PROPERTY TAX MODERNIZATION STUDY

FINAL REPORT TO THE 69TH MONTANA LEGISLATURE

Revenue Interim Committee
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This report is a summary of the work of the Revenue Interim Committee, specific to the Revenue Interim Committee's 2023-2024 property tax modernization study as outlined in the Revenue Interim Committee's 2023-2024 work plan. Members received additional information and public testimony on the subject, and this report is an effort to highlight key information and the processes followed by the Revenue Interim Committee in reaching its conclusions. To review additional information, including audio minutes and exhibits, visit the Revenue Interim Committee website: https://leg.mt.gov/committees/interim/ric/.

A full report, including links to the documents referenced in this print report, is available at the Revenue Interim Committee website: https://leg.mt.gov/committees/interim/ric.

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PROPERTY TAX MODERNIZATION

STUDY BACKGROUND

Some parts of Montana experienced rising home prices that led to increased residential property values in the 2023 reappraisal cycle. With significant attention focused on residential property taxes, the Revenue Interim Committee (RIC) devoted most of its 2023-2024 interim to study of the property tax system.

The study began with a comprehensive overview of the state's property tax system, the basics of school funding, and a review of available property tax data. The committee then selected the following topics to explore in more detail: revaluation cycles, implementation of state school equalization levies, local government levy limits, voted levies, tax increment financing, exemptions, and residential property tax relief.

RIC AND GOVERNOR'S PROPERTY TAX TASK FORCE SHARE INFORMATION

While the RIC was undertaking its property tax study, Gov. Greg Gianforte appointed a property tax task force to propose reforms to the property tax system and reduce the property tax burden. The task force included 25 members organized into three subcommittees: education, local government, and tax fairness/equity.

The full task force and its subcommittees met in 2024 between February and August. The RIC received regular updates about the work of the task force. In addition, models created for the task force were presented to the RIC and RIC staff shared materials prepared for the RIC with the task force.

The task force submitted a final report to Gov. Gianforte on August 15, 2024. The RIC requested one bill that was also a recommendation of the task force: LC 88, to require voted levies to be stated in dollars.

FINDINGS AND RECOMMENDATIONS

The RIC did not issue formal findings but did make one recommendation and request the introduction of eight committee bills during the 2025 legislative session.

Recommendation

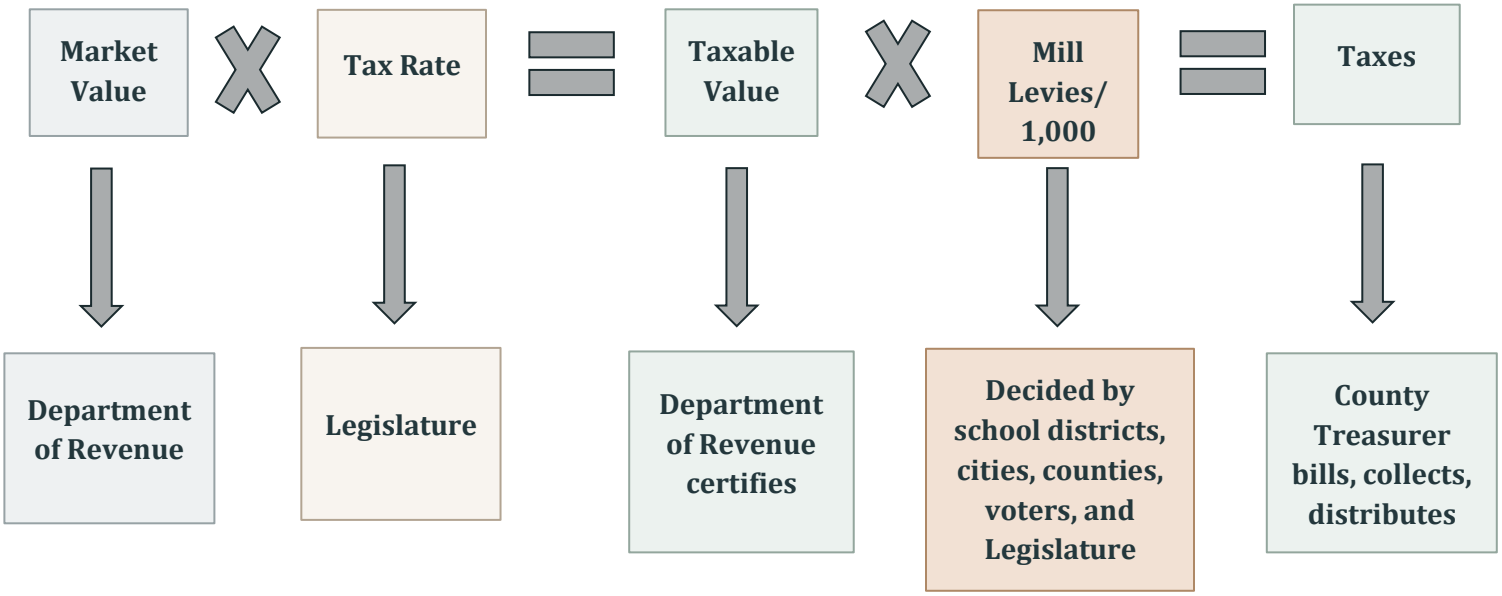
Require additional reporting for districts that use tax increment financing.

REVENUE INTERIM COMMITTEE LEGISLATION REQUESTS

Bill Number	Category	Description
LC 77	Exempt Property	Require exempt entities to report beneficial use of property
LC 78	Exempt Property	Revise administration of property tax exemptions
LC 80	Schools	Deposit non-levy revenue in school equalization and property tax account
LC 81	TIF	Revise treatment of tax increment upon expiration of tax increment financing provision
LC 82	TIF	Revise definition of "blighted area"
LC 83	TIF	Require advisory committee for districts that use tax increment financing
LC 84	TIF	Require public hearing before certain tax increment financing bonding
LC 88	Voted Levies	Require voted levies to be in dollars rather than mills

PROPERTY TAX BASICS

The property tax is an ad valorem tax, meaning it is based on the value of the property. The property value is multiplied by the tax rate and the mill rate to determine taxes due.



State law provides for the state's property tax policy, but other parties play a role in implementing the policy and determining actual tax bills. The Department of Revenue determines the market value of all properties in the state, applies the tax rate set in state law, and provides the resulting taxable values to taxpayers and taxing jurisdictions.

Taxing jurisdictions include the state, cities, counties, school districts, and special districts. These entities set mill levies based on their budgets. One mill raises $1 per $1,000 of taxable value.

Mill levies for each taxing jurisdiction in which a property is located are summed, divided by 1,000, and multiplied by taxable value to determine taxes due. The county treasurer issues tax bills, collects tax payments, and distributes tax revenue to each taxing jurisdiction.

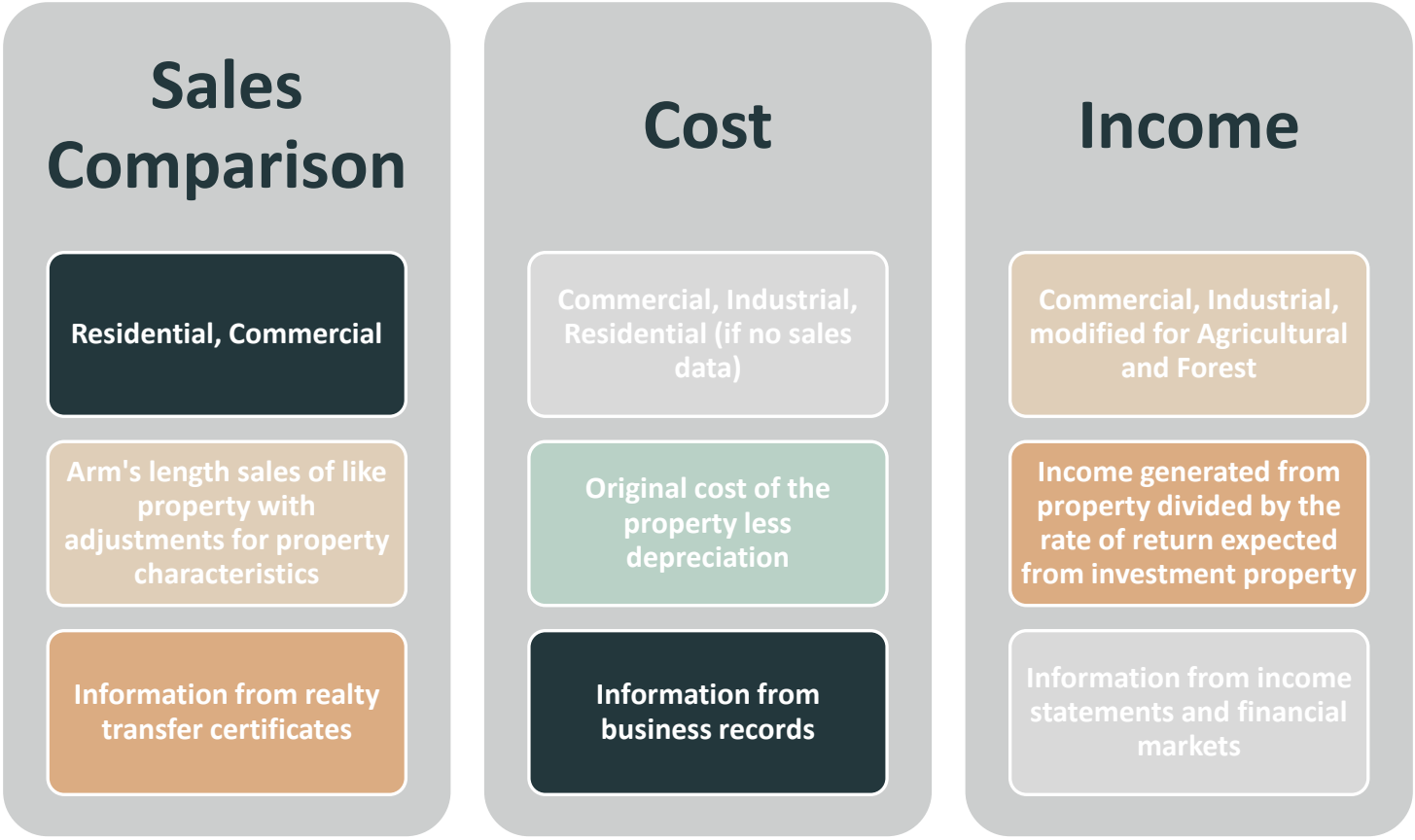
DEPARTMENT OF REVENUE VALUES PROPERTY

The Montana Constitution requires property appraisal to occur at the state level. Most other states use county-level appraisers.

