-109, MCA, is amended to read:

**"76-6-109. Powers of public bodies -- county real property acquisition procedure maintained.**

(1) A public body has the power to carry out the purposes and provisions of this chapter, including the following powers in addition to others granted by this chapter:

- (a) to borrow funds and make expenditures necessary to carry out the purposes of this chapter;
- (b) to advance or accept advances of public funds;

(c) to apply for and accept and use grants and any other assistance from the federal government and any other public or private sources, to give security as may be required, to enter into and carry out contracts or agreements in connection with the assistance, and to include in any contract for assistance from the federal government conditions imposed pursuant to federal laws as the public body may consider reasonable and appropriate and that are not inconsistent with the purposes of this chapter;

(d) to make and execute contracts and other instruments necessary or convenient to the exercise of its powers under this chapter;

(e) in connection with the real property acquired or designated for the purposes of this chapter, to provide or to arrange or contract for the provision, construction, maintenance, operation, or repair by any person or agency, public or private, of services, privileges, works, streets, roads, public utilities, or other facilities or structures that may be necessary to the provision, preservation, maintenance, and management of the property as open-space land;

(f) to insure or provide for the insurance of any real or personal property or operations of the public body against any risks or hazards, including the power to pay premiums on the insurance;

(g) to demolish or dispose of any structures or facilities that may be detrimental to or inconsistent with the use of real property as open-space land; and

(h) to exercise any of its functions and powers under this chapter jointly or cooperatively with public bodies of one or more states, if they are authorized by state law, and with one or more public bodies of this state and to enter into agreements for joint or cooperative action.

(2) For the purposes of this chapter, the state, a city, town, or other municipality, or a county may:

(a) appropriate funds;

(b) subject to 15-10-420, levy taxes and assessments according to existing codes and statutes;

(c) issue and sell its general obligation bonds in the manner and within the limitations prescribed by the applicable laws of the state, subject to subsection (3); and

(d) exercise its powers under this chapter through a board or commission or through the office or officers that its governing body by resolution determines or as the governor determines in the case of the state.

(3) ~~Property taxes levied to pay Open space levies and property taxes pledged to the payment of~~  
the principal and interest on general obligation bonds issued by a city, town, other municipality, or county

# Amendment - 1st Reading-white - Requested by: Jane Gillette - (H) Taxation

- 2025

69th Legislature 2025

Drafter: Megan Moore,

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pursuant to this chapter may not be levied against the following property:

- (a) agricultural land eligible for valuation, assessment, and taxation as agricultural land under 15-7-202;
  - (b) forest land as defined in 15-44-102;
  - (c) all agricultural improvements on agricultural land referred to in subsection (3)(a);
  - (d) all noncommercial improvements on forest land referred to in subsection (3)(b); and
  - (e) agricultural implements and equipment described in 15-6-138(1)(a).
- (4) This chapter does not supersede the provisions of Title 7, chapter 8, parts 22 and 25."

**NEW SECTION. Section 2. Applicability.** [This act] applies to all open space levies and bonds, regardless of the approval date, and to property tax years beginning on or after January 1, 2026.

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