



Property Reappraisal Update

*Revenue and Transportation Interim Committee
September 25, 2015*

Overview

- Reappraisal Basics
- 2014 Reappraisal
- Request for Informal Review and Appeals
- 2017 Reappraisal Timeline

Why do reappraisal?

Constitution

- Requires all property to be valued by the state
- Equalization-the state is required to value similar property in the same manner

The Law

- The law requires the state to value residential, commercial agricultural and forest property every six years

Reappraisal Basics

All taxable property is required to be valued at 100% market value except as determined otherwise

All property is periodically revalued:

- Agricultural (class 3) – every 2 years
- Residential and Commercial real property (class 4) – every 2 years
- Forest Lands (class 10) – every 6 years
- All other property – every year
 - E.g. centrally assessed and business equipment

Reappraisal Basics

Historical look at reappraisal cycles for residential, commercial, agricultural and forest lands:

- 1972 through 1977 – 6 year cycle
- 1978 through 1985 – 8 year cycle
- 1986 through 1992 – 7 year cycle
- 1993 through 1996 – 4 year cycle
- 1997 through 2002 – 6 year cycle
- 2003 through 2008 – 6 year cycle
- 2009 through 2014 – 6 year cycle
- 2015 through 2017 – 2 year cycle
 - (except for forest lands which is on a 6 year cycle)

2014 Reappraisal Status

- Total number of parcels 934,665 Appraised
- Classification and Appraisal Notices
 - Approximately 28,000 personal property (business equipment) and 46,000 mobile home notices were mailed in May
 - Approximately 600,000 real property notices have been being mailed statewide

County	AB26			Sales Data Requests	County Tax Appeal Board			MTAB A	Total Appeals 2015	Total Appeals 2009	% Change 2009 - 2015	Total Number of Parcels	% of Total
	A	C	Total		A	C	Total						
Beaverhead	99	35	134	16				134	292	-54%	16664	0.83%	
Big Horn	8	48	56	10				56	247	-77%	17114	0.35%	
Blaine	84	1	85					85	214	-60%	13514	0.53%	
Broadwater	134	15	149					149	558	-73%	7760	0.92%	
Carbon	27	73	100					100	369	-73%	15696	0.62%	
Carter		4	4					4	40	-90%	8327	0.02%	
Cascade	836	564	1400	86	11	40	51	1451	1236	17%	46218	8.98%	
Chouteau	223	51	274					274	163	68%	14723	1.69%	
Custer	81	112	193	3				193	296	-35%	12701	1.19%	
Daniels	64	13	77					77	496	-84%	6070	0.48%	
Dawson	87	135	222	3				222	228	-3%	9912	1.37%	
Deer Lodge	179	42	221	62				221	158	40%	8048	1.37%	
Fallon	6	40	46	2				46	157	-71%	5489	0.28%	
Fergus	62	96	158	17				158	294	-46%	21965	0.98%	
Flathead	762	256	1018	163	9		9	1028	8074	-87%	70297	6.36%	
Gallatin	371	427	798	22	21	9	30	828	4453	-81%	57206	5.12%	
Garfield		10	10					10	563	-98%	9538	0.06%	
Glacier	101	74	175					175	94	86%	15795	1.08%	
Golden Valley	5	31	36					36	45	-20%	2626	0.22%	
Granite	114	61	175	44				175	140	25%	7908	1.08%	
Hill	340	47	387					387	345	12%	15628	2.39%	
Jefferson	150	56	206	16				206	396	-48%	13726	1.27%	
Judith Basin		27	27					27	87	-69%	7468	0.17%	
Lake	290	187	477	110	10	8	18	498	2361	-79%	24851	3.08%	
Lewis and Clark	894	94	988	225	13	1	14	1002	1623	-38%	43441	6.20%	
Liberty	10	66	76	51				76	230	-67%	5028	0.47%	
Lincoln	25	32	57					57	691	-92%	24337	0.35%	
Madison	203	61	264	44	1	1	2	266	1758	-85%	20557	1.65%	
McCone	2	68	70					70	177	-60%	7057	0.43%	
Meagher	100	29	129					129	65	98%	6367	0.80%	
Mineral		37	37			2	2	39	259	-85%	5904	0.24%	
Missoula	259	433	692	101				692	1910	-64%	57087	4.28%	
Musselshell	143	51	194					194	67	190%	8641	1.20%	
Park	75	76	151	19	14	1	15	166	465	-64%	16859	1.03%	
Petroleum	9	66	75					75	18	317%	4674	0.46%	
Phillips	35	165	200					200	1658	-88%	15081	1.24%	
Pondera	78	14	92					92	279	-67%	8775	0.57%	
Powder River		16	16					16	18	-11%	8116	0.10%	
Powell	105	55	160	49	3		3	163	292	-44%	8671	1.01%	
Prairie	9	14	23	2				23	58	-60%	3954	0.14%	
Ravalli	86	166	252	7	1	1	2	254	976	-74%	31504	1.57%	
Richland	459	115	574	2				574	50	1048%	11869	3.55%	
Roosevelt	8	66	74					74	204	-64%	13564	0.46%	
Rosebud	18	57	75					75	49	53%	11849	0.46%	
Sanders	100	13	113	11				113	423	-73%	15570	0.70%	
Sheridan	1	100	101					101	164	-38%	8845	0.62%	
Silver Bow	628	152	780	172	3	2	5	785	516	52%	23449	4.86%	
Stillwater	15	94	109	13				109	237	-54%	10923	0.67%	
Sweet Grass	1	44	45	1				45	38	18%	5769	0.28%	
Teton	246	27	273	29				273	889	-69%	10854	1.69%	
Toole	117	89	206					206	166	24%	9441	1.27%	
Treasure	2	41	43					43	40	8%	2244	0.27%	
Valley	929	181	1110					1110	2048	-46%	20006	6.87%	
Wheatland	3	30	33	2				33	49	-33%	4182	0.20%	
Wibaux	1	20	21					21	130	-84%	2455	0.13%	
Yellowstone	1975	473	2448	69	69	34	103	2551	2633	-3%	78321	15.78%	
Total	10559	5350	15909	1351	155	99	254	4	16167	39486	-59%	934638	100.00%