> Article VIII, section 3: The state shall appraise, assess, and equalize the valuation of all property which is to be taxed in the manner provided by law.

Montana law directs the Department of Revenue (DOR) to appraise property at 100% of market value, with a few exceptions. Agricultural property and forest land are valued based on the productive capacity of the property.

The DOR uses three approaches for valuing property: the sales comparison approach, the cost approach, and the income approach.



PROPERTY CLASS DETERMINES TAX RATES

Montana uses a classification system to tax property used for different purposes at different rates. The portion of a property's value that is taxable is determined by the tax rate, which is referred to as an assessment ratio in many other states. There are 16 classes of property in Montana with tax rates ranging from 0.27% to 100%. The following table shows tax classes and rates for the larger property classes.

SELECTED TAX CLASSES AND TAX RATES, 2024

Class	Description	Rate
3	Agricultural land	2.16%
	Non-qualified agricultural land	15.12%
4	Residential	1.35%
	Commercial, value of residence above $1.5 million	1.89%
8	Business personal property	First $1 million is exempt; next $6 million, 1.5%; above $6 million, 3%
9	Non-electric generating property of electric utilities, pipelines	12%
10	Forest land	0.27% in 2024; 0.37% after 2024
12	Railroad and airline property	3.06%[1]
13	Electric generating property, telecommunications utilities	6%

TAXABLE VALUES CERTIFIED IN AUGUST

State law requires the DOR to certify taxable values to taxing jurisdictions by the first Monday in August. The statement must include an estimate of the taxable value of newly taxable property.

Taxing jurisdictions use certified taxable values to calculate mill levies that will ultimately appear on tax bills.

[1] Rate is the lesser of the taxable value of commercial property divided by the market value of commercial property or 12%.

TAXES FOR MOST PROPERTY DUE IN NOVEMBER AND MAY

County treasurers bill and collect property taxes and distribute property tax revenue. Property owners receive tax bills in October. For most property, half of property taxes are due November 30 of the current year and half are due May 31 of the following year.

Personal property not affixed to real property is subject to different due dates. The due dates for mobile homes not on a permanent foundation are May 31 and November 30 of the current year. The due date for other personal property not attached to real property is 30 days from the date on the bill.

NEW IN 2024: An alternative payment schedule will be available to residential property owners. The owner of a primary residence may enroll in a program to pay taxes in 7 equal monthly payments between November and May.

Many homeowners with a mortgage pay property taxes monthly to an escrow account. The account administrator holds the monthly payments and remits the taxes directly to the county treasurer by the statutory due dates.

PROPERTY TAXES GENERATE $2 BILLION FOR SCHOOLS, LOCALS

In fiscal year 2024, Montana property tax collections totaled $2.3 billion.[2]

More than half of the revenue, or 56%, funds schools. This includes local school district levies, the 95 mills for school equalization, and countywide school levies that fund teacher retirement and pupil transportation.

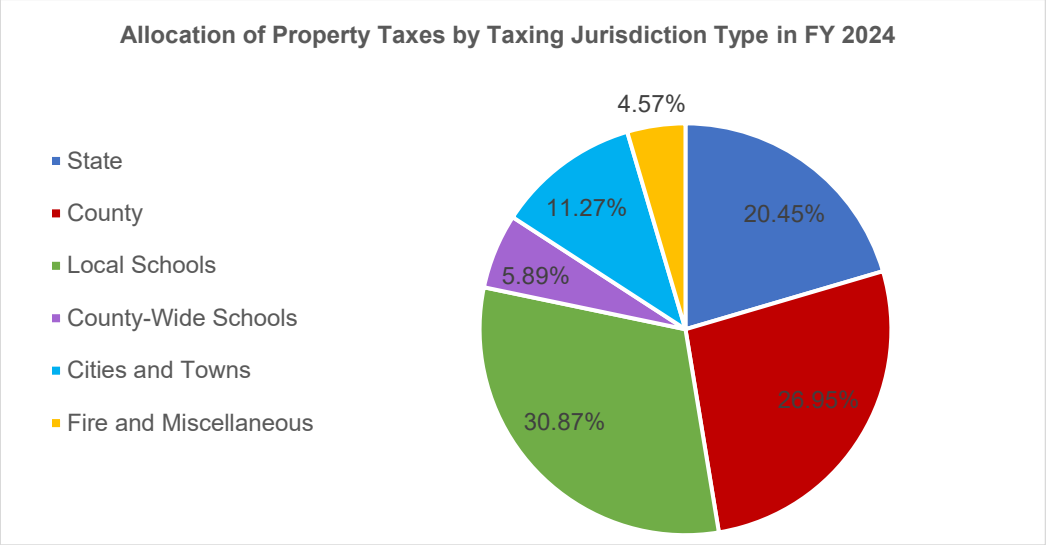
County property taxes account for about 27% of FY 2024 total property taxes, while the share for cities and towns is 11%. Miscellaneous districts and fire districts property taxes total 4.5%.

Taxes Levied by Jurisdiction Type

	FY2023		FY2024	
Taxing Jurisdiction	Tax Revenue	Percent of Total	Tax Revenue	Percent of Total
State	$371,026,095	17.79%	$478,934,871	20.45%
County	$587,697,349	28.18%	$631,311,895	26.95%
Local Schools	$675,085,981	32.37%	$722,954,804	30.87%
Countywide Schools	$124,370,782	5.96%	$137,944,471	5.89%
Cities and Towns	$234,949,526	11.26%	$264,049,410	11.27%
Fire and Miscellaneous	$92,582,726	4.44%	$106,932,306	4.57%
	$2,085,712,459	100.00%	$2,342,127,756	100.00%

Source: Department of Revenue

[2] Email from Dylan Cole, Department of Revenue, Nov. 6, 2023.

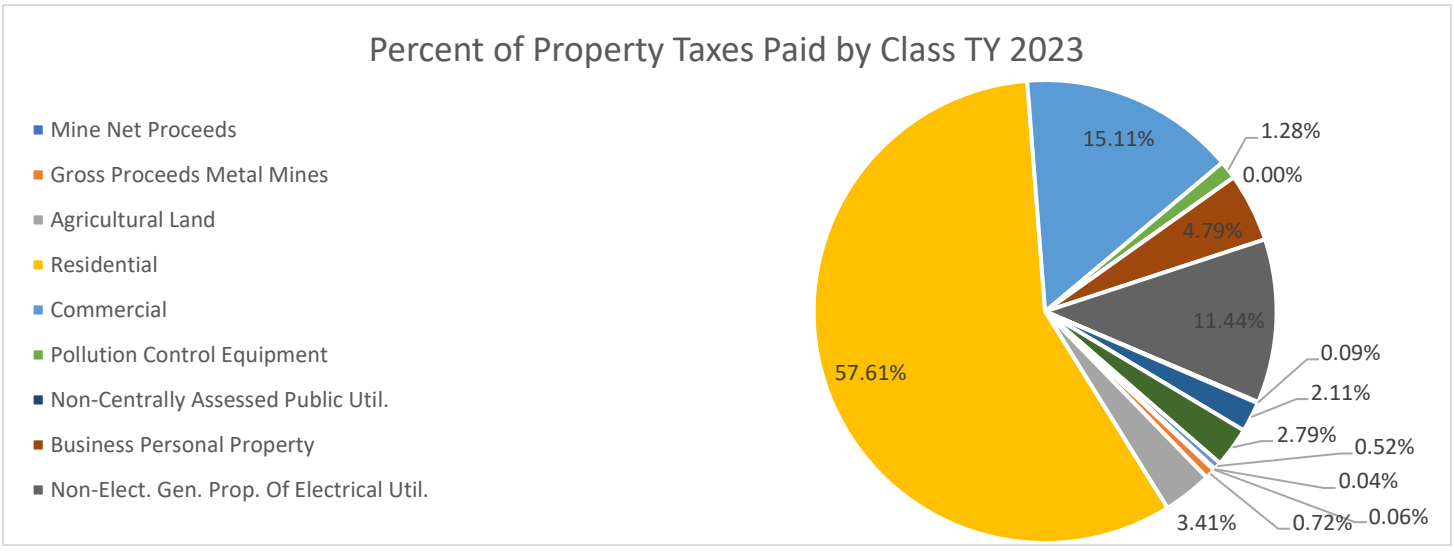


Source: Department of Revenue

RESIDENTIAL PROPERTIES PAY MORE THAN HALF OF TOTAL PROPERTY TAXES

Residential property taxes levied in tax year 2023 accounted for nearly 58% of total taxes paid in the state.[3] This is an increase from the prior reappraisal cycle when the share of residential property taxes paid was about 52% in tax years 2021 and 2022.[4]

Commercial property paid the second-highest share of property taxes, 15%, followed by non-electric generating property of electrical utilities at 11%. No other class made up more than 5% of total taxes collected.



