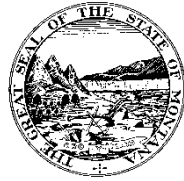




Mike Kadas
Director

Montana Department of Revenue



Steve Bullock
Governor

MEMORANDUM

TO: COUNTY COMMISSIONERS
MONTANA LEAGUE OF CITIES AND TOWNS

FROM: CYNTHIA C. MONTEAU MOORE, ADMINISTRATOR
PROPERTY ASSESSMENT DIVISION, DOR

DATE: March 1, 2016

RE: LOCAL GOVERNMENT TAX EXEMPTION APPLICATIONS

We're sending you this clarification about local government tax exempt property because we've received several questions from local government entities.

What you may need to do

If you received an application for a fire, water or cemetery district, complete and return the application with supporting documentation as soon as possible. This will help us verify parcel ownership and properly exempt the property. If the parcel is owned by the local government, the fee is not required.

If you received this type of application, it was because we have the parcel recorded as tax exempt property, but do not have documentation to determine whether it is under local government ownership or is a private entity. Ownership cannot be assumed by the name alone because nonprofits may use the county name even though the county may not own the property.

Why did we send applications to local government?

In 1981, the process and management of tax exempt property transferred to the state from the local governments. When the state received the books of hand written exemption records, the books contained little to no accompanying documentation.

You may have received applications without geocodes or a parcel identifier because the property dates to before our computer system assigned those identifiers.

You may have received applications with incorrect addresses because exempt properties might not receive tax bills. We tried to exclude property that we already had government and quasi-government ownership documentation for, but we may have still inadvertently sent you an application for such parcels.

Please bear with us as this is a new process and we are working with thousands of records in various stages of completion. We are trying to be as thorough and complete as possible so that we properly exempt qualifying property from taxation.