

**Martin, Jeff**

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**From:** Jane and Dick Solberg [dickandjane@centurytel.net]  
**Sent:** Saturday, December 13, 2008 4:30 PM  
**To:** Martin, Jeff  
**Subject:** re: reappraisals

My husband and I are living on a piece of property which was purchased by my parents in 1946. The purchase price at that time for the 25 acres and 24 cabins was \$45,000.00. This included about 2,000 feet on Whitefish Lake. Most of the property was sold in 1972 for private homes which are in a Homeowners' Association. The house we currently own was built by my parents in 1966 for \$65,000.00 but is now valued by the state at over \$300,000.00. We took ownership of the property in 1985. Since that time, we have seen an ever increasing property tax even though the house is now over 40 years old. The influence of the outsiders who are paying exorbitant prices for land on the lake really affects the locals.

I don't have the records from 1966 when the house was built but in 1974, the house was valued at \$ 21,596.00 and the land at \$ 7,994.00. The taxes at that time were \$1,512.11. The last taxable market value set in 2003 is \$516,120 for the land and \$293,280.00 for the land. Our current taxes are approximately \$9,000.00. What will happen with the new reappraisal? The last mitigation offered by the state was convoluted and almost impossible to understand. I wrote to our legislators back in 2003 noting the wide variation in assessments just in our neighborhood. One large lake property in our subdivision was not even appraised as lake property! They have been paying a pittance for at least the last 35 years. This is not a unique problem with the appraisal system. I am a third generation Montanan and have adult children and grandchildren who would like to continue owning this property. In the near future, this property will leave a trust and be owned by our four children. They all own their own homes and pay property taxes on those. They want to keep this house and property but may not be able to afford it. We have trouble paying our current taxes without dipping into what we need in retirement and now we pass the problem on to our children. How can 5th and 6th generation Montanans be forced to sell because the taxes are beyond their means. Who would have imagined these kinds of tax increases?

Thank you for your attention.

Jane and Dick Solberg  
Box 187  
Whitefish, MT 59937

**Martin, Jeff**

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**From:** Bruce Tate [bruce367@centurytel.net]  
**Sent:** Sunday, December 14, 2008 5:42 PM  
**To:** Martin, Jeff  
**Subject:** Property Tax Comments

Dear Property Tax Subcommittee,

I am a second generation Whitefish Lake property holder, whose parents purchased a cabin on the west shore of the lake in 1954. My wife and I purchased this property from my widowed mother at full appraised value when she decided to sell in 1972, and this has been our home since then. We have raised our family here, and have seen our two children married from this home. It has been our fervent hope that we could someday pass this property along to our son and daughter...who would be the third generation to have this property.

My life plan was to hold and live on this property my entire life. While I was still working, I put in place a savings plan that would allow me to pay my property taxes, anticipating that they would double during my old age. Was I wrong at the rate in increase of our property taxes! The influx of wealthy out-of-state people over the last decade has had catastrophic consequences on taxable valuations and property taxes for native Montanans. I know this is not just a Flathead County problem, but is also statewide in many other places thought as desirable "last best places" by outsiders.

The property taxes on this property have basically tripled just during the 2002-2008 six year cycle, and are now at a level where it is becoming very difficult for a retired person to stay current. If they double or even triple during the next 6 year cycle, those of us that are left on the West shore, that are long-time retired residents, will likely be driven off our land and from our homes. This doesn't seem fair to someone who has paid both state income and property taxes their entire lives.

Please work to get an equitable tax system with some control on annual valuation increases that don't penalize us. The Mitigation process that has been in place since the late 90's is not working for a great many of us native or long time residents, and an annual "rebate" of a few hundred dollars on property taxes is not adequate, nor is it a long term fix for a major problem.

A process that allows some property taxes to increase two or three times in a single six year cycle, is in need of a major overhaul. Please work to fix this problem, so that our "last best place" can be shared by our native Montanans who are not driven from their homes by unreasonable property tax increases. Our fate and future is in your hands.