Source: Department of Revenue

[3] Email from Dylan Cole, Department of Revenue, Nov. 6, 2023.
[4] "Montana Department of Revenue Biennial Report: July 1, 2020-June 30, 2022," Property Taxes, p. 232-234.

DASHBOARDS PROVIDE LEGISLATURE WITH PROPERTY TAX DATA

The Legislative Fiscal Division continued to develop property tax dashboards during the 2023-2024 interim as part of its work for the Modernization and Risk Analysis Committee. The RIC received presentations on the dashboards throughout the interim and offered feedback on what data to include.

The dashboards include the following property tax information from 2016 to 2024: property tax growth by jurisdiction and class, new and existing property by jurisdiction and class, effective tax rates, special district collections, property taxes per capita, and a tool that allows the user to adjust the residential tax rate and school equalization mills. Each dashboard allows the user to view data at the state, county, or city level.

School funding dashboards were also of interest to the committee. These dashboards give an overview of the school funding formula and show for each school district the role of property taxes in funding schools.

MONTANA USES 1-YEAR AND 2-YEAR REVALUATION CYCLES

Section 15-7-111, MCA, provides for the length of Montana's revaluation cycles. By 2025, all property in Montana will be revalued annually or every 2 years. Class ten forest property is the last class of property to shift from a 6-year revaluation cycle to a 2-year revaluation cycle.

1-year revaluation cycle

- Railroad property operating across county or state lines
- Net proceeds of mines, except bentonite mines
- All noncentrally assessed property not specified has having a 2-year revaluation cycle

2-year revaluation cycle

- Residential and commercial
- Agricultural
- Forest (beginning in 2025)
- Most centrally assessed property including telecom, electric power and transmission, pipelines, natural gas gathering and distribution, canals and ditches, and scheduled airlines

Once each revaluation cycle, generally in June, the DOR provides property owners a classification and appraisal notice that shows a property's value. If new construction changes a property's value during a 2-year reappraisal cycle, the property owner will also receive a notice in the second year.

NO RECOMMENDED CHANGES TO MONTANA REVALUATION CYCLES

After reviewing the history of revaluation cycles in Montana and other state revaluation practices, the RIC did not consider any changes to revaluation cycles in Montana.[5]

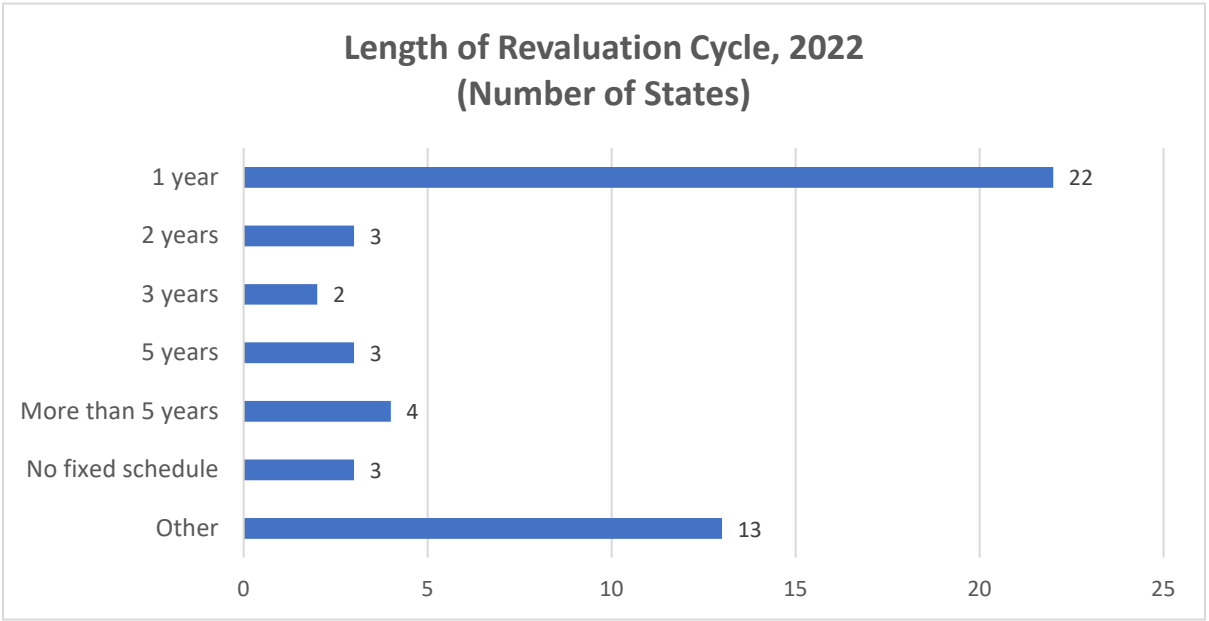
*For residential, commercial, and agricultural

ANNUAL REVALUATION CYCLE MOST COMMON ACROSS U.S.

Data gathered by the Lincoln Institute of Land Policy and George Washington Institute of Public Policy shows that 22 states revalued property annually in 2022.[6]

The other states are roughly split between those that use a period other than 1 year (2 years, 3 years, 5 years, or more than 5 years) and those that fall into a catchall "other" category. Montana is included in the "other" group because the revaluation cycle varies by property type.

Notably, three states do not have a fixed schedule for revaluation.



[5]Megan Moore, "Revaluation Cycles in Montana and the U.S.," March 2024.
[6] Significant Features of the Property Tax. https://www.lincolninst.edu/research-data/data-toolkits/significant-features-property-tax/access-property-tax-database/assessment-administration, Lincoln Institute of Land Policy and George Washington Institute of Public Policy. (Assessment Administration; accessed: 02/20/2024 10:53:24 AM).

METHOD FOR SETTING MILLS VARIES BY LEVYING ENTITY

State, county, and school district mills are levied on all property subject to taxation in Montana. Cities and special districts also impose property taxes on property within their boundaries.

State law specifies mill levies for K-12 equalization and the university system. County, city, and special district property tax levies are authorized in state law, but the mills levied depend on the decisions of each taxing jurisdiction. Local school district mills include a mix of mills required by the school funding formula and mills reflecting decisions of local school districts.

A special district is a unit of local government authorized by law to perform a single function or a limited number of functions. Many special districts assess a fee rather than a mill levy.

STATE LEVIES FUND K-12 EQUALIZATION AND UNIVERSITIES

The state levies property taxes for K-12 equalization and university education, with specific mill levies listed in statute.

- 95 mills: up to 33 mills for county elementary equalization (section 20-9-331, MCA), 22 mills for county high school equalization (section 20-9-333, MCA), and 40 mills for state equalization (section 20-9-360, MCA);
- 6 mills for the state university system (section 15-10-109, MCA); and
- 1.5 mills for vocational-technical education levied only in Cascade, Lewis and Clark, Missoula, Silver Bow, and Yellowstone counties (section 20-25-439, MCA).

The 95 mills are deposited in the school equalization and property tax reduction account and distributed to schools and counties as state equalization aid. If the revenue forecast for the 95 mills differs from the prior year forecast amount by $2 million or more, state equalization aid is adjusted up or down based on whether the forecast reflects an increase or decrease.

Voters approved the most recent legislative referendum for a 6-mill levy to support the university system in 2017. The levy terminates December 31, 2028. Funds are deposited in a state special revenue account.

The 1.5 mills levied for vocational-technical education are deposited in the general fund but must be distributed for vocational-technical education based on the Board of Regents budget.

STATUTE AUTHORIZES CITY, COUNTY, AND LOCAL SCHOOL DISTRICT LEVIES

Some statutes provide broad authority to levy property taxes for public and government purposes, while other laws allow property taxes for specific purposes.

Most authority to levy property taxes is permissive, which means that the governing body of the district can impose the property tax without submitting the question of whether to levy the tax to voters.

Contrast this with a voted levy, which must be approved by a majority of voters within the taxing jurisdiction. Some levies require voter approval, while local governments or school districts choose to submit other levies to voters to exceed revenue or budget limits or to increase a levy required to be submitted to voters.

The school funding formula requires some school district levies. These are called "required" or "formulaic" levies.

COUNTY AND CITY LEVIES LIMITED

Although state law allows counties and cities to permissively levy property taxes for many purposes, the total revenue raised is limited. Section 15-10-402, MCA, limits property taxes to 1996 levels. However, that section of law is subject to section 15-10-420, MCA, which expands the property tax limit by allowing for an inflationary adjustment and calculation of the levy without regard to newly taxable property.

A taxing jurisdiction may exceed the mill levy authorized under section 15-10-420, MCA, increase a mill levy that is required to be submitted to voters, or impose a new mill levy upon an affirmative vote of the voters in the jurisdiction. This authority is provided for in section 15-10-425, MCA.

LOCAL SCHOOL DISTRICT LEVIES DRIVEN BY FORMULA

Funding for school districts comes from a mix of federal, state, and local revenue. State and local revenue is based on a formula provided for in state law. The amount varies based on the number of students, the amount of state aid, and the availability of other local revenue.

School districts may use voted levies to request increases to school budgets. The voted levy must specify the proposed use of the funding and the dollar amount to be raised or mill levy to be imposed. Examples include construction or renovation of schools and technology upgrades. The levy limit in section 15-10-420, MCA, does not apply to school district levies.

