_____________ BILL NO. _____________

INTRODUCED BY ____

A BILL FOR AN ACT ENTITLED: "AN ACT REVISING FOREST TAXATION LAWS; INCREASING FOREST PROPERTY TAX RATES; AMENDING SECTION 15-6-143, MCA; AND PROVIDING A DELAYED EFFECTIVE DATE AND AN APPLICABILITY DATE."

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

Section 1. Section 15-6-143, MCA, is amended to read:

"**15-6-143. Class ten property -- description -- taxable percentage.** (1) Class ten property includes all forest lands, as defined in 15-44-102, and property described in subsection (2).

(2) Any parcel of growing timber totaling less than 15 acres qualifies as class ten property if, in a prior year, the parcel totaled 15 acres or more and qualified as forest land but the number of acres was reduced to less than 15 acres for a public use described in 70-30-102 by the federal government, the state, a county, or a municipality and, since that reduction in acres, the parcel has not been further divided.

(3) Class ten property is taxed at~~:~~

~~(a) 0.29% of its forest productivity value in tax year 2023;~~

~~(b) 0.27% of its forest productivity value in tax year 2024; and~~

~~(c) 0.37%~~ <u>2.37%</u> of its forest productivity value ~~in tax years after 2024~~."

<u>NEW SECTION.</u> **Section 2. Effective date.** [This act] is effective January 1, 2026.

<u>NEW SECTION.</u> **Section 3. Applicability.** [This act] applies to property tax years beginning after December 31, 2025.

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