

Taxable Value Neutral Rates

November 18, 2024

Jared Isom - Senior Economist

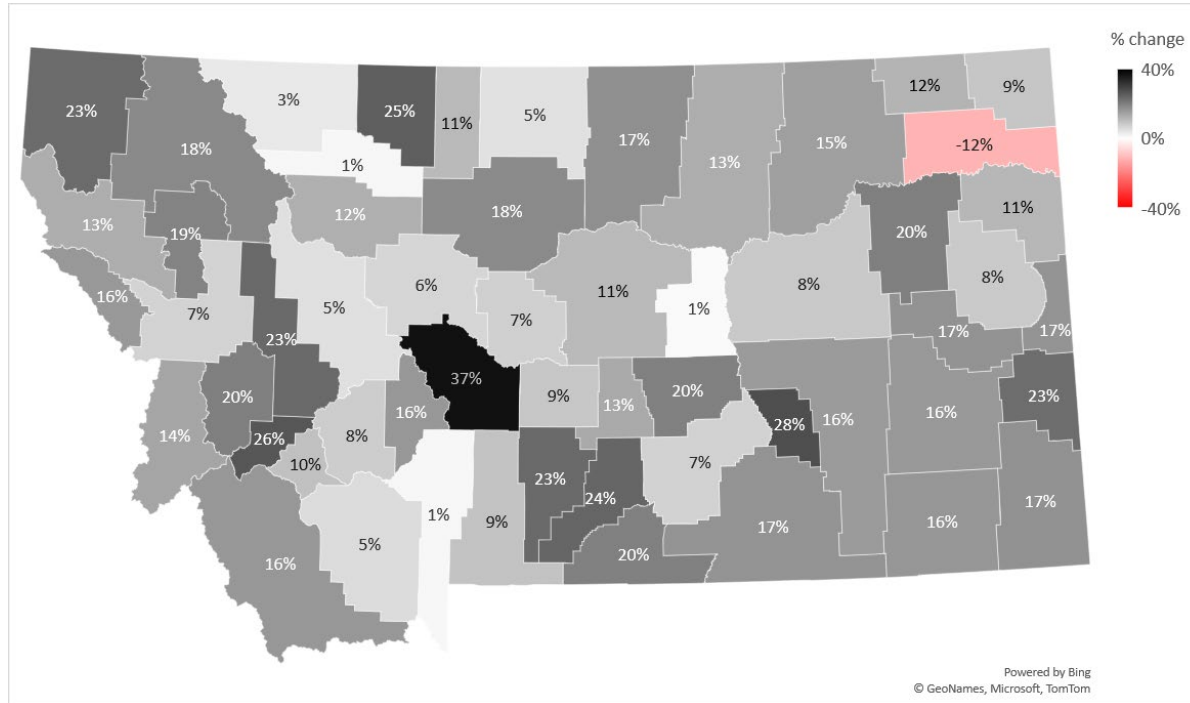


Estimated Reappraisal Changes

Estimated Changes in Market Value from Reappraisal			
	Billions		
Property Type	TY 2024	TY 2025	% Change
Residential	\$216.30	\$262.69	21.45%
Commercial	\$35.55	\$38.51	8.31%
Agricultural	\$6.63	\$6.98	5.39%
Forest Land*	\$1.67	\$1.27	-24.33%

*Major changes are being made to the valuation and tax rate of forest lands in TY 2025. Market values are decreasing due to new stumpage values and the tax rate is reverting to 0.37% from 0.27%.

Commercial Market Value Change



Agricultural Market Value Change

Agricultural Market Value Change	
Property Class	% change
1101 - Tillable Irrigated Land	11.81%
1401 - Tillable Non-Irrigated Land/Summer/Fallow	2.50%
1501 - Tillable, Non-Irrigated, Continuously Cropped	2.57%
1601 - Grazing Land	5.05%
1701 - Non-Qualified Ag Land 20-160 Acres	10.20%
1801 - Wild Hay Land	11.57%
2001 - 1 Acre Farmstead - Ag 15-7-202(1)(c)(ii), MCA	16.33%