COUNTYWIDE SCHOOL LEVIES FUND RETIREMENT AND TRANSPORTATION

Property taxes fund school district employee retirement costs and a portion of pupil transportation costs on a countywide basis.

The county superintendent determines the levy required to pay the cost of the employer share of school district employee retirement, federal social security, unemployment insurance, and the cost of the district's transportation.

State law provides a formula for calculating the expenditure amount for each levy and other revenue that must be used to reduce the property tax levy. If a school district crosses county lines, the levy is prorated based on pupil residency.

COMMITTEE EXAMINES LIMITS, VOTED LEVIES, SCHOOL EQUALIZATION LEVIES

The committee explored several topics related to setting property tax levies: the levy limit in section 15-10-420, MCA, voted levies, the calculation of the school equalization mills, and the deposit of non-levy revenue associated with county equalization aid.

UNDERSTANDING THE 15-10-420 LEVY LIMIT, ITS HISTORY, AND PROPOSED CHANGES

A city or county is permitted to levy mills that will raise the amount of revenue collected in the previous year adjusted by half of the average rate of inflation over the prior 3 years. The allowable mill levy is calculated using the current year taxable value of property in the taxing jurisdiction less the taxable value of newly taxable property.

Excluding newly taxable value from the calculation allows growing jurisdictions some growth from newly taxable property. Newly taxable property includes new construction, subdivided property, and the transfer of property from tax-exempt to taxable status.

If a taxing jurisdiction does not levy the maximum authorized mills, the mills not levied may be carried forward to another tax year. Section 15-10-425, MCA, allows a taxing jurisdiction to exceed the levy limit upon an affirmative vote of the taxing jurisdiction. There are some exceptions to the levy limit, such as a judgment levy, an emergency levy, and a levy to repay taxes paid under protest.

A graphic of the maximum mill levy calculation, as provided in section 15-10-420, MCA, is included in Appendix B.

A PAST ROOTED IN VOTER-APPROVED TAX LIMITS

The committee explored the history of section 15-10-420, MCA,[7] to understand the origins of the section and its application to school equalization mills. (See page 16 for additional information on school equalization mills.)

The levy limit in section 15-10-420, MCA, has its roots in I-105, a voter-approved initiative that limited property taxes to 1986 levels. After the 1997 Legislature revised the limit to apply to total taxes levied by a jurisdiction rather than to individual properties, voters approved CI-75 in 1998 to prohibit a tax increase without voter approval. Though the Montana Supreme Court found CI-75 unconstitutional, the Legislature's enactment of section 15-10-420, MCA, was intended to implement its provisions.

Other than the following amendments, the Legislature has made few substantive changes to section 15-10-420, MCA, in its 25-year history:

- 2001: allowed an annual inflationary adjustment to a taxing jurisdiction's revenue limit, allowed unused mills to be carried forward, and exempted school district levies.
- 2009: required school equalization mills to be established in tenths of mills rather than whole mills.

CONTEMPLATING CHANGES TO THE LEVY LIMIT CALCULATION

The 2023 Legislature considered but did not pass four bills to revise the levy limit calculation in section 15-10-420, MCA: House Bill 481, Senate Bill 511, Senate Bill 519, and Senate Bill 548. The RIC met jointly with the Local Government Interim Committee to compare the four bills, review sample impacts of the bills, and receive information on other states' levy limits.[8]

[7]Megan Moore, "Max Mill Levy: Overview and History," Sept. 2023.
[8]Toni Henneman and Megan Moore, "Local Government Levy Limits," Jan. 23, 2024.

COMPARISON OF 2023 BILLS TO REVISE SECTION 15-10-420, MCA

	Current Law	HB 481	SB 511	SB 519	SB 548
Inflation Factor	Increase prior year revenue by **½ the average rate of inflation** for the prior 3 years	Increase prior year revenue by the **average rate of inflation** for the prior 3 years	Increase prior year revenue by the **average rate of inflation** for the prior 3 years, **not to exceed 4%**	**No inflationary** adjustment	**No inflationary** adjustment
Newly Taxable	Excluded from taxable value when calculating maximum levy	*(No Change)*	**50% of newly taxable excluded** from taxable value when calculating maximum levy	**No growth** from newly taxable	**No restrictions** or requirements
Additional Provisions		Must adopt a **resolution if imposing more than ½ the rate of inflation** over the prior 3 years	**Total annual increase** in property tax from existing property, 50% of newly taxable, *and carryforward* may **not exceed 4.75%**	**Total annual increase** in property tax may **not exceed 2%** without a **60% vote** of qualified electors	**DOR reports to RIC** annually the amount each entity would have levied under prior law and what the entity currently levies
Status of Legislation		Tabled in (S) Taxation	(S) Third Reading Failed 25-25	Tabled in (S) Taxation	(S) Second Reading Failed 20-30

The RIC also received a presentation on a model prepared by the DOR for the Governor's Property Tax Advisory Committee.[9] The model allows a user to adjust the inflation and newly taxable property calculations in section 15-10-420, MCA, to view the impacts on counties.

[9]Eric Dale, "15-10-420 Sensitivity Analysis," Department of Revenue, May 2024.

RIC members discussed revising the calculation in section 15-10-420, MCA, as proposed in SB 511, and the possibility of including a measure of population or income. However, the committee did not make recommendations or request legislation to revise the calculation.

COMMITTEE REVIEWS AUTHORITY FOR VOTED LEVIES

The RIC reviewed voted levy requirements and sample ballot language for recent voted levies.[10]

Section 15-10-425, MCA, authorizes a taxing entity to:

- impose a new mill levy;
- increase a mill levy that is required to be submitted to voters; or
- exceed the limit provided for in section 15-10-420, MCA, by conducting an election.

The governing body must pass a resolution, amend its self-governing charter, or receive a petition indicating the intent to impose a new mill levy, increase a mill levy, or exceed the limit provided in section 15-10-420, MCA. The resolution, charter, or petition must contain:

- the specific purpose for which the money will be used;
- the specific amount of money and approximate mills to be imposed or the specific number of mills and approximate amount of money to be imposed; and
- the specific time limit for the levy, which can be permanent or durational.

A majority vote of the qualified electors voting in the election is required for approval.

COMMITTEE LEGISLATION REQUIRES VOTED LEVIES TO BE STATED IN DOLLARS

For levies voted as dollars, the number of mills fluctuates each year to generate the dollar amount approved by voters. When voters approve a specific number of mills, the dollar amount changes annually based on the taxable value of the taxing jurisdiction. If taxable value increases, revenue increases, and if it decreases, revenue decreases.

Section 15-10-425(5), MCA, provides that a governing body may reduce a voted levy in a year without losing the authority to levy the full amount in a future year. However, it is unclear the extent to which taxing jurisdictions consider revenue increases when mill-based voted levies are applied to increased taxable value within the jurisdiction.

The committee requested a committee bill draft, LC 88, to require voted levies to be specified as a dollar amount. The legislation provides that the taxing jurisdiction may include in the ballot language that the voted levy is subject to the provisions of section 15-10-420(1)(a), MCA. Including this provision means that the approved dollar amount could be adjusted for inflation and growth from newly taxable property.

[10]Megan Moore, "Voted Levies," March 2024.

COURT RULES EQUALIZATION MILLS CALCULATION ALLOWS CARRYFORWARD

In the fall of 2023, 49 Montana counties issued tax bills that levied 77.9 mills for school equalization. The counties argued the DOR incorrectly calculated the school equalization mills under section 15-10-420(8), MCA.

Section 15-10-420(1)(b), MCA, allows a governmental entity that does not impose the maximum number of authorized mills to carry forward the authority to a subsequent year. The DOR calculation resulted in 77.9 mills but used mills carried forward from prior years to reach the statutory maximum of 95 mills. The counties levying 77.9 mills asserted that the carryforward provisions do not apply to the calculation of the school equalization mills.

In *Montana Association of Counties v. State of Montana*, 2023 MT 225, the Montana Supreme Court ruled the carryforward provisions of section 15-10-420, MCA, do apply to the school equalization levies because of the use of the term "governmental entity." The Supreme Court also deferred to the agency's statutory interpretation because it had not been challenged and calculations in multiple prior years resulted in banked mills.[11]

RIC meetings in late 2023 and early 2024 included agenda items devoted to understanding the interpretations surrounding the calculation of the school equalization mills. The committee heard from committee legal staff, the DOR, a former legislator involved in drafting section 15-10-420, MCA, county treasurers, and representatives of the Montana School Board Association, the Montana Association of Counties, and the Montana League of Cities and Towns.

The committee reviewed but did not request draft legislation to set the school equalization mills at 95 mills and the vocational-technical education levy at 1.5 mills.

COMMITTEE REQUESTS LEGISLATION TO REVISE DEPOSIT OF NON-LEVY REVENUE

Following the decision in *Montana Association of Counties v. State of Montana*, the committee explored combining the school equalization mills into a single levy. To ensure no unintended consequences, staff provided research on the mechanics of county equalization aid[12] and the deposit of non-levy revenue.[13]

Upon discovering the complicated process of the state advancing county equalization aid to school districts and counties repaying the state when property taxes are collected, the committee decided not to pursue the combination of the county equalization mills.

County equalization mill statutes also address the deposit of non-levy revenue. This is revenue from a source other than property tax levies that generally has a connection to property taxation. For the purposes of county school equalization levies, non-levy revenue includes federal payments, state revenue resulting from a shift away from property taxation of natural resources, and payments in lieu of property taxation.

