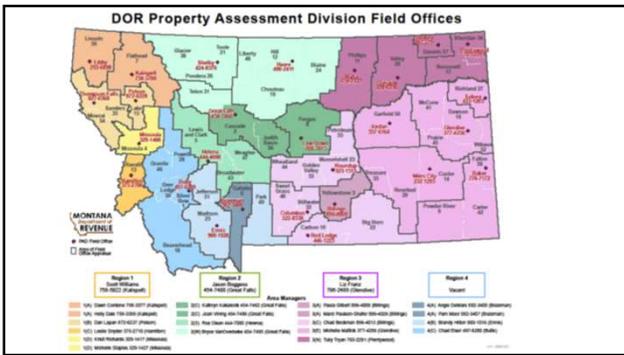


**Property Valuation
vs
Property Taxes**



- Robin Rude
- Deputy Division Administrator
- Property Assessment Division
- mtassrmt.gov
- (406) 896-4060

1



2

General Assessment Date

- January 1st
 - Properties are assessed as they are on January 1st
 - Ownership can be continuously changed until a final download for tax billing occurs, typically early October
- Reappraisal Years occur each odd year since 2015.
 - Valuation is as of 1/1/XX the year prior to reappraisal. For 2021 reappraisal year, values are as of 1/1/2020.
 - This allows time to get sales reviewed and valuation models built.

3



When is data available?

- Property Valuation data is available once assessment notices are mailed to property owners. This typically occurs in early June of each year.

4

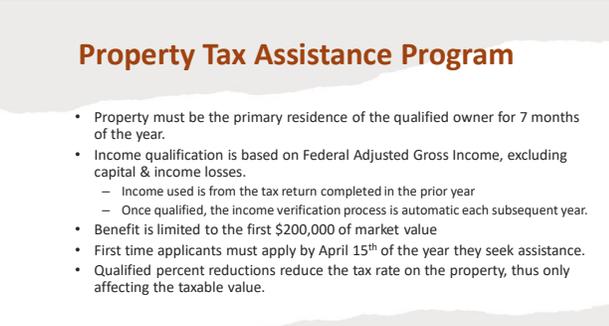


Estimating Taxes @ closing

- Residential Tax Rate = 1.35%
- Commercial Tax Rate = 1.89%
- Market Value X Tax Rate = Taxable Value
- Taxable Value X Mill Levy = General Tax
- General Tax + Specials = Total Tax
- To estimated taxes, substitute sale price for market value

Mill Levies and Specials can be found on some county websites. You can also work with your local office to obtain this information.

5



Property Tax Assistance Program

- Property must be the primary residence of the qualified owner for 7 months of the year.
- Income qualification is based on Federal Adjusted Gross Income, excluding capital & income losses.
 - Income used is from the tax return completed in the prior year
 - Once qualified, the income verification process is automatic each subsequent year.
- Benefit is limited to the first \$200,000 of market value
- First time applicants must apply by April 15th of the year they seek assistance.
- Qualified percent reductions reduce the tax rate on the property, thus only affecting the taxable value.

6

2022 Income Guidelines for the Property Tax Assistance Program		
Single Person	Married or Filing Head of Household	Percent Reduction
\$0 - \$9,354	\$0 - \$12,472	80%
\$9,355 - \$14,344	\$12,473 - \$21,827	50%
\$14,345 - \$23,385	\$21,828 - \$31,181	30%

Property Tax Assistance Program

- Ownership Changes
 - If the transfer occurs prior to July 31, the benefit is not pro-rated. Property is taxable at full rate for the entire year.
 - If transferred between August 1st and before taxes are provided to the county treasurer's, typically around the 2nd Monday in October, the benefit is pro-rated.
 - After tax billing, the benefit will remain on the property for the entire year.
 - If the original owner purchases another property in the state, they can qualify and transfer the benefit to the property they live in at the time of billing.

7

Montana Disabled Veterans Program

- Property must be the primary residence of the qualified owner for 7 months of the year.
- Veteran must be 100% disabled or paid at the 100% disabled rate due to a service-connected disability. DOR must have a letter on file.
 - May also be granted to an unmarried surviving spouse of the veteran.
- Income qualification based on Federal Adjusted Gross Income, excluding capital & income losses.
 - Income is based on the tax return completed in the prior year
 - Once qualified, the income verification process is automatic each subsequent year.

8

Montana Disabled Veterans Program

- First time applicants must apply by April 15th of the year they seek assistance.
- Qualified percent reductions reduce the tax rate
- Ownership Changes are processed the same as PTAP

2022 Income Guidelines for the Montana Disabled Veteran Program			
Single Person	Married or Filing Head of Household	Unmarried Surviving Spouse	Percent Reduction
\$0 - \$41,590	\$0 - \$49,908	\$0 - \$34,658	100%
\$41,591 - \$45,749	\$49,909 - \$54,067	\$34,659 - \$38,818	80%
\$45,750 - \$49,908	\$54,068 - \$58,226	\$38,819 - \$42,976	70%
\$49,909 - \$54,067	\$58,227 - \$62,385	\$42,977 - \$47,136	50%

9

Montana Cadastral Website
<http://svc.mt.gov/msi/mtcadastral>

- Choose a County
- Search choices include:
 - Owner name
 - Geocode
 - Assessment Code
 - Address
 - Subdivision

10

Other 'fun' tax abatement/reduction programs

- Natural Disaster Property Tax Relief MCA 15-16-611
- Natural Disaster Forest Land Reduction MCA 15-44-104
- Land Value Property Tax Assistance for Residential Property MCA 15-6-240
 - Appraised land value must be 150% greater than the value of the buildings on the property
 - If the property meets the initial requirement, a highlighted note will show up on Property.MT.Gov
- Mobile Home Tax Exemptions
 - 28+ years old and less than \$10,000 in value not attached to real MCA 15-6-241
 - Abandoned mobile homes no longer fit for human habitation MCA 15-6-242
- New and Expanding Industry MCA 15-24-1401 through 1402
- Remodeling, Reconstruction or Expansion of Commercial Properties
 - MCA 15-24-1501 through 1502
- Restoration, Rehabilitation, Expansion of properties located within National Register of Historic Places MCA 15-24-1601 through 1607
- Ammunition Manufacturing Tax Exemption MCA 15-24-1410 and 30-20-204

11

Sales Verification Process

- Department receives Realty Transfer Certificates
- Process ownership change
 - Enter information, including sale price into the database
 - send sales verification letter
- Field review the property to verify characteristics
 - Talk to owner or leave follow up sales verification letter
- Determine validity of the sale
 - Was the sales letter returned? Did we speak with the owner?
 - capture the information into database
- Build valuation models

12

Questions?



@MTRevenue



@MTRevenue



MontanaRevenue



Montana Department of Revenue

Get social with us!