Forest Land Market Value Change

Forest Land Stumpage Value Change	
Zone 1 (Northwest)	-23.29%
Zone 2 (Southwest)	-41.39%
Zone 3 (Central)	-28.47%
Zone 4 (East)	30.57%

Taxable Value Neutrality

Estimated Taxable Value Neutral Rates		
Property Type	Current Rates	TV Neutral Rates
Residential	1.35%	1.11%
Commercial	1.89%	1.75%
Agricultural	2.16%	2.05%
Forest Land*	0.37%	0.36%

*Major changes are being made to the valuation and tax rate of forest lands in TY 2025. Market values are decreasing due to new stumpage values and the tax rate is reverting to 0.37% from 0.27%.

Impacts of Taxable Value Neutrality

Statewide Impact of Not Implementing Taxable Value Neutral Rates for Classes 3, 4, and 10

Property Type	TY 2024 Current Law Versus TY 2025 Current Law					
	Difference-#			Difference-%		
	TV	Mills	Tax	TV	Mills	Tax
Res.	\$605.329	(41.311)	\$154.712	21.69%	(8.48%)	11.38%
Comm.	\$52.400	(38.568)	\$3.549	8.35%	(6.78%)	0.99%
Ag.	\$8.675	(26.653)	\$0.239	5.68%	(5.09%)	0.30%
Forest	\$0.167	(35.715)	(\$0.096)	3.70%	(8.40%)	(5.01%)
Other	\$39.606	(23.825)	(\$9.165)	3.47%	(4.97%)	(1.67%)
Total	\$706.177	(37.243)	\$149.238	14.97%	(7.49%)	6.36%

Impacts of Taxable Value Neutrality

Statewide Impact of Implementing Taxable Value Neutral Rates for Classes 3, 4, and 10

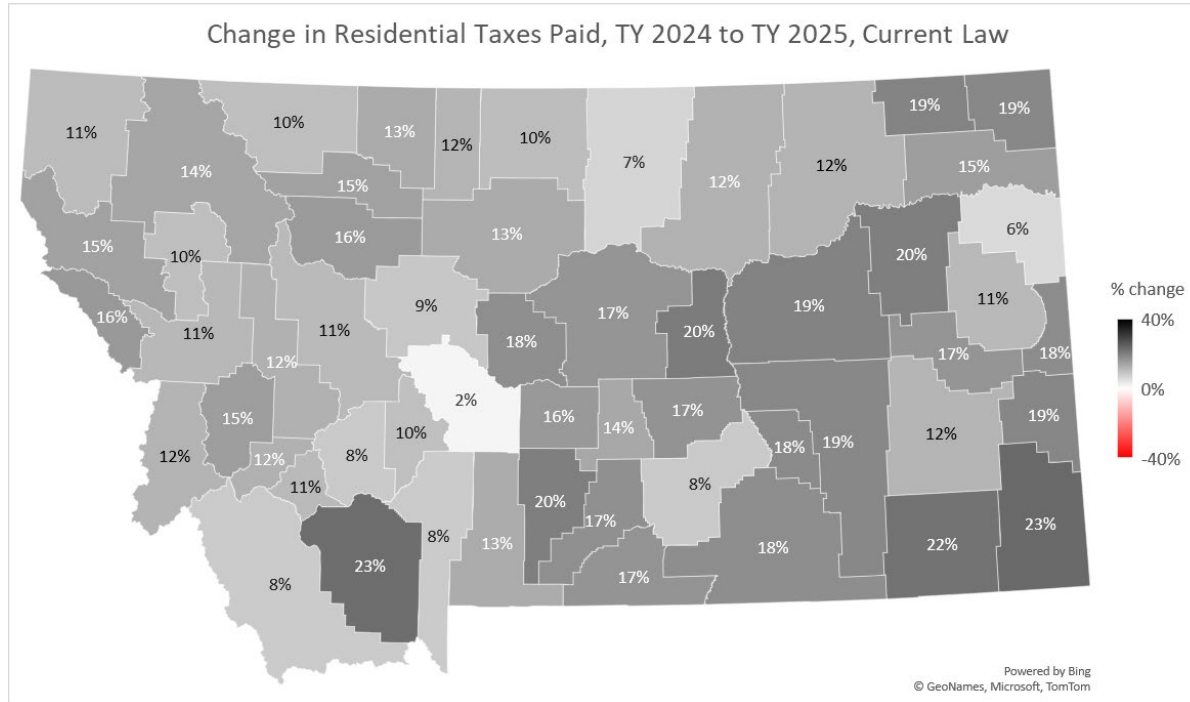
Property Type	TY 2024 Current Law Versus TY 2025 New					
	Difference-#			Difference-%		
	TV	Mills	Tax	TV	Mills	Tax
Res.	\$1.593	11.179	\$31.992	0.06%	2.29%	2.35%
Comm.	\$2.006	23.463	\$15.920	0.32%	4.13%	4.46%
Ag.	\$0.455	5.716	\$1.114	0.30%	1.09%	1.39%
Forest	\$0.040	6.242	\$0.046	0.90%	1.47%	2.38%
Other	\$39.606	10.022	\$30.854	3.47%	2.09%	5.63%
Total	\$43.700	12.218	\$79.926	0.93%	2.46%	3.41%