House Bill 587 (2023) revised the deposit of property tax revenue from the county equalization and state equalization mills from the general fund to a new state special revenue account known as the School Equalization

[11]Jaret Coles, "Memo: Property Tax Litigation Update," Jan. 9, 2024.
[12]Pad McCracken, "Advance, Repay, and Remit: The Complicated Journey of County Equalization Aid (aka the 55 Mills)," May 2024.
[13]Megan Moore, "School Equalization: Non-Levy Revenue," May 2024.

and Property Tax Reduction Account (SEPTR). However, the legislation did not revise the deposit of non-levy revenue listed in county equalization statutes. That revenue is still deposited in the general fund.

The committee requested a committee bill, LC 80, to deposit non-levy revenue in SEPTR. If passed, all revenue required to be used for school equalization would be deposited in the same account.

TAX INCREMENT FINANCING FOR URBAN RENEWAL, INFRASTRUCTURE

WHAT IS TAX INCREMENT FINANCING AND WHO USES IT?

Tax increment financing (TIF) allows a portion of property taxes to be used within a designated blighted or infrastructure-deficient area to fund local projects. The property taxes distributed to a district using TIF may be used to fund projects directly or may be pledged to bond premiums and interest on bonds.

Under Title 7, chapter 15, parts 42 and 43, MCA, an urban renewal area (URD) or targeted economic development district (TEDD) may adopt a TIF provision.

	Urban Renewal Area (URD)	Targeted Economic Development District (TEDD)
Creating entity	City or Consolidated City-County	City, County, or Consolidated City-County
Purpose	Address blight through rehabilitation or redevelopment of an area in the interest of the public health, safety, morals, or welfare of the residents of the municipality	Development of infrastructure to encourage the location and retention of value-adding projects in the state
District requirements	Existence of one or more blighted areas with at least three factors of blight as defined in section 7-15-4206, MCA	• Continuous area • Found to be deficient in infrastructure improvements • Comprehensive development plan ensures district can host diversified tenant base of multiple independent tenants • May not include existing district that uses TIF
Method of adopting TIF	Local government governing body: • adopts resolution of necessity finding existence of blighted area • notifies property owners within district of required hearing • submits urban renewal plan to Planning Commission and allows 60 days for receipt of recommendations • holds hearing on urban renewal plan • adopts urban renewal plan that includes TIF provision	Local government governing body: • adopts resolution of necessity finding infrastructure deficiency and necessity for infrastructure improvements • adopts comprehensive development plan that includes TIF provision

HOW DOES TAX INCREMENT FINANCING WORK?

TERMS

Actual taxable value: the taxable value of all taxable property as calculated from the property tax record

Base taxable value: the actual taxable value of all taxable property within an area or district before the effective date of the tax increment financing provision

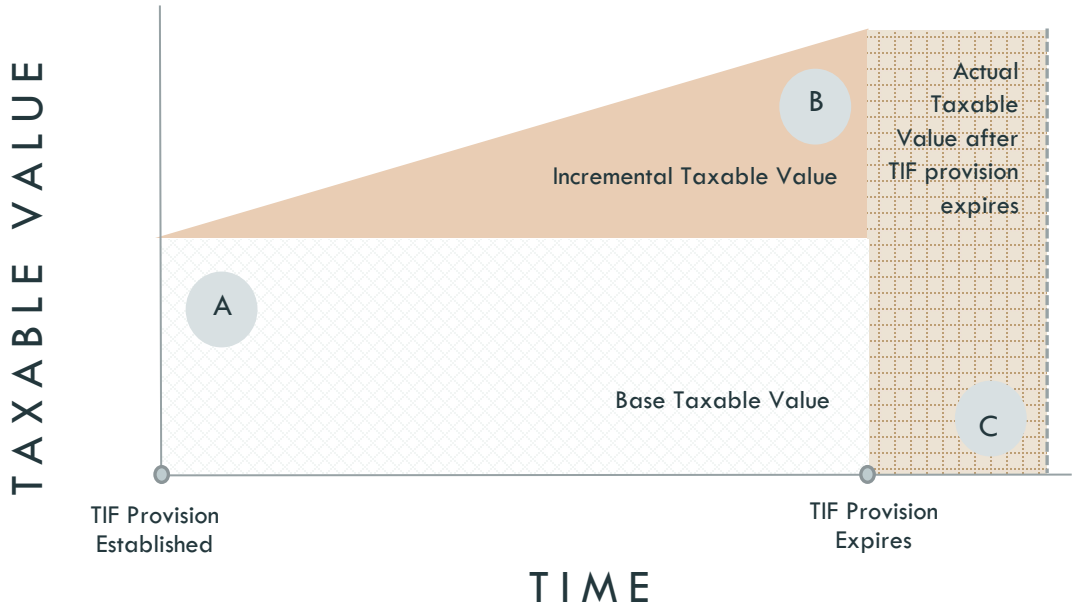
Incremental taxable value: the amount, if any, by which the actual taxable value exceeds the base taxable value of all taxable property within an area or district

Tax increment: the collections realized from extending the tax levies of all taxing bodies subject to the tax increment provision against the incremental taxable value

Taxing body: any incorporated city or town, county, city-county consolidated local government, school district, or other political subdivision or governmental unit of the state, including the state, that levies taxes against property within an urban renewal area or targeted economic development district

AREA A: BASE TAXABLE VALUE

The revenue generated from the application of mill levies to the **base taxable value** continues to flow to taxing bodies as it did before adoption of the **tax increment** provision.



AREA B: INCREMENTAL TAXABLE VALUE

The combined mill rate within the district is applied to the **incremental taxable value** to determine the **tax increment** available for urban renewal or economic development projects. The combined mill rate includes all mill levies except those specifically excluded. Certain levies are excluded based on the date of the district's creation.

AREA C: ACTUAL TAXABLE VALUE AFTER TIF PROVISION EXPIRES

After the TIF provision expires, the **incremental taxable value** is no longer separated from the **base taxable value** and taxing bodies again collect revenue from the total **actual taxable value**. TIF provisions terminate the 15th year after adoption or upon the payment of bonds to which tax increment is pledged. TIF bonds must be designed to mature no later than 25 years from their date of issue. For TEDDs created after June 30, 2022, bonds may not extend a TIF provision beyond 30 years.

CERTAIN LEVIES EXCLUDED FROM COMBINED MILL RATE

Legislative changes since 2017 affect which levies are excluded from the combined mill rate used to calculate the tax increment.

URDs and TEDDs created before April 6, 2017	URDs created on or after April 6, 2017, and TEDDs created on or after April 6, 2017, and before July 1, 2022	TEDDs created after June 30, 2022
• 6-mill university levy • 1.5-mill vocational-technical levy	• 6-mill university levy • 1.5-mill vocational-technical levy • a new mill levy approved by voters after adoption of the tax increment provision	• 6-mill university levy • 1.5-mill vocational-technical levy • a new mill levy approved by voters after adoption of a tax increment provision • Half of the 95 mills • Any portion of an existing mill levy designated by the local government as excluded

COMMITTEE EXPLORES SEVERAL TIF TOPICS, REQUESTS LEGISLATION

The committee's exploration of TIF focused on the definition of a "blighted area," district input from counties and schools, reporting by districts that use TIF, and the duration of districts.

COMMITTEE REQUESTS LEGISLATION TO REVISE "BLIGHTED AREA" DEFINITION

Montana law contains a statement of policy about the problems associated with blighted areas in section 7-15-4202, MCA, and a definition of "blighted area" in section 7-15-4206, MCA. Bond counsel provided the committee a history of Montana's "blighted area" definition and a comparison with other states' definitions.[14]

The committee requested legislation, LC 82, to revise the definition of "blighted area" and the statement of policy.

PROPOSED LEGISLATION REVISES 15-10-420 CALCULATION WHEN TIF TERMINATES

The maximum levy calculated under section 15-10-420, MCA, is based on taxable values less newly taxable property. Under current law, newly taxable property includes the release of incremental taxable value because of the termination of a TIF district, a change in the district boundary, or an increase in the base taxable value of the district.

LC 81, requested by the committee, amends the law to provide that the release of incremental taxable value is not considered newly taxable property for the purpose of the levy limit calculation.

[14] Courtney Ellis, "Blight in the Urban Renewal Context," Dorsey & Whitney LLP, January 2024.

MOST MONTANA TIF DISTRICTS SUBJECT TO 40-YEAR MAXIMUM DURATION

As provided for in section 7-15-4292, MCA, URDs and TEDDs in Montana that adopt a TIF provision terminate upon the later of:

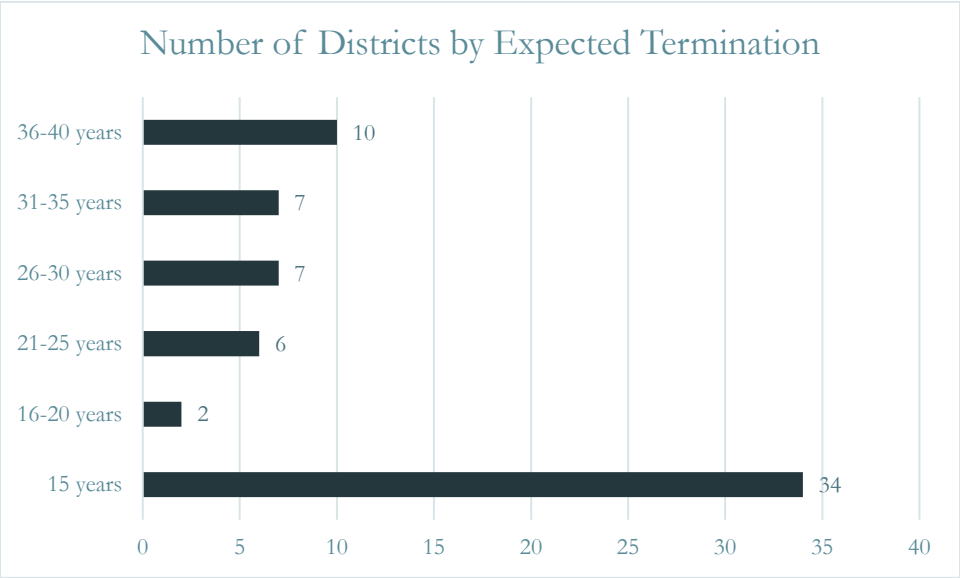
- the 15th year following adoption of the tax increment provision; or
- the payment or provision for payment of all bonds to which the tax increment is pledged.

