SENATE BILL NO. 10

INTRODUCED BY M. YAKAWICH

BY REQUEST OF THE REVENUE INTERIM COMMITTEE

A BILL FOR AN ACT ENTITLED: “AN ACT REMOVING THE EXEMPTION FOR AN INCOMPETENT VETERAN'S TRUST; AMENDING SECTION 15-6-203, MCA; AND PROVIDING AN APPLICABILITY DATE.”

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

Section 1. Section 15-6-203, MCA, is amended to read:

"**15-6-203. Veterans' exemptions -- clubhouse -- land ~~-- incompetent veterans' trusts~~.** (1) ~~(a)~~ There is an exemption from taxation for a clubhouse, building, or land owned, rented, leased, or used primarily:

~~(i)~~ (a) by any society or organization of honorably discharged United States military personnel; and

~~(ii)~~ (b) for educational, fraternal, benevolent, or purely public charitable purposes rather than for gain or profit.

~~(b)~~ (2) The clubhouse or building exemption provided for in this section applies:

~~(i)~~ (a) to the personal property necessarily used in the building; and

~~(ii)~~ (b) even if a business, intended primarily for the use of the members, is required to be open to the public and is operated in a portion of the building.

~~(c)~~ (3) If property exempt under this ~~subsection (1)~~ section is owned by someone other than the society or organization, the savings from the property tax exemption must be realized by the society or organization.

~~(2) All property, real or personal, in the possession of legal guardians of incompetent veterans of U.S. military service or minor dependents of the veterans, when the property is funds or derived from funds received from the United States as pension, compensation, insurance, adjusted compensation, or gratuity, is exempt from all taxation as property of the United States while held by the guardian, but not after title passes to the veteran or minor in the minor's own right on account of removal of legal disability.~~"

NEW SECTION. **Section 2. Applicability.** [This act] applies to property tax years beginning after December 31, 2027.

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