Thank You,

Bruce and Susan Tate  
1800 West Lakeshore Dr.  
Whitefish, MT 59937  
406 862-4888

**Martin, Jeff**

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**From:** Dm2045@aol.com  
**Sent:** Sunday, December 14, 2008 4:08 PM  
**To:** Martin, Jeff  
**Subject:** Montana property taxes

Dear Jeff Martin:

My wife and I are writing you today in regards to the upcoming Legislators review of the Montana property tax system. Our Montana family goes back over fifty years, but today we find ourselves being forced out of Montana by property taxes just when, through retirement, we are truly able to have the time to enjoy our great state.

We live on Flathead Lake in our retirement dream home. Unfortunately, that dream is starting to fall apart as the taxes on our lakefront home have doubled to almost \$8,000.00 over the past ten years. We are middle class, full time residents that live on a fixed income. By living here year round we support the economy through our purchases at local businesses, taxes, charities and community involvement on a full time basis, not just a few months a year as most of our out-of-state neighbors do. We are twenty-four seven full time residents but do not get any more consideration than the people that only come for a few weeks or months each year and do not pay income tax or support for the infrastructure on a full time basis. These same people drive up our property values through pressure on the market and yet we are stuck with the consequences.

We are on a fixed income and cannot magically generate more money to pay increased taxes, taxes that are headed to over a \$1,000.00 per month or higher in the upcoming years. Are we poor? No we are not. Can we afford to keep our home if the taxes keep escalating? No we can't. When our valuation is over three or four times what we paid, how do we come up with that money? How do we pay with money we don't have? We don't have the increased value in our pocket or the bank, we can't spend it, eat it or pay taxes with it. It is like a mirage or monopoly money. It is paper profits that we do not have.

It doesn't do us any good to delay taxes through mitigating the impact over several years either. The myth of "On the Average" property taxes won't rise make me feel as if the Governor has painted a Bulls Eye on Ten percent of the population and is going to sacrifice us during a whimsical target practice. That is like a chicken on the chopping block. The axe will still fall and one more piece of the Flathead will be owned by an Out-of-State temporary resident. If we keep this up, in twenty years Montana will be composed of full time residents that are basically servants to the rich who live here a few weeks of the year. We can be the Indentured Servants of the North, picking up the scraps left over by the part time landlords.

The Legislature seems to have forgotten that they represent the people of Montana, all the people, including that ten to fifteen percent that are getting slam dunked by the current tax system. Each election year the Governor and the Legislature promises to reform the system and each time they put a Band-Aid on it and go their merry way. They need to have some courage and do the job. They need to represent the people of Montana and not tax us on paper profits. This is our primary residence, not a second or third home. This is where we live. Just because the value has gone through the roof does not make us rich or more able to pay inflated property taxes. We truly wish the value of our property would collapse rather than increase in the years ahead. What would Montana do if the majority of the population were out of state owners that did not pay any income tax?

We could handle a three or four percent increase that kept pace with inflation. What we can't handle is being raped by a system that is so flawed. The people need to be fairly represented so that we can keep our homes

Please help us and develop an equitable resolution to this problem.

Sincerely,  
Dennis and Jodee McDowell

12/15/2008

**Martin, Jeff**

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**From:** Jack and Tara [jackvan@centurytel.net]  
**Sent:** Monday, December 15, 2008 3:38 PM  
**To:** Martin, Jeff  
**Subject:** Reappraisal concerns

Dear Jeff Martin,

We would like to give you some input on the reappraisal that will effect our property taxes here in Flathead County.

The Reappraisals completed by the State of Montana were based on times that were inflated and real-estate was in a "bubble".

My Wife and I have a small business that has been successful for the past 19 years. We are both 5th generation from the Flathead Valley, our kids are 6th, and our grand children are 7th generation.

We purchased our business property for \$34K, and do not intend to ever sell it. We hope that our 3 now grown children (that have always worked in our business) will be able to continue to make a living after we are gone. This business supports not only my wife and myself, but all 3 of our children, and theirs spouses and kids.

Our property tax on our business is now OVER \$10,500 per year, and because of the school bonds etc., it increased substantially over last years tax.

Because of the current economic times, our business was financially down this year, and we have a very bleak outlook for the 2009 season. After 20 years of being in business, the additional burden of a tax increase based on the reappraisal could put us out of business.