Read in conjunction with section 7-15-4324, MCA, which requires tax increment bonds be designed to mature no more than 25 years from their date of issue, most TIF districts in Montana may exist for up to 40 years.

However, a 2021 law amended section 7-15-4292, MCA, to provide that bonds issued by TEDDs created after June 30, 2022, may not extend the TIF provision more than 30 years after its adoption.

URBAN RENEWAL AREAS THAT HAVE BONDED TERMINATE IN 31 TO 40 YEARS

A review of 2022 TIF district data shows just under half of districts, 32 of 66, have extended their termination date beyond 15 years. Among the districts that have bonded, 17 districts expect to terminate 31 to 40 years after their creation and 13 districts plan for termination in years 21 through 30.



All except two of the districts that expect to terminate more than 30 years after creation are URDs. However, state law only allowed for the creation of TEDDs in 2013 and, as of 2022, just one TEDD had issued bonds. Most of the districts expected to terminate in years 21 to 30 are industrial districts or technology districts, which are the predecessors of TEDDs.

HALF OF STATES LIMIT TIF TO SET NUMBER OF YEARS

About half of states limit TIF districts to a specific number of years, while the other half do not specify the duration of the TIF provision or base it on another factor. [15]

Among the 26 states that limit TIF in state law, the termination periods range from 15 years to 45 years. The most common durational limits are 30 years (11 states), 25 years (5 states), and 20 years (5 states).

The states that do not limit TIF districts to a number of years fall into three general categories: those for a which a duration is not specified in state law, those for which the duration can be extended, and those for which the TIF duration varies by district type.

LEGISLATION WOULD REQUIRE HEARING BEFORE EXTENDING DISTRICT WITH BONDING

The committee requested one committee bill related to the duration of districts. LC 84 requires a local government that plans to pledge tax increment to the payment of bonds that will extend the termination of the tax increment provision beyond the 15th year to hold a public hearing on whether fulfillment of the urban renewal area plan or targeted economic development district plan requires pledging tax increment to the payment of bonds.

DISTRICTS MUST CONSIDER COUNTY, SCHOOLS, AND OFFER PUBLIC MEETING

An urban renewal area or targeted economic development district proposal to use TIF must consider the county and school districts that are included in the proposed district.

- Section 7-15-4221, MCA, applies to the modification of an urban renewal plan to include TIF and provides in subsection (3)(b): "The tax increment financing provision ***must be proposed with consideration for*** the county and school districts that include municipal territory."
- Section 7-15-4282, MCA, applies to the creation or amendment of an urban renewal plan or a targeted economic development district plan to contain a TIF provision and provides in subsection (3): "The tax increment financing provision ***must take into account the effect on*** the county and school districts that include local government territory."

The above sections of law also require the entity considering a TIF provision to notify the county and school district of the TIF proposal and offer the "opportunity to meet and consult in a public meeting with the opportunity for public comment" on the effect of the TIF proposal on the county or school district.

Additionally, section 7-15-4284, MCA, requires an urban renewal plan or targeted economic development plan and related ordinances and amendments to be filed with the clerk of affected taxing bodies.

[15] Megan Moore, "TIF: Duration of Districts," March 2024.

REQUESTED LEGISLATION REQUIRES ADVISORY COMMITTEE

The RIC approved legislation, LC 83, to require a local government that adopts a TIF provision to create an advisory committee. The advisory committee must include at least one representative from each incorporated city or town, county, or school district with boundaries that overlap with the district. The advisory committee may also include representatives of other taxing bodies, such as special districts, with boundaries that overlap with the district.

MONTANA HAS LIMITED TIF REPORTING REQUIREMENTS

After discovering that the only centralized and easily accessible TIF data is in the DOR Biennial Reports (under Property Taxes, pp. 257-262) and is not statutorily required, the committee requested information on TIF reporting requirements in Montana and the United States.[16]

Two statutes govern reporting requirements for districts that use TIF.

- Section 2-7-503(1)(b), MCA, requires all districts that use TIF to include "the financial activities related to the tax increment financing provision" in the annual financial report filed with the Department of Administration.
- Section 7-15-4237, MCA, requires an urban renewal agency to file an annual report with the local governing body that includes complete financial statements, the amount of tax increment, and how the expenditures comply with the urban renewal plan.

Appendix C summarizes information available in Montana about districts that use TIF.

LINCOLN REPORT FINDS LACK OF TIF TRANSPARENCY NATIONWIDE

A Lincoln Institute of Land Policy report finds that TIF transparency and state monitoring are lacking:[17]

> "In the most transparent cases, TIF authorities make publicly available the TIF plan and a record of annual TIF district receipts and expenditures, sometimes with a great deal of detail, perhaps even including account balances and fund transfers."

Montana's constitutional and statutory requirements generally align with much of the above description of "the most transparent cases," but some of the information may not be easily accessible:

[16]Megan Moore, "TIF: Reporting in Montana & U.S.," March 2024.
[17]David Merriman, "Improving Tax Increment Financing (TIF) for Economic Development," Lincoln Institute of Land Policy, Sept. 2018, p. 16, 57.

- Urban renewal plans and targeted economic development plans are approved in public meetings. The "right to know" provision in Article II, section 9, of Montana's Constitution confers the right to examine documents of all public bodies. The plans are generally available on websites for local governing bodies but may require knowledge about consideration and approval dates.
- Local governments must include in annual financial reports filed with the Department of Administration financial activities related in the TIF provision. The reports include receipts and expenditures by category as well as account balances and fund transfers. Detailed expenditure data is not required but many local governments include information about specific projects when discussing bond obligations.

COMMITTEE RECOMMENDS ADDITIONAL TIF REPORTING

The committee recommended increased reporting on tax increment financing but did not request legislation to enact the recommendation.

COMMITTEE INTERESTED IN COST OF EXEMPTIONS, AUDIT FINDINGS

PROPERTY TAX EXEMPTION HISTORY AND FISCAL IMPACTS

Property tax exemptions for charitable, religious, and educational organizations have existed since the 19th century before the adoption of the federal Internal Revenue Code (IRC). In fact, concepts related to property tax exemption in the IRC are derived from state policies.

1972 CONSTITUTION GRANTED LEGISLATURE MORE AUTHORITY TO EXEMPT

The 1972 Montana Constitution establishes the right of the Legislature to exempt certain property from property taxation in Article VIII, section 5.

> **Article VIII, section 5. Property tax exemptions.** (1) The legislature may exempt from taxation:
> (a) Property of the United States, the state, counties, cities, towns, school districts, municipal corporations, and public libraries, but any private interest in such property may be taxed separately.
> (b) Institutions of purely public charity, hospitals and places of burial not used or held for private or corporate profit, places for actual religious worship, and property used exclusively for educational purposes.
> (c) Any other classes of property.
> (2) The legislature may authorize creation of special improvement districts for capital improvements and the maintenance thereof. It may authorize the assessment of charges for such improvements and maintenance against tax exempt property directly benefited thereby.

The 1889 Montana Constitution gave the Legislature less discretion to exempt property from taxation than the current 1972 Montana Constitution. The 1972 Montana Constitution lets the Legislature decide whether to exempt property listed in Article VIII, section 5(1)(a); the 1889 Montana Constitution mandated those exemptions.

The 1889 Montana Constitution also gave the Legislature the option to exempt property listed in the current constitution in Article VIII, section 5(1)(b). The 1889 Montana Constitution did not give the Legislature the

authority to exempt other classes of property as the 1972 Montana Constitution does in Article VIII, section 5(1)(c).

EXEMPTIONS AND ABATEMENTS IN STATE LAW

State law includes many more property tax exemptions than those listed in the Montana Constitution. Some exemptions require an application process through the DOR in which the owner demonstrates ownership of the property and use for the exempt purpose. This type of exemption is the focus of this report.

There are also categories of generally exempt property contained in Title 15, chapter 6, part 2, MCA, that do not require an application. An example is personal property, such as household goods and furniture.

ABATEMENTS ARE USUALLY GRANTED LOCALLY

The Legislature also allows abatements for certain types of property. These abatements are usually granted by a city or county government and generally only apply to local mill levies. Abatements also differ from exemptions because they reduce only a portion of the property's value and tend to be limited to a certain number of years.

Some properties are eligible for preferential tax treatment that does not fall neatly into the exemption or abatement category.

PROPERTY TAX EXEMPTIONS SHIFT TAXES, REDUCE STATE REVENUE

In tax year 2023, 10% of market value in the state was exempt from property taxes. The total market value of taxable property was $269.9 billion, while the market value of exempt property was $30.8 billion.

Property tax exemptions reduce revenue collected from statewide mill levies and cause local tax shifts.

The 95 mills for state education equalization and the 6-mill university levy are collected on all taxable property in the state. The application of state mills to exempt property in 2023 would have resulted in collections of $53 million for state education equalization and $3.4 million for the university system.

