



2009 Extended Property Tax Assistance Program

(15-6-193, MCA)

What is the program?

The Extended Property Tax Assistance Program (EPTAP) is a property tax relief program that the 2009 Montana Legislature re-established. The program reduces the tax rate used to determine property tax liability on a qualifying residence and up to one acre of appurtenant land, which is land associated with the residence. EPTAP and other property tax assistance programs are important parts of Montana's property tax system.

EPTAP is available to qualifying residential property owners.

What are the eligibility criteria?

To meet the preliminary qualification criteria, affected properties must meet all of the following:

- The properties must be "qualified residential properties." These are dwellings including up to one acre of land associated with the dwellings, and
- The residential dwellings, either by themselves or in combination with no more than one other residential dwelling in Montana, were occupied for at least 7 months during calendar year 2008, and
- The properties for tax year 2009 must be under the same ownership as they were on December 31, 2008, and
- The properties (each residential dwelling and up to 1 acre of appurtenant land) must have experienced a greater than 24% increase in taxable valuation due to reappraisal. This is determined by comparing the 2008 Taxable Value with the 2014 Taxable Value (the fully phased-in taxable value for the last reappraisal cycle with the fully phased-in taxable value for the current reappraisal cycle), and
- The properties must have experienced a tax increase of at least \$250 or more due to reappraisal (this is based on applying the 2008 mill levy to both the 2008 taxable value and the 2014 taxable value).

The Montana Department of Revenue determines whether properties meet the preliminary criteria to receive applications by reviewing valuation information stored on its property assessment computer system. Properties that previously received EPTAP benefits (for the last reappraisal cycle 2003 – 2008) will not necessarily be eligible for benefits for this new reappraisal cycle (2009 – 2014).

How does a property owner apply?

The Department of Revenue mailed application forms on October 19, 2009, to 35,487 potential properties that met the initial criteria, including both mobile home properties that are affixed permanently to land and those that are not affixed to land.

In determining those property owners who should be included in the initial EPTAP application mailings, the department tried to take the most extensive approach possible. The department mailed applications to property owners if the taxable value of the property increased greater than 24 percent and had at least a projected \$250 increase in taxes (based on 2008 mill levies) over the current reappraisal cycle.

The Montana Legislature gave no legal mandate to mail applications, but provided funding for implementation of the EPTAP program. The department made an administrative decision to mail applications beyond any specific legal requirement to do so.

Property owners do not need to receive an application in the mail to qualify for the program, and may submit an application even if they are not invited, if they believe they are eligible. Blank hard-copy applications are available to citizens at local Department of Revenue offices. Property owners also may fill in and print an application from the DOR website at the following link:
mt.gov/revenue/formsandresources/forms/2009_PP8E_EPTAP_fill-in.pdf

Applications with supporting documentation are required each year in order to obtain the benefit provided through this program. The normal deadline for filing completed applications is April 15 each year. However, the deadline for filing completed applications for 2009 has been extended to the due date preprinted on the application.

How much will the tax rate be reduced?

There are 292 possible tax rates for 2009, ranging from 0.01% to 2.92%. Specific ranges of income, taxable valuation increases and increases in tax liability can result in different levels of tax rate reductions, as follows:

- If the total household income is \$25,000 or less, and the increase in taxable valuation due to reappraisal is greater than 24% for the residence and up to 1 acre of appurtenant land, and the potential increase in tax liability is \$250 or more, or;
- If the total household income is greater than \$25,000 but less than or equal to \$50,000, and the increase in taxable valuation due to reappraisal is greater than 30% for the residence and up to 1 acre of appurtenant land, and the potential increase in tax liability is \$250 or more, or;
- If the total household income is greater than \$50,000 but less than or equal to \$75,000, and the increase in taxable valuation due to reappraisal is greater than 36% for the residence and up to 1 acre of appurtenant land, and the potential increase in tax liability is \$250 or more.

Is there an appeal process?

The decision of the department regarding qualification, level of qualification or disqualification for this EPTAP may be appealed to the county tax appeal board (CTAB).

For more information

Property owners who have questions or concerns may call the department at (406) 444-6339.