Centrally Assessed Appeals - Statewide

Company	Year	Total Tax	Tax Protested	Tax Not Protested	Protest %	State Portion of Protested Tax	Venue
Airlines:							
Alpine Aviation	2013	\$150,000					District Court
Alpine Aviation	2014	\$180,792	\$148,869	\$31,923	82%	\$22,548	District Court
Richland Aviation	2014	\$8,599	\$8,599	\$0	100%	\$2,383	District Court
Richland Aviation (Estimated)	2015	\$6,609					ODR
Airlines Total		\$346,000	\$157,468	\$31,923	80%	\$24,931	
Electrics:							
NorthWestern Energy (Estimated)	2015	\$119,752,646					ODR
Electrics Total		\$119,752,646	\$0	\$0	0%	\$0	
Pipelines:							
Hiland Crude, LLC	2013	\$884,998	\$688,617	\$196,381	78%	\$259,972	District Court
Hiland Crude, LLC	2014	\$3,587,391	\$3,083,345	\$504,046	86%	\$554,517	District Court
Hiland Crude, LLC (Estimated)	2015	\$8,784,862					District Court
Omimex Resources, Inc.	2011	\$1,886,979	\$1,691,204	\$195,775	90%	\$342,255	District Court
Omimex Resources, Inc.	2012	\$585,415	\$366,399	\$219,300	63%	\$71,518	District Court
Omimex Resources, Inc.	2013	\$529,981	\$382,986	\$146,995	72%	\$73,060	District Court
Omimex Resources, Inc.	2014	\$985,481	\$723,917	\$261,564	73%	\$135,865	District Court
Omimex Resources, Inc. (Estimated)	2015	\$805,967					ODR
Phillips 66 Pipeline LLC (Estimated)	2015	\$7,388,609					ODR
Plains Pipeline LP (Estimated)	2014	\$4,026,542					MTAB
Plains Pipeline LP (Estimated)	2015	\$4,567,959					MTAB
Rocky Mountain Pipeline System LLC (Estimated)	2014	\$1,583,780					MTAB
Rocky Mountain Pipeline System LLC (Estimated)	2015	\$1,948,383					MTAB
Rocky Mountain Pipeline System LLC Total		\$3,532,163	\$0	\$0	0%	\$0	
Yellowstone Pipeline Co (Estimated)	2015	\$2,869,669					ODR
Pipelines Total		\$43,968,178	\$6,936,468	\$1,524,061	17%	\$1,437,187	
Telecoms:							
Charter Communications (Estimated)	2015	\$9,824,412					ODR
Verizon Wireless (Estimated)	2015	\$8,927,303					ODR
Vision Net (Estimated)	2015	\$374,744					ODR
Telecoms Total		\$19,126,459	\$0	\$0	0%	\$0	
Wind:							
NaturEner Glacier Wind Energy 1 LLC (Estimated)	2015	\$1,334,908					ODR
NaturEner Glacier Wind Energy 2 LLC (Estimated)	2015	\$1,009,166					ODR
NaturEner Rim Rock Wind Energy LLC (Estimated)	2015	\$1,863,433					ODR
Wind Total		\$4,207,507	\$0	\$0	0%	\$0	
Centrally Assessed Total		\$187,400,790	\$7,093,936	\$1,555,984	97%	\$1,462,118	