For all other levies, the effect of exemptions is to shift taxes from exempt property to property. When property is exempt, taxes are collected from a smaller taxable value resulting in higher mill levies. In 2023, property exemptions led to $263 million in local tax shifts.

GOVERNMENTAL PROPERTY IS LARGEST CATEGORY OF EXEMPT PROPERTY

Governmental property accounts for nearly half of the exempt market value in the state. This category of property includes property of federal, state, local, and tribal governments, and school district property. Thirty-six percent of the total tax shifts, or $93.5 million, and 35% of total lost state revenue, or $20.1 million, result from governmental property exemptions.

See Appendix D for a summary of exempt property by category and estimated state revenue loss and tax shifts.[18]

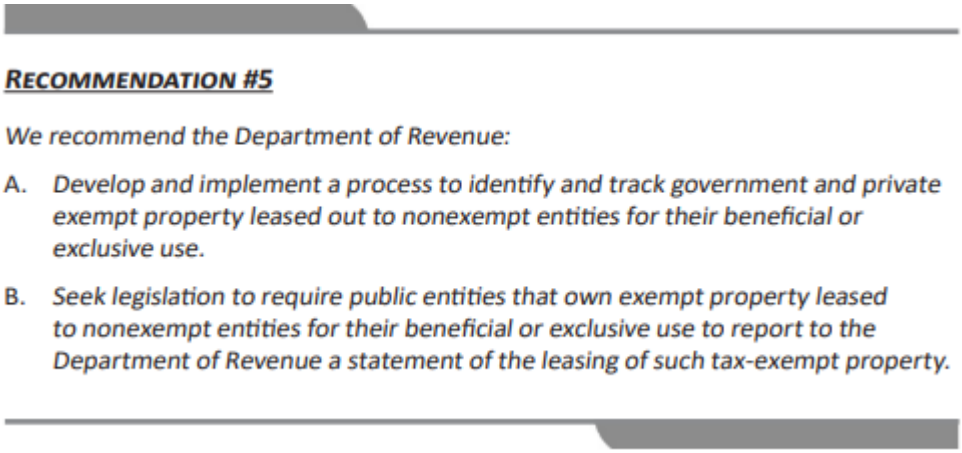
[18] Megan Moore, "Fiscal Impacts of Property Tax Exemptions and Abatements," November 2023.

REAL PROPERTY AUDIT RESULTS IN TWO COMMITTEE-REQUESTED BILLS

The Legislative Audit Division presented a performance audit on real property tax exemptions to the RIC in September 2023.[19] The committee requested legislation to tackle two of the audit recommendations.

REQUESTED BILL REQUIRES EXEMPT ENTITIES TO REPORT BENEFICIAL USE

Recommendation #5 from the real property tax exemptions performance audit addressed property owned by an exempt entity that is leased to a non-exempt entity, known as "beneficial use." The audit found that beneficial use is under-reported to the DOR, which may result in property receiving improper exemptions.



RECOMMENDATION #5

We recommend the Department of Revenue:

A. *Develop and implement a process to identify and track government and private exempt property leased out to nonexempt entities for their beneficial or exclusive use.*

B. *Seek legislation to require public entities that own exempt property leased to nonexempt entities for their beneficial or exclusive use to report to the Department of Revenue a statement of the leasing of such tax-exempt property.*

The committee worked with the DOR to draft LC 77 to require an entity that leases property for the beneficial use of a non-exempt entity or for a non-exempt use to report annually to DOR a description of the leased property and a copy of the lease agreement. If DOR discovers beneficial use is not properly reported, the legislation allows assessment within 10 years of the year in which the property would have been assessed.

COMMITTEE BILL REQUIRES 8-YEAR EXEMPT PROPERTY REVIEW PROCESS

The real property exemption audit included a cost-benefit analysis of House Bill 389 (2015), which required certain exempt entities to reapply to retain their property tax exemption. The analysis led to a recommendation to the Legislature to require periodic reapplication for exempt property.

[19] Legislative Audit Division, "Real Property Tax Exemptions: Improving Information Management and Informing Policy Decisions," May 2023.

RECOMMENDATION #6

We recommend the Montana Legislature require a periodic reapplication and review of exempt real property, taking into account the costs and benefits of either a broad or targeted reapplication process.

The committee worked with DOR to craft LC 78. The committee-requested bill directs DOR to administer a program to review all exempt property for which an exemption is required at least once every 8 years. The department must report to the RIC each interim on the number and type of exemptions reviewed, granted, and denied and the estimated market value and taxable value of exemptions granted and denied.

The bill also reinstates the requirement for DOR to maintain public information about exempt real property. This provision from HB 389 terminated in 2021 (though DOR continues to provide the information). A new provision requires the information to include a map showing tax-exempt parcels.

ASSISTANCE FOR LOW INCOME, SENIORS, VETERANS, LAND

SUMMARY OF PROPERTY TAX ASSISTANCE PROGRAMS

The state offers property tax assistance for various taxpayers under four different programs.[20] Two programs reduce taxable value for low-income homeowners or disabled veterans. Seniors with incomes below $45,000 may claim an income tax credit for property taxes or rent paid. Land valued disproportionally greater than the primary residence located on the land is eligible for an exemption under certain conditions. (See the next page for a description of the property tax assistance programs.)

The following table shows the benefits, loss in revenue, and tax shift from the property tax assistance programs.

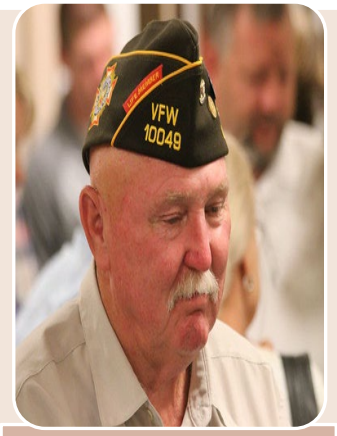
Program	Participants	Loss in State Revenue	Tax Shift	Total Benefit to Participants	Average Benefit
Property Tax Assistance Program (2023)	20,500	$3,290,398	$14,879,598	$18,169,996	$886
Elderly Homeowner & Renter Credit (2022)	16,273	$10,594,909	-	$10,594,909	$651
Disabled Veteran Program (2023)	3,243	$972,630	$6,137,639	$7,577,813	$2,337
Intangible Land Value Exemption (2023)	197	$147,903	$448,612	$596,515	$3,028

[20]Megan Moore, "Property Tax Assistance Programs," May 2024.

DESCRIPTION OF PROPERTY TAX ASSISTANCE PROGRAMS

Property Tax Assistance Program

- Reduces taxable value on $350,000 of market value to 20%, 50%, or 70% of value, based on income
- Maximum 2024 income of $27,621 single/$37,019 married or head of household
- Ownership and occupancy for 7 months of the year



Disabled Veteran Program

- Reduces taxable value of 100% disabled veteran or surviving spouse to 0%, 20%, 30%, or 50% of value, based on income
- Maximum 2024 income: $59,554 single/$68,705 married, head of household/$51,911 surviving spouse
- Ownership and occupancy for 7 months of the year

Elderly Homeowner and Renter Credit

- Refundable income tax credit of up to $1,150 for homeowners and renters age 62+
- Credit for property taxes or 15% of rent paid, based on income
- Maximum income of $45,000
- Must reside in Montana for 9 months of the year

Intangible Land Value Exemption

- For up to 5 acres of land valued disproportionately higher than the primary residence located on the land
- Land value above 150% of the primary residence value is exempt (subject to the statewide average value of land)
- Requires ownership by applicant or family for 30 years

NO LEGISLATION FROM PROPERTY TAX RELIEF DISCUSSIONS

The committee focused its property tax relief discussions on gaining a detailed understanding of property tax assistance programs, requesting cost estimates for program revisions, and following the work of the Governor's Property Tax Advisory Committee on homestead and comstead exemptions.

COMMITTEE CONSIDERS COST OF EXPANDING HOMEOWNER & RENTER CREDIT

The committee requested an estimate of the cost of expanding the elderly homeowner and renter credit and asked for information on whether those eligible for the intangible land value exemption are using the program.[21]

Extending the elderly homeowner and renter credit to all ages is estimated to result in 42,000 additional Montanans eligible for credit and a loss of general fund revenue of $33.2 million.

The committee also asked DOR to analyze whether additional landowners may be eligible for the intangible land program. The department can identify properties for which the land value is more than 150% of the residence value. However, the program requires ownership by the applicant or a family member for at least 30 years and DOR does not have data on family ownership.

GOVERNOR'S COMMITTEE RECOMMENDS HOMESTEAD, COMSTEAD RATES

The Governor's Property Tax Advisory Committee recommended to the governor revising the taxation of residential and commercial property as follows:

- setting a lower tax rate for primary residences and long-term rentals under a certain value; and
- using a tiered tax rate for commercial property so that a portion of all commercial property is taxed at a lower tax rate.[22]

The DOR developed a model to analyze different tax rates and thresholds and presented the model to the RIC.[23] If this concept is drafted as a bill for the 2025 legislative session, the requester will need to work with DOR to revise the analysis for the 2025 valuation cycle.

[21] Megan Moore, "Memo: Requested Estimates for Homeowner & Renter Credit, Intangible Land Program," June 14, 2024.
[22] "Report of the Governor's Property Tax Task Force," Aug. 15, 2024.
[23] Eric Dale, "Homestead and Comstead Model," May 2024.