Impacts of Taxable Value Neutrality

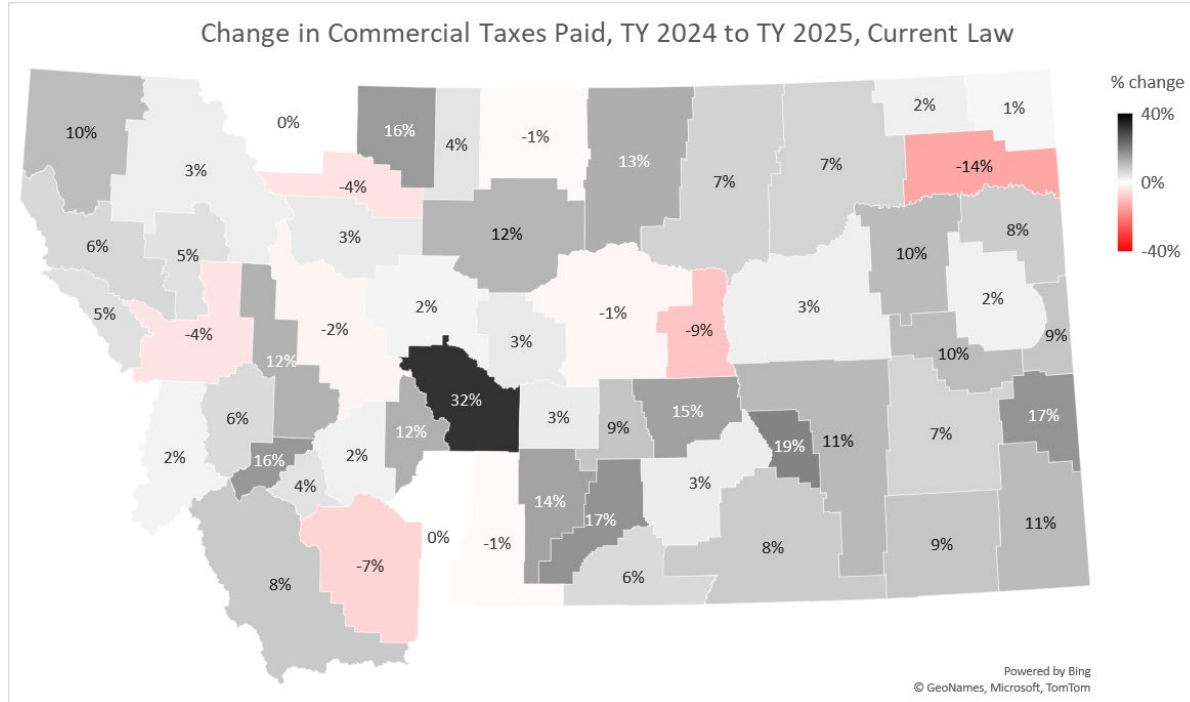
Statewide Impact of Implementing Taxable Value Neutral Rates for Classes 3, 4, and 10