Industrial Property Appeals

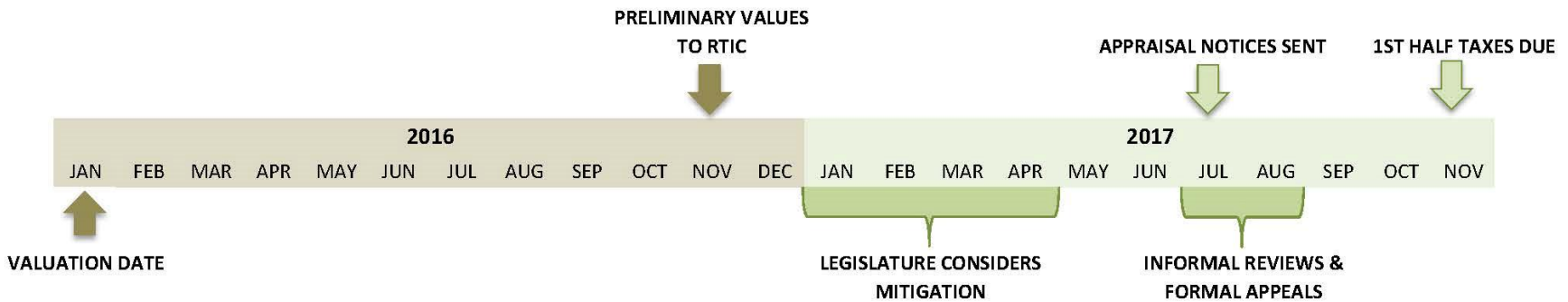
As of 9/11/2015
All Amounts are Estimated