APPENDIX A: REVENUE INTERIM COMMITTEE MEMBERS

Before the close of each legislative session, House and Senate leadership appoint lawmakers to interim committees. The members of the Revenue Interim Committee, like most other interim committees, serve one 20-month term. Members who are reelected to the Legislature, subject to overall term limits and if appointed, may serve again on an interim committee. This information is included in order to comply with section 2-15-155, MCA.

SENATE MEMBERS

Senator Becky Beard, Chair
Ph: 406-479-3048
Email: becky.beard@legmt.gov

Senator Greg Hertz
Ph: 406-253-9505
Email: greg.hertz@legmt.gov

Senator Shannon O'Brien
Ph: 406-274-3805
Email: shannon.obrien@legmt.gov

Senator Jeremy Trebas
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HOUSE MEMBERS

Representative Mark Thane, Vice Chair
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Representative Larry Brewster
Ph: 406-670-0929
Email: larry.brewster@legmt.gov

Representative Sherry Essmann
Ph: 406-876-0490
Email: sherry.essmann@legmt.gov

Representative Paul Fielder
Ph: 406-210-5943
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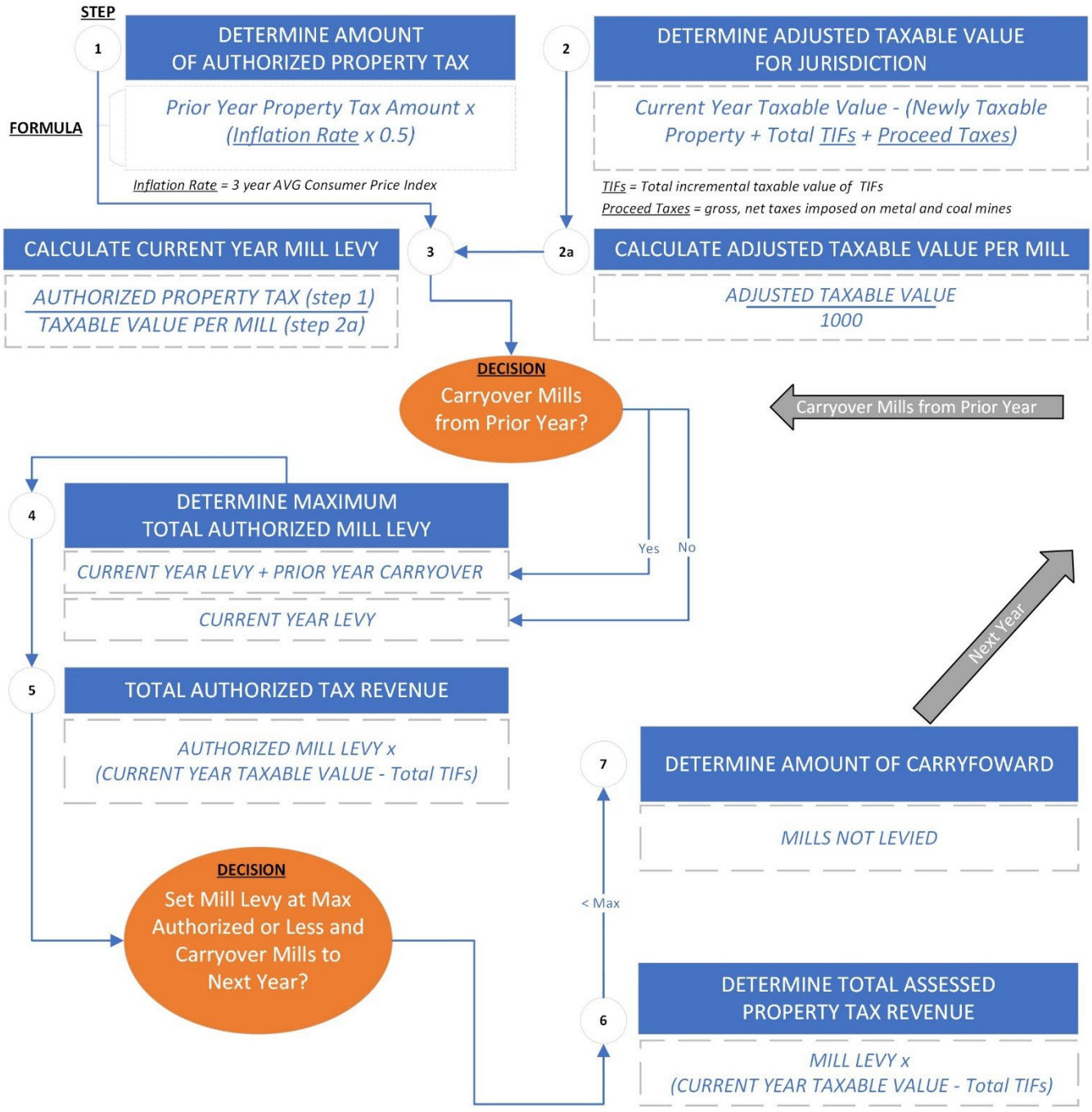
Revenue Interim Committee Staff

Jaret Coles, Attorney | Megan Moore, Legislative Research Analyst |Allison Dunbar, Secretary

APPENDIX B: CALCULATING THE MAXIMUM MILL LEVY UNDER SECTION 15-10-420, MCA



APPENDIX C: SUMMARY OF AVAILABLE INFORMATION ABOUT DISTRICTS THAT USE TIF

Reporting Entity	Receiving Entity	Statutory Requirement	Description of Information Included	Usefulness of Information
All districts	Department of Administration	• Include in annual financial report (AFR) • Financial activities related to the TIF provision	Information available: DOA website • Financial statements for accounts that hold tax increment: assets and liabilities; revenues and expenditures; schedule of cash receipts and disbursements • Bond information: issue amount, maturity date, outstanding balance, interest rate, payment amount ○ Info on use of bond revenue varies	Advantages: Required for all districts, includes basic information Shortcomings: Availability of reports not widely known, PDF format (some not searchable), small portion of lengthy report, lack of specificity about what information is required to be reported
Urban renewal agency	Local governing body that created agency	• Complete financial statements • Amount of tax increment • How expenditures comply with urban renewal plan	Information available: Agency website, DOA website • Financial statements (same as AFR) and detailed bond information • Amount of tax increment • Detailed expenditure and project information	Advantages: Detailed information about projects Shortcomings: Only required for urban renewal agencies
Department of Revenue	Governor	Statutory requirement for report does not specifically require TIF information	Information available: DOR website • District name and county • Year created and year of expected termination • Taxable values: current year, base, incremental • Estimated revenue collected for district by levy type	Advantages: Detailed property tax information Shortcomings: Not statutorily required, does not account for law changes for new districts that must remove some levies from increment calculation

APPENDIX D: TAX YEAR 2023 FISCAL IMPACT OF EXEMPT PROPERTY BY CATEGORY

Exemption Type	Parcels	Market Value	Local Tax Shift	Loss in State Revenue	Total Benefit
Governmental	119,432	$15,082,734,085	$93,504,158	$20,130,095	$113,634,253
Intangible Personal Property	-	$2,387,021,090	$66,036,172	$15,216,272	$81,252,445
Non-Profit Health Care	506	$2,342,540,505	$23,423,668	$4,500,662	$27,924,331
Religious	3,013	$2,095,625,521	$18,950,464	$3,935,950	$22,886,414
Property Tax Assistance Program	21,652	$3,433,051,583	$14,432,651	$3,180,757	$17,613,408
Educational	459	$999,182,589	$9,290,212	$1,905,678	$11,195,890
Purely Public Charity	1,362	$997,181,143	$8,992,487	$1,859,000	$10,851,487
Affordable Housing	233	$752,324,644	$7,547,699	$1,422,392	$8,970,091
Disabled Veteran Program	3,073	$1,019,296,475	$5,798,446	$1,357,409	$7,155,855
Pollution Control & Carbon Capture	25	$422,818,794	$5,187,953	$1,294,509	$6,482,462
Care of People with Developmental Disability or Mental Impairment	357	$185,110,948	$1,774,365	$330,992	$2,105,357
Care of Retired, Aged, Chronically Ill	54	$165,563,156	$1,723,118	$317,184	$2,040,302
Community Service Building/Fraternal	328	$147,091,478	$1,382,889	$280,251	$1,663,141
Energy Production & Development Abatement	259	$236,928,247	$899,568	$327,020	$1,226,588
Art Galleries, Observatories, Zoos, Museums	112	$103,463,542	$817,716	$198,448	$1,016,164
Agricultural Processing Facility	19	$82,084,904	$748,171	$140,711	$888,882
Missing Category	732	$70,261,216	$584,907	$125,174	$710,081
Intangible Land Value Program	174	$99,594,552	$407,022	$135,883	$542,905
Low Value Mobile Home	10,713	$68,058,458	$411,716	$93,207	$504,923
Fiber Optic and Coaxial Cable	91	$30,291,246	$407,004	$91,883	$498,887
Veterans' Clubhouse	97	$35,437,233	$312,021	$64,848	$376,869
Cemetery, Mausoleums, Crematories	179	$26,458,662	$252,401	$49,445	$301,847
Non-Profit Water Association	77	$11,220,535	$83,512	$20,180	$103,692
Agricultural & Horticulture Societies	4	$5,089,722	$38,031	$9,540	$47,570
Temporary Tribal	67	$3,784,463	$31,828	$6,820	$38,648
Natural Disaster	18	$2,112,896	$14,244	$3,300	$17,544
Non-Profit International Athletic Facility	1	$379,254	$3,750	$724	$4,474
Gray Water Abatement	1	$279,017	$847	$380	$1,227
Total	**163,038**	**$30,804,985,958**	**$263,057,020**	**$56,998,715**	**$320,055,735**