



# Revenue Interim Committee

69th Montana Legislature

PO BOX 201706  
Helena, MT 59620-1706  
(406) 444-3064  
FAX (406) 444-3036

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DAVE FERN  
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JARET COLES, Staff Attorney  
JOLANDA SONGER, Secretary

November 10, 2025

TO: Revenue Interim Committee  
FROM: Jaret Coles, Staff Attorney  
RE: Committee Rule Review

Department of Revenue and Montana Tax Appeal Board notices can be found on the Secretary of State's website at <http://www.mtrules.org>. Click on the Montana Administrative Register icon to find all of the issues of the Montana Administrative Register.

## Department of Revenue

*Proposal and Adoption Notices are available on the Internet:*

### Notice of Proposed Rules:

Amendment of Tobacco-Related Rules to Provide or Revise Definitions -- Tobacco Manufacturer Requirements and Department Processes. MAR 2025-86.1. A public hearing was held on November 3, 2025, and the public comment period ended November 10, 2025. The Department proposes to amend three rules. The proposal provides for multiple stylistic and organizational changes. Additionally, it provides for a definition of "characterizing nontobacco flavor", which supplements a statutory definition for "premium cigar". The impact is that cigars with flavors, including but not limited to grape, strawberry, orange, clove, cinnamon, pineapple, vanilla, coconut, licorice, cocoa, chocolate, cherry, coffee, mint, rosemary, coriander, menthol, herb, and spice do not qualify as premium cigars. Section 16-11-111(7), MCA, provides that the tax on a premium cigar is the lesser of 50% of the wholesale price or 35 cents a premium cigar.

Property Taxation -- Property Tax Relief Legislation -- House Bill No. 231 (2025) and Senate Bill No. 542 (2025). MAR 2025-430.1. A public hearing will be held on December 1, 2025, and the public comment period ends December 8, 2025. The Department proposes to adopt four rules to implement [House Bill No. 231 \(2025\)](#) and [Senate Bill 542 \(2025\)](#). The proposed rules provide

for a definition section, describe the application process, and describe the reason why an owner would need to notify the department when there is a change in ownership or use. The new rules also provide numerous examples of how the effective tax rate is calculated when there is mixed use property or an exemption.

Property Taxation – Updates of the 2026 Personal Property Depreciation Schedules and Trend Tables – House Bill No. 108 (2025). MAR 2025-443.1. A public hearing will be held on December 1, 2025, and the public comment period ends December 8, 2025. The Department proposes to amend four rules. The primary purpose of the proposal is to update the authority of the web-based Personal Property Depreciation Schedules and Trend Tables publication (publication), adopted and incorporated by reference in the rules, to the 2026 version. The publication is updated annually, effective January 1, and is located within the department's website at <https://revenue.mt.gov/>. The 2026 publication reflects changes in personal property and industrial machinery and equipment depreciation and trend factoring data in the department's valuation manuals and guides since last year. Both the [2025 publication](#) and the [proposed 2026 publication](#) are available for review. The proposal also eliminates reference to a supplemental farm machinery manual for equipment valuation, which was eliminated by [House Bill No. 108 \(2025\)](#).

**Notice of Adopted Rules:**

None.

## **Montana Tax Appeal Board**

**Notice of Proposed Rules:**

Adoption of Procedures for an Informal Review of Class Four Residential Property – Senate Bill No. 302 (2025). MAR 2025-365.1. A public hearing was held on October 31, 2025, and the public comment period ends November 10, 2025. The Montana Tax Appeal Board proposes to adopt one rule regarding a taxpayer election for an informal review of class four residential property appeals to implement [Senate Bill No. 302 \(2025\)](#), which specifically requires the Board to adopt rules outlining the informal review procedures. The rule provides for the manner of making the election, it prohibits certain motions, it provides that all properly disclosed exhibits will be admitted in the record, and it provides that decisions issued through informal review are not considered binding precedent.

**Notice of Adopted Rules:**

None.