Property Type	TY 2025 Current Law Versus TY 2025 New					
	Difference-#			Difference-%		
	TV	Mills	Tax	TV	Mills	Tax
Res.	(\$603.736)	52.490	(\$122.720)	(17.78%)	11.77%	(8.10%)
Comm.	(\$50.394)	62.030	\$12.371	(7.41%)	11.71%	3.43%
Ag.	(\$8.220)	32.369	\$0.875	(5.09%)	6.52%	1.09%
Forest	(\$0.126)	41.956	\$0.142	(2.70%)	10.78%	7.78%
Other	\$0.000	33.847	\$40.020	0.00%	7.42%	7.42%
Total	(\$662.477)	49.461	(\$69.312)	(12.21%)	10.75%	(2.78%)

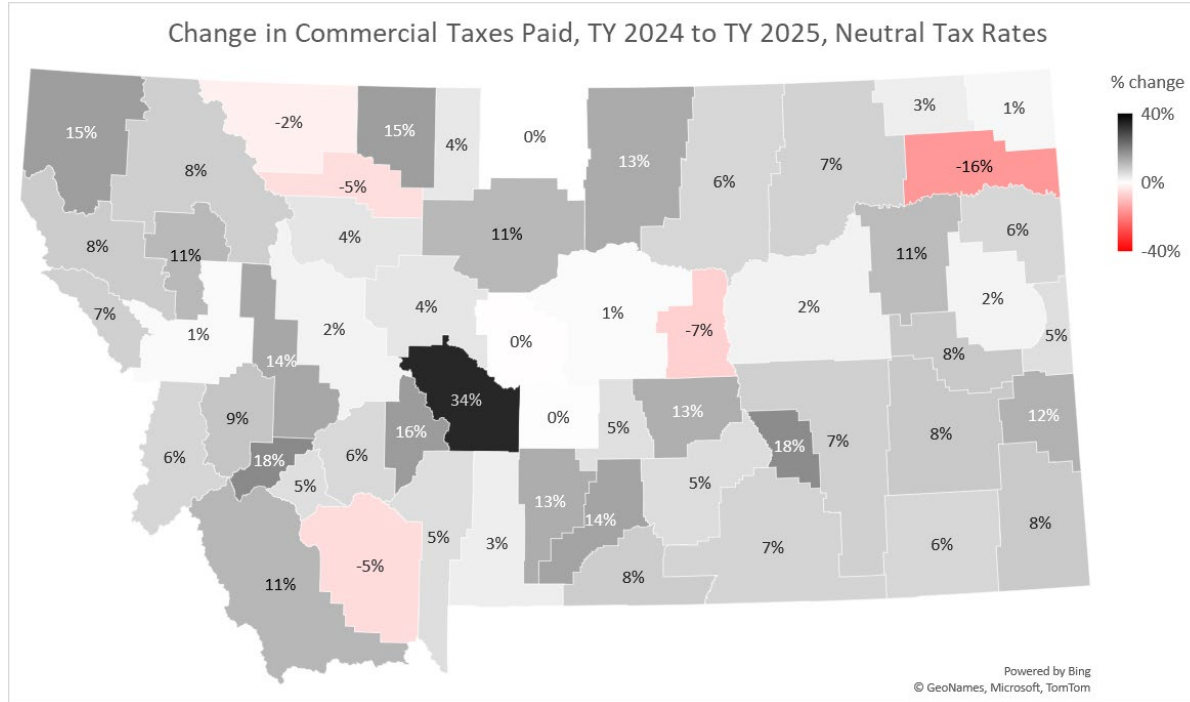
Residential Taxes Paid



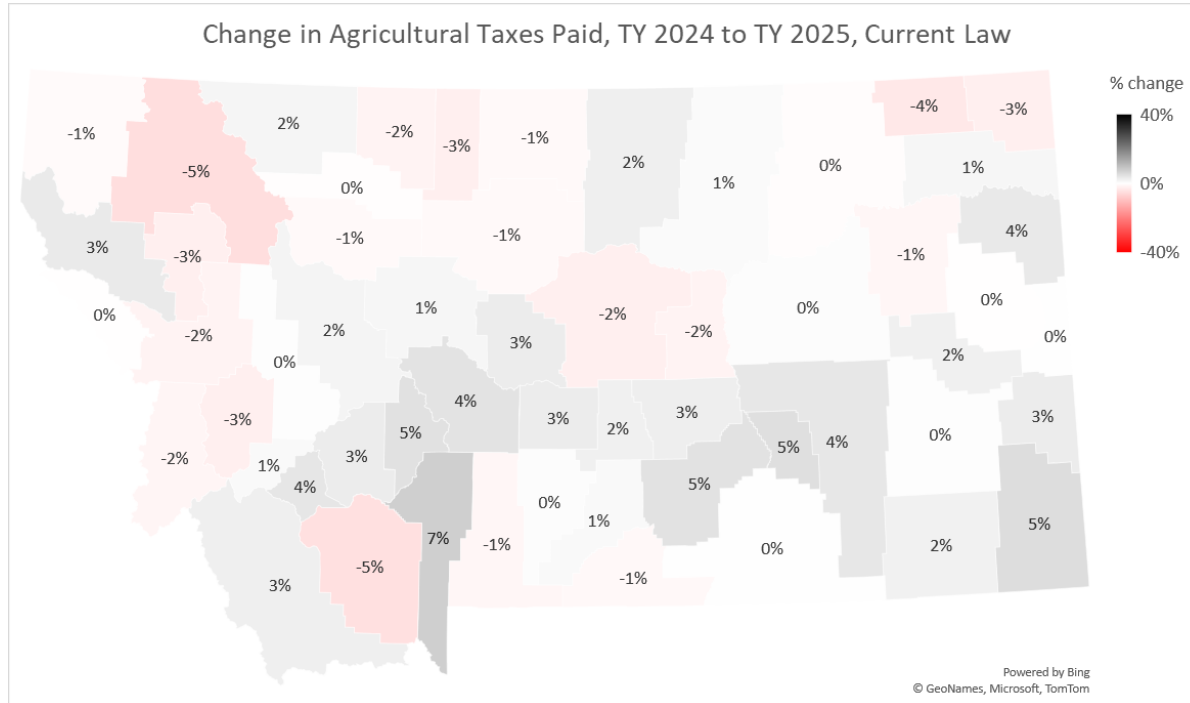
Commercial Taxes Paid



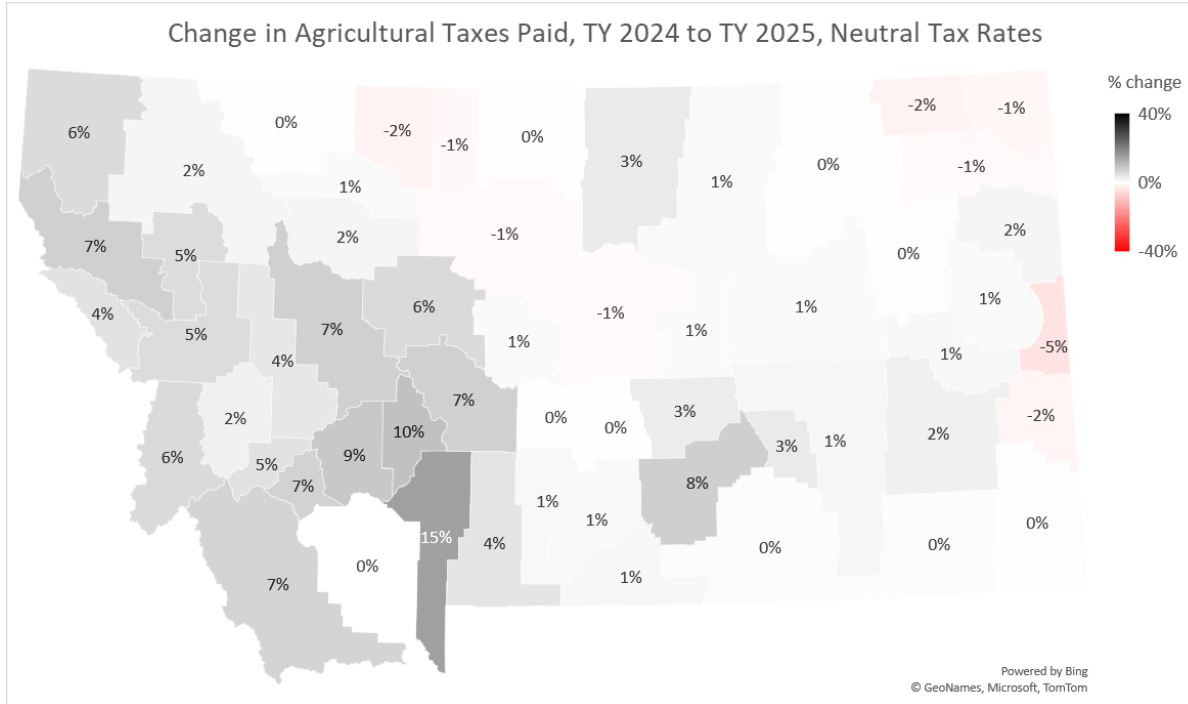
