



GOVERNOR GREG GIANFORTE
DIRECTOR BRENDAN BEATTY

TO: Doug Roehm, BIT
Angie Nelson, BIT

FROM: Dylan Cole, Tax Policy and Research

DATE: June 08, 2026

RE: Tax Year 2026 Class 12 Taxable Percentage Rate

CC: Brendan Beatty
Ralph Franklin
Kurt Swimley
Paula Gilbert
Jason Lay
Sherri Diemert
Bryce Kaatz

Scott Mendenhall
Ryan Evans
Derek Bell
Robin Rude
Eric Bryson
Jennifer Olson
Megan Moore

The Tax Year 2026 taxable percentage rate for class 12 property is **2.86%**.

Per 15-6-145, MCA, the Department of Revenue shall calculate the taxable percentage rate for class 12 property annually by:

1. conducting a sales assessment ratio for class 4 commercial and industrial property;
2. adjusting the total class 4 commercial and industrial taxable value with the sales ratio;
3. adding this product to the taxable value of other non-class 12 commercial property; and
4. dividing this adjusted total taxable value by the total statewide market value of all non-class 12 commercial property.

A sales ratio is formed by taking the assessed value of a property divided by the actual sales price. A sales ratio below 100% means a property is appraised at less than its fair market value at the time of sale, while a ratio above 100% means a property is appraised for more than its fair market value at the time of sale. The Tax Year 2025 sales assessment ratio of class 4 commercial and industrial property is 86.56%. The table on the following page contains the sales ratio information.

Class 4 Commercial & Industrial Adjustments	
Class 4 Market Value TY 2025	
Number of Valid Sales	1,173
Assessed Value	\$1,056.983
Sales Value	\$1,221.074
Sales Ratio	86.56%

Data on average tax rates was taken from a June 8th extract of Tax Year 2026 property tax data. The following table shows the contribution of each class of property to the class 12 taxable percentage rate:

Class 12 Tax Rate - Tax Year 2026					
Class of Property	Market Value (\$M)	Taxable Value (\$M)	Sales Ratio	Adj. Taxable Value (\$M)	Eff. Tax Rate
Class 4 Commercial and Industrial	\$40,568.339	\$656.609	86.56%	\$568.37	1.40%
Class 7	\$0.200	\$0.016	100.00%	\$0.02	8.00%
Class 8	\$7,347.227	\$182.768	100.00%	\$182.768	2.49%
Class 9	\$6,074.172	\$728.901	100.00%	\$728.901	12.00%
Class 13	\$2,738.410	\$164.305	100.00%	\$164.305	6.00%
Class 14	\$1,681.254	\$28.439	100.00%	\$28.439	1.69%
Class 15	\$240.740	\$3.369	100.00%	\$3.369	1.40%
Class 16	\$0.000	\$0.000	100.00%	\$0.000	0.00%
Class 17	\$44.919	\$0.404	100.00%	\$0.404	0.90%
Total Commercial and Industrial	58,695.261	N/A		1,676.573	2.86%

Please contact Dylan Cole at (444-6634, dylan.cole@mt.gov) if you have any questions.