

Amendment - 2nd Reading/2nd House-tan - Requested by: Josh Kassmier - (S) Committee of the Whole

- 2025

69th Legislature 2025

Drafter: Megan Moore,

HB0231.004.002

HOUSE BILL NO. 231

INTRODUCED BY L. JONES, B. LER, S. ESSMANN, R. MINER, W. MCKAMEY, D. FERN, J. KASSMIER, M. BERTOGLIO, C. SPRUNGER, S. MORIGEAU, G. HUNTER, C. COCHRAN, S. FITZPATRICK, M. NIKOLAKAKOS, G. HERTZ, C. SCHOMER, E. TILLEMAN, R. TEMPEL, J. DARLING, G. PARRY, K. WALSH, G. NIKOLAKAKOS, B. BARKER, M. CUFFE, T. MCGILLVRAY, B. GILLESPIE, D. BEDEY

A BILL FOR AN ACT ENTITLED: "AN ACT GENERALLY REVISING PROPERTY TAX LAWS; PROVIDING FOR A PROPERTY TAX REBATE ON A PRINCIPAL RESIDENCE BASED ON A CERTAIN AMOUNT OF PROPERTY TAXES PAID FOR TAX YEAR 2024; TEMPORARILY REDUCING CLASS FOUR RESIDENTIAL PROPERTY TAX RATES; REVISING TAX RATES FOR CERTAIN CLASS FOUR RESIDENTIAL AND COMMERCIAL PROPERTY; PROVIDING A LOWER TAX RATE FOR CERTAIN OWNER-OCCUPIED RESIDENTIAL PROPERTY AND LONG-TERM RENTALS; PROVIDING A LOWER TAX RATE FOR A PORTION OF COMMERCIAL PROPERTY VALUE; PROVIDING ELIGIBILITY AND APPLICATION REQUIREMENTS; PROVIDING FOR AN APPEAL PROCESS; PROVIDING DEFINITIONS; PROVIDING RULEMAKING AUTHORITY; AMENDING SECTIONS 15-1-121, 15-6-134, 15-7-102, 15-15-101, 15-15-102, 15-15-103, 15-16-101, ~~AND 15-17-125~~, AND 15-30-2120, MCA; AND PROVIDING AN IMMEDIATE EFFECTIVE DATE DATES, APPLICABILITY DATES, AND A TERMINATION DATE DATES."

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

NEW SECTION. **Section 1. Definitions.** As used in [sections 1 through 7 6] and 15-6-134, the following definitions apply:

- (1) "Homestead reduced tax rate" means the tax rate provided for in 15-6-134(3)(b)(i).
- (2) "Long-term rental" means class four residential property:
 - (a) that is a single-family dwelling unit, unit of a multiple-unit dwelling, trailer, manufactured home, or mobile home and the parcel on which the long-term rental improvements are located but not including any contiguous or adjacent parcels;

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(3) [Sections 8 and 12] are effective on the date that the department of revenue certifies to the code commissioner that a court of final disposition finds that [section 7] is invalid. The department of revenue shall submit certification within 30 days of the occurrence of the contingency.

NEW SECTION. SECTION 25. TRANSFER OF FUNDS. THE STATE TREASURER SHALL TRANSFER \$90 MILLION FROM THE GENERAL FUND TO THE PROPERTY TAX ASSISTANCE ACCOUNT PROVIDED FOR IN [SECTION 22] BY JULY 1, 2025.

COORDINATION SECTION. SECTION 17. COORDINATION INSTRUCTION. IF HOUSE BILL NO. 154 IS NOT PASSED BY THE LEGISLATURE AND IF [THIS ACT] IS PASSED BY THE LEGISLATURE AND CONTAINS A SECTION THAT AMENDS 15-6-134, THEN SUBSECTION (3)(B)(I)(A) OF 15-6-134 IN [THIS ACT] MUST BE REPLACED WITH THE FOLLOWING

:

"(A) 0.74% FOR THE MARKET VALUE THAT IS 2 TIMES THE MEDIAN RESIDENTIAL VALUE OR LESS;"

NEW SECTION. SECTION 26. SEVERABILITY. IF A PART OF [THIS ACT] IS INVALID, ALL VALID PARTS THAT ARE SEVERABLE FROM THE INVALID PART REMAIN IN EFFECT. IF A PART OF [THIS ACT] IS INVALID IN ONE OR MORE OF ITS APPLICATIONS, THE PART REMAINS IN EFFECT IN ALL VALID APPLICATIONS THAT ARE SEVERABLE FROM THE INVALID APPLICATIONS.

COORDINATION SECTION. Section 27. Coordination instruction. If House Bill No. 528 and [this act] are passed and approved, then House Bill No. 528 is void.

NEW SECTION. Section 28. Applicability -- retroactive applicability. (1) Except as provided in subsection (2), [this act] applies retroactively to property tax years beginning after December 31, 2024.

(2) [Sections 3 and 4 1 THROUGH 6, 13, AND 15 THROUGH 20] apply to property tax years beginning after December 31, 2026 2025.