Commercial Taxes Paid



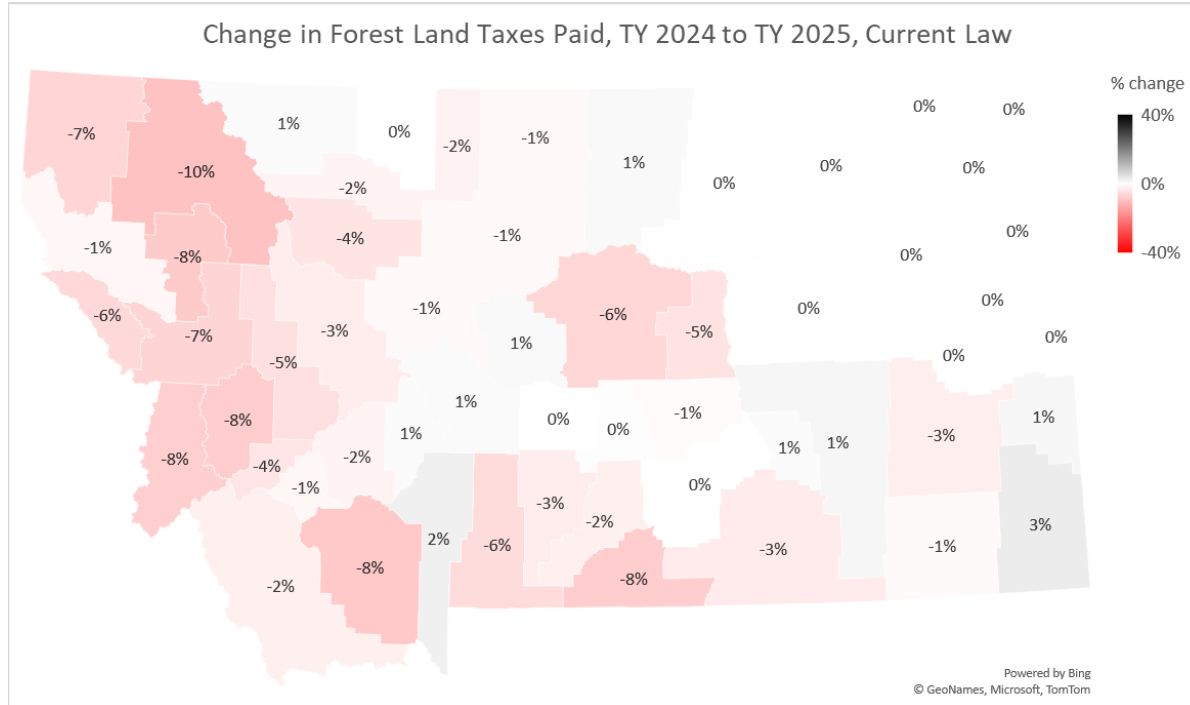
Agricultural Taxes Paid



Agricultural Taxes Paid



Forest Land Taxes Paid



Get social with us!



@MTRevenue



@MTRevenue



MontanaRevenue



Montana Department of Revenue



Montana Department of Revenue

