MONTANA
DEPARTMENT OF
REVENUE

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Final Annual Performance Report for the 2025 Biennium
September 2025

To be the nation's most citizen-oriented, efficiently administered state tax agency

The Department of Revenue administers approximately 40 Montana taxes and fees to achieve equity and integrity in taxation. Additionally, the department:

- Values all property as accurately as possible and supervises Montana's property tax system

- Administers alcohol and cannabis laws to protect public health and safety

- Receives abandoned property and seeks to return it to its rightful Montana owners

- Administers unlocatable mineral trusts

- Informs and advises the governor, the legislature, and the public on tax trends and issues; and

- Cooperates with local, state, tribal, and federal governments to advance the public interest under the law

DIRECTOR'S OFFICE

The Director's Office (DO) supports the agency's director and the other department divisions and is comprised of the Executive, Financial Services, Citizen Outreach, Taxpayer Advocate, Human Resources, Legal Services, Dispute Resolution, Procurement, Contracts, and Facilities, and Tax Policy & Research offices.

TECHNOLOGY SERVICES DIVISION

The Technology Services Division serves as the technological foundation for the department's business units, leveraging IT systems and services to increase internal business operations efficiencies and optimize citizen services.

ALCOHOLIC BEVERAGE CONTROL DIVISION

The Alcoholic Beverage Control Division provides effective and efficient administration of the Montana alcoholic beverage laws, with an emphasis on customer service and public safety.

CANNABIS CONTROL DIVISION

The Cannabis Control Division ensures the health and safety of all Montanans through fair administration, education, and enforcement of the Montana Marijuana Regulation and Taxation Act.

INFORMATION MANAGEMENT & COLLECTIONS DIVISION

The Information Management and Collections Division provides consistent service to Montana citizens, businesses, and nonresident taxpayers through electronic data and records management, account registration, collection of delinquent accounts, and data and remittance processing operations.

BUSINESS AND INCOME TAXES DIVISION

The Business and Income Taxes Division is responsible for the administration and collection of roughly 40 Montana taxes and fees. The division also determines the valuation of all centrally assessed property in the state.

PROPERTY ASSESSMENT DIVISION

The Property Assessment Division administers Montana's property tax laws, which includes the valuation and classification of all taxable property. The division ensures all classes of property are valued uniformly and equally throughout the state. These classifications include but are not limited to agricultural and forest land, residential and commercial property, industrial facilities, exempt properties, and business equipment personal property.

Department Goal

The department's primary objective in the coming year is improving its citizen service in order to administer the department's statutory requirements more effectively.

Strategic Outcome #1
Improve citizen interactions

Initiatives	🔑 Key Measures	Status
Mail assessment notices to all property owners every two years per statute	Mail 100% notices by statutorily required deadline	☑ Completed
Improve written communications with citizens	Review all department letters on an every two-year basis	☐ In progress
Respond to cannabis licensee inquiries timely	Respond to all licensee contacts within two business days	☐ In progress
Communicate personally with five stakeholder entities and division subgroups	Complete five stakeholder meetings by December 31, 2023"	☑ Completed
Meet personally with five local taxing entities	Complete five meeting with local taxing entities by December 31, 2023"	☑ Completed
Compile input from stakeholders to improve central assessment and unclaimed property	Compile input from stakeholders by November 15	☑ Completed
Create and implement tax rebate packages and communications	Host 60 Town Hall meetings in 2023 on property reassessment	☑ Completed for 2023
	Host 26 Town Hall meetings in 2024 on property reassessment	☑ Completed
Develop citizen outreach surveys to inform and evaluate agency service and efficiency	Create survey by June 30	☑ Completed
Implement legislator education series	Hold first education series meeting by December 31, 2023	☑ Completed
	Hold FY 2025 education series meetings by Feb. 15, 2025	☑ Completed
Update the division's webpage with necessary resources including Enterprise Fund reports, fact sheets, and maps	Update division webpage monthly	☐ On track

Strategic Outcome #1
Improve citizen interactions

Initiatives	🔑 Key Measures	Status
Update the division's webpage with necessary resources including the Taxpayer Valuation, Agricultural, and Forest Land manuals, and the Reappraisal Plan	Complete by December 31 even years	☐ Ongoing
Update the division's webpage with current information related to taxes	Complete by December 31 annually	☐ Updated website as needed
Provide taxpayer outreach by presenting at ABC clinics, webinars, and tax forums	Complete 10 outreach activities per year	☑ Completed. Conducted 77 outreach activities in 2024, of which 44 comprised either a webinar or an in-person event.
Create an education video regarding filing requirements	Complete by December 31, 2023	☑ Completed and posted numerous webinars.
Meet with production companies at the beginning of their setup process to improve accuracy of MEDIA credit applications	Meet with 100% of production companies	☑ Completed and filmed an educational video for companies to review.
Update the division's webpage with necessary resources, including tutorials for worker training and packaging and labeling submissions"	Complete by December 31 annually	☑ Completed; reviewed monthly for additional updates.
Track all recalls via department website to ensure the public is aware of product type, risks associated, and poison control resources	Complete within 48 hours of identifying products for recall	☑ Completed
Update the Livestock Per Capita Fee webpage	Update webpage annually	☑ Completed
Create a collections services webpage	Complete by June 30, 2024	☑ Completed April 2024

