

LIMITED LIST OF ALTERNATIVES RELATED TO PROPERTY REAPPRAISAL

Make no changes to current law

- Class three agricultural land taxed at 3.01 percent of productivity value
- Class four residential and commercial property taxed at 3.01 percent of taxable market value
- Class ten forest lands taxed at 0.35 percent of forest productivity value
- Residential homestead exemption 34 percent of market value
- Commercial comstead exemption 15 percent of market value
- Six-year phase-in of reappraisal values
- Maintain extended property tax relief program under 15-6-193, MCA

Enact mitigation measures similar to those enacted in 1999 and 2003

Allow full reappraisal of agricultural lands, residential and commercial property, and forest lands to take effect with no phase-in or exemptions

Limit increases in taxable value to a fixed percentage every year during the reappraisal cycle (not the same as phasing in market value over six years) -- deviates from market value standard -
- may require constitutional amendment

Percentage exemption of market value for residential and commercial property -- with or without a cap on the amount that may be exempt

- Provides more savings to higher-valued homes without cap

Fixed exemption amount -- e.g., the first 50,000 of market value

- Provides more savings to lower-valued homes

Expand targeted property tax relief

- Expand income limits for property tax assistance program under 15-6-134, MCA -- affects local government tax base
- Expand income limits or coverage, or both, of elderly homeowner and renter credit under 15-30-179, MCA -- funded by state government
- Tax deferral program based on age and income or based on income of property taxpayer -- affects local tax base unless state offsets deferral amounts

Revise reappraisal period

Defer implementation of reappraisal

Other ideas