We are very frugal people, living in a small home (2 bedroom) - and purchasing business equipment only when we have the money. We do not live "high on the hog". Eating out is a once a month special treat (this includes breakfast/lunch or dinner). We do not smoke, drink, go to the movies or do anything to waste money.

The reappraisal was completed during a period of time that land/home/business values were going up with inflated prices. Few people took advantage of the inflated prices to sell, and make money. This drove up the "values" of property. But people like us, that plan to be a stable business in our area, and not sell our property, can not afford to pay the tax increase that will be coming due to the reappraisals.

We have had another piece of property that we have been trying to sell with a realtor for over 2 years now, and because of the decline in sales and available money, we do not anticipate selling it any time in the near future. We have dropped the price by over 54% during this period of time. We have never seen even a "low ball" offer, and the realtor insists we are well under (in price) of all other similar properties.

I don't know what else we can do to stay in business. It seems everyone think small businesses are "rich", when in reality we are the biggest penny pinchers you have ever seen. Any tax relief that you can help us with, will be greatly appreciated, and will help us to stay in business to celebrate our 20th year.

We have talked to hundreds of other small business owners, that we know and do business with,

12/15/2008

**Martin, Jeff**

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**From:** pscruggs-hirst [lazyotter@centurytel.net]  
**Sent:** Sunday, December 14, 2008 4:03 PM  
**To:** Mike Jopek; Martin, Jeff  
**Subject:** property tax system

Dear Mike and Jeff,

I recently read Dud Mahler's article in the Daily Interlake, Saturday, December 13, 2008. I am very concerned about the reappraisal of homes in the Whitefish area. As a retired teacher on a fixed income, I hope both of you will work to not increase our property taxes. Also, Governor Schweitzer stated that taxes on property will not increase. As you are aware, during these difficult economic times the validity of reappraisals from last year need to be addressed. The meeting to be held on Dec. 16 should bring all of those in the position of making decisions to a consensus on not increasing our taxes.

I look forward to hearing from you.

Patti Scruggs

12/15/2008

Dear Property Tax Subcommittee,

We have owned property on Whitefish Lake now since the 1978. We have raised our family here. I am a retired Whitefish school teacher & my wife a secretary. We have always thought of this as our home & that we would live in our home until we were no longer able & then pass it on to our children. With the amount of wealthy out of state people who have come here over the years to have second homes the taxes have increased greatly. It's making it difficult for those of us who consider this our home to stay.

We'd like to see an equitable tax system with some control on annual valuation increases that don't penalize us. For many of us long time residents & natives this mitigation process is not working. Please work to take care of this problem, so those of us who have called this home for many years will not be forced out of our homes due to excessive property tax increases.

Thank you,

Robert & Patty Peretto  
1825 W. Lakeshore  
Whitefish, Mt. 59937  
406-862-5694

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**Martin, Jeff**

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**From:** w.p. elliott [lakecasa@montanasky.net]  
**Sent:** Saturday, December 13, 2008 4:59 PM  
**To:** Martin, Jeff  
**Subject:** Prop. taxes:

Attn. Jeff Martin,

Hello sir. I am writing to you from the great little (and popular) retirement community of Polson, Mt. My wife June and I today read Mr. Dud Mahler's letter to the Interlake N.P. about property taxes, and the values / assessments issue.

June and I are not wealthy in investment dollars, but are blessed with a home here that does give us a window out one side that looks at the lake, but as each year passes in our retirement we are more and more wondering and worried if we will be able to continue living here, and have this house and that view, limited as it is?

Now after reading the Mahler letter we are even more apprehensive, and hope that someone down there in Helena will be holding the best interests of us 'not so well off' - in high regard! After all, please remember, we have spent a lifetime shelling out tax dollars into the system. Wouldn't it be high time we were given a little slack in this area instead of hearing the old mantra of MORE MORE and even MORE percentages of tax due from our segment?! We're getting damn tired of this!

And by the way, we aren't 'snow birds' and we have no intentions of getting an RV unit and splitting down to some of those southern clime's we've heard about such as Texas, where they are very much welcomed, and thousands now are enjoying that life style in various parks down there.

So PLEASE - SOMEBODY, HELP US!

Thank you,

Will & June Elliott  
1594 bayview dr.  
Polson, Mt. 59860