Strategic Outcome #1
Improve citizen interactions

Initiatives	🔑 Key Measures	Status
Update the TransAction Portal webpage with general taxpayer self-help resources	Complete by June 30, 2024	☑ Completed
Host statewide town hall meetings and publish PSAs after property assessment notices	Complete during May-June, 2023	☑ Completed
Begin implementation of red tape reduction rules	Begin implementation by June 30, 2024	☑ Completed and ongoing
Track the number of cases the Taxpayer Assistance Office has resolved	Track total resolved cases per year	☑ Resolved 148 cases for calendar year 2023
Develop an online filing application for property exemption requests	Complete by January 1, 2024	☐ Ongoing - expected to be finalized by August 30, 2025
Open two additional county offices within the next 2 years	Opened by December 31, 2024	☑ Completed
Implement legislation permitting DOR/ DOJ drivers' license cross match	Complete by February 29, 2024	☑ Completed

Strategic Outcome #2
Accurate valuation of property

Initiatives	🔑 Key Measures	Status
Complete appraisals of all residential, commercial, industrial, and agricultural/forest land properties in Montana by the statutory deadline	Completed by May 1, 2023	☑ Completed
Complete Centrally Assessed property appraisals by department deadline	Complete by June 1 annually	☑ Completed
Provide accurate and timely certified taxable values to all taxing jurisdictions	Provide values to counties no later than the first Monday in August	☑ Completed

Strategic Outcome #3
Alcoholic beverage control regulation/efficiency

Initiatives	🔑 Key Measures	Status
Process alcoholic beverage licenses efficiently to reduce red tape for applicants and licensees	Meet quarterly with DOJ and licensees through our Alcohol Licensing Advisory Committee to determine where efficiencies can be made.	☐ On track
Complete the liquor warehouse expansion to improve the efficient operation of the warehouse	Complete warehouse expansion project by summer 2025	☐ On track - September 29, 2025 is the expected go-live date assuming remaining testing and related construction work is completed on time as anticipated.

Strategic Outcome #4
Efficient processing of data and revenue

Initiatives	🔑 Key Measures	Status
Process paper returns in timely manner	Open paper returns within 5 days of receipt	☑ Completed
Process tax refunds (scanning & keying) in a timely manner	Process all timely filed paper refund returns within 45 days of due date	☑ Completed TY 2023
Process money in a timely manner	Process all money within 2 days of receipt	☑ Completed for TY 2023; ☑ Completed for TY 2024
Implement payroll software vendor approval table	Implement prior to 12/31	☑ Completed

Strategic Outcome #5
Develop electronic filing and payment services

Initiatives	🔑 Key Measures	Status
Increase the use of the WTH Taxes Application Program	Track the number of enhanced or added services in the biennium and the number of users on board	☑ Completed - 2 new vendors for TY 23, 24; added payments for TY 23
Enhance user experience on the TransAction Portal	Measure number of enhancements, using user experience surveys	☑ Completed - continue to update in next biennium

Strategic Outcome #6
Equitable collection practices

Initiatives	🔑 Key Measures	Status
Increase the number of collection cases resolved in under 6 months	Increase 5% in fiscal year 2023	☑ Completed
Increase efficiencies in resolving delinquent collection accounts	Create/implement electronic methods for financial institutions, employers, and courts to remit responses and payments	☑ Completed continues into next Biennium
Develop new payment plan options to allow for a single payment agreement for multiple tax types	Decrease the number of payment plans required for a single citizen with multiple delinquent accounts, increase the payment plan activation percentages, and increase the percentage of resolved delinquent accounts	☑ Completed for TY 2023; Completed for TY 2024

Strategic Outcome #7
Secure confidential information

Initiatives	🔑 Key Measures	Status
Require annual disclosure awareness and security awareness trainings	Complete by 100% of employees	☑ Completed for CY 2024
Require annual signing of confidentiality and disclosure of information form	Complete by 100% of employees	☑ Completed for CY 2024
Require dual approval on all security access and audit access regularly	Report by 100% of employees	☑ Completed for CY 2023 and CY 2024
Monitor all systems and perform vulnerability scans	Monitor on a weekly basis	☐ On track

Strategic Outcome #8
Provide a simple and seamless process for business registration and licensing through the eStop Program

Initiatives	🔑 Key Measures	Status
Replace current antiquated software	Working with Department of Labor & Industry to see if it is viable to move the program to their licensing software system.	☑ Completed September 2025

Strategic Outcome #9
Hire and retain qualified and competent employees

Initiatives	🔑 Key Measures	Status
Continue regular internal town hall meeting to engage and educate agency personnel across the state	Hold quarterly internal meetings	☐ On going
Hold all managers meeting annually	Held October 2023 Held October 2024	☑ Completed ☑ Completed
Revamp job postings	Began March 2023	☑ Completed
Create day in the life of videos interviews with staff	Create "day-in-the-life-of" video interviews with staff	☐ On track
Offer telework opportunities	Update all job postings by March 2023 to include telework availability language	☑ Completed
Implement career ladders	Create career ladders for all appropriate positions by July 1, 2024	☑ Completed
Welcome from executive leadership personnel to all new staff on first day of work	Welcomed 100% of new employees	☐ 100% for FY 2025
Implement Professional Development Working Group recommendations	Complete implementation of PDWG recommendations by Dec. 31, 2023	☑ Completed
Increase senior management presence in field offices	Complete five field office visits by December 31, 2023	☑ Completed
Implement recommendations of climate assessment	Complete implementation of climate assessment improvement plan by December 31	☑ Completed plan in August 2023, with ongoing efforts
Communicate agency mission and goals to department personnel	Emphasize agency mission and goals during quarterly town hall meetings	☐ On going
Hold monthly director meetings with individual division administrators	Conduct formal monthly check-ins with division administrators	☐ On going
Complete semiannual check-ins and annual performance appraisals	Complete 99% of check-ins and performance appraisals	☑ Completed 83% of check-Ins ☑ Completed 83% of annual reviews