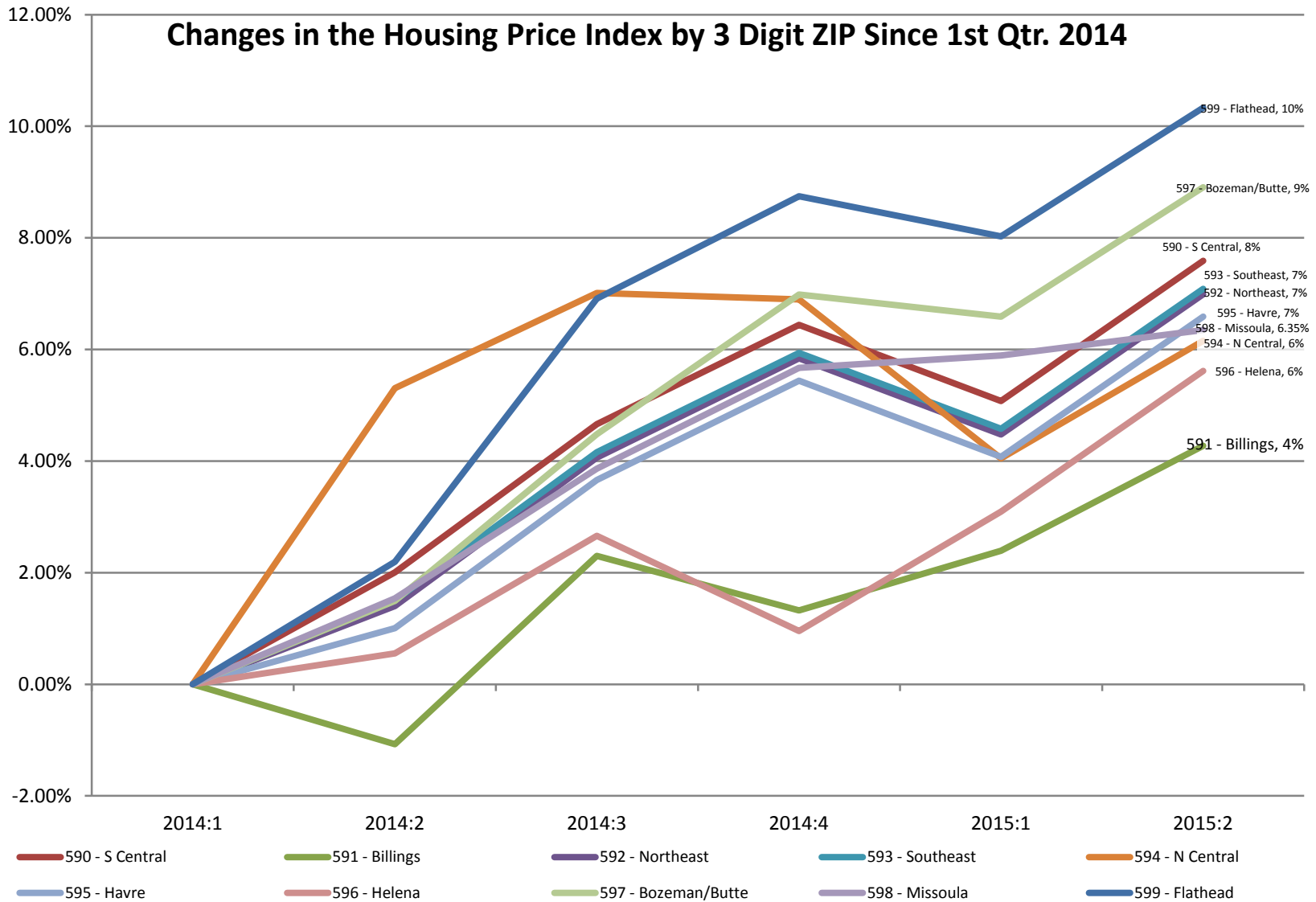
Company	Year	Total Tax	Tax Protested	Tax Not Protested	Protest %	State Portion of Protested Tax	Venue
Oil Refineries:							
CHS Refinery (estimated) - Billings MT	2014	\$13,650,054	\$8,099,942	\$5,550,112	59%	\$1,525,498	Informal - AB26
CHS Refinery (estimated) - Billings MT	2015	\$13,540,000					Informal - AB26
CHS Terminal (estimated) - Logan MT	2015	\$160,000					Informal - AB26
CHS Terminal (estimated) - Missoula MT	2015	\$200,000					Informal - AB26
CHS Terminal (estimated) - Glendive MT	2015	\$150,000					Informal - AB26
CHS Tank Farm (estimated) - Billings MT	2015	\$70,000					Informal - AB26
CHS Asphalt Plant (estimated) - Hardin MT	2015	\$180,000					Informal - AB26
Phillips 66 (estimated) - Billings MT	2015	\$9,950,000					Informal - AB26
Montana Refining Co. (estimated) - Great Falls MT	2015	\$3,300,000					Informal - AB26
Oil Refineries Total		\$41,200,054	\$8,099,942	\$5,550,112	21%	\$1,525,498	
Wind:							
Fairfield Wind (estimated)	2015	\$323,000					MTAB
Industrial Total		\$41,523,054	\$8,099,942	\$5,550,112	21%	\$1,525,498	

Grand Total – Centrally Assessed and Industrial

- Total Tax: \$228,923,844
- Tax Protested: \$15,193,878
- Tax Not Protested: \$7,106,096
- Protest %: 7%
- State Portion of Protested Tax: \$2,987,616

2017 Reappraisal Timeline





590 – Big Horn, Carbon, Garfield, Golden Valley, Meagher, Musselshell, Park, Petroleum, Powder River, Rosebud, Stillwater, Sweet Grass, Treasure, Wheatland: **591** – Yellowstone: **592** – Daniels, Dawson, McCone, Phillips, Richland, Roosevelt, Sheridan, Valley: **593** – Carter, Custer, Dawson, Fallon, Garfield, Powder River, Prairie, Rosebud, Wibaux: **594** – Cascade, Chouteau, Fergus, Glacier, Judith Basin, Liberty, Pondera, Teton, Toole, Wheatland: **595** – Blaine, Chouteau, Hill, Liberty, Phillips: **596** – Broadwater, Jefferson, Lewis and Clark, Meagher: **597** – Beaverhead, Deer Lodge, Gallatin, Jefferson, Madison, Powell, Silver Bow: **598** – Granite, Mineral, Missoula, Powell, Ravalli, Sanders: **599** – Flathead, Lake, Lincoln



Questions?