



BIENNIAL REPORT

JULY 1, 2002 TO JUNE 30, 2004





Don Hoffman
Acting Director

Montana Department of Revenue



Judy Martz
Governor

Letter of Transmittal

December 2004

Governor-Elect Brian Schweitzer and
Members of the Fifty-ninth Montana Legislature:

Herewith I am transmitting the Biennial Report of the Department of Revenue for the period July 1, 2002 through June 30, 2004, as required in 15-1-205, MCA. This report provides detailed information on taxes administered by the department and related collections activity for the above specific biennium.

The Biennial Report has three primary sections. The first section of the report focuses on an overview of the Department of Revenue and the makeup of Montana's tax base. The second section focuses on the individual taxes that provide the framework of Montana's tax base. The final section of the report provides tax expenditure analysis for the current biennium and projections for the next biennium.

We hope you find this report an effective tool for understanding the Department of Revenue and the tax base of the State of Montana.

As always, the department appreciates any comments you may wish to make regarding this report and any additional ideas you may have as to how the report could be improved in future editions.

Respectfully submitted,

Don Hoffman, Acting Director
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ABOUT THE AGENCY





About the Agency



Mission Statement

The Department of Revenue's mission is to provide accurate and timely information to all our customers, and apply tax laws fairly and consistently, with a competent workforce committed to success.

Organizational Structure

The Montana Department of Revenue is composed of six divisions:

The **Customer Service Division** is designed to provide centralized and consistent customer service, revenue collection, and document processing for the department and for state agency partners.

The **Business and Income Taxes Division** oversees audits and verifies compliance with Montana tax law for all taxes, and completes appraisals and assessments of industrial and centrally assessed property.

The **Property Assessment Division** is responsible for the valuation and assessment of real and personal property throughout the state for property tax purposes. The division is comprised of a central office located in Helena and six regions. There is a local DOR office located in each county seat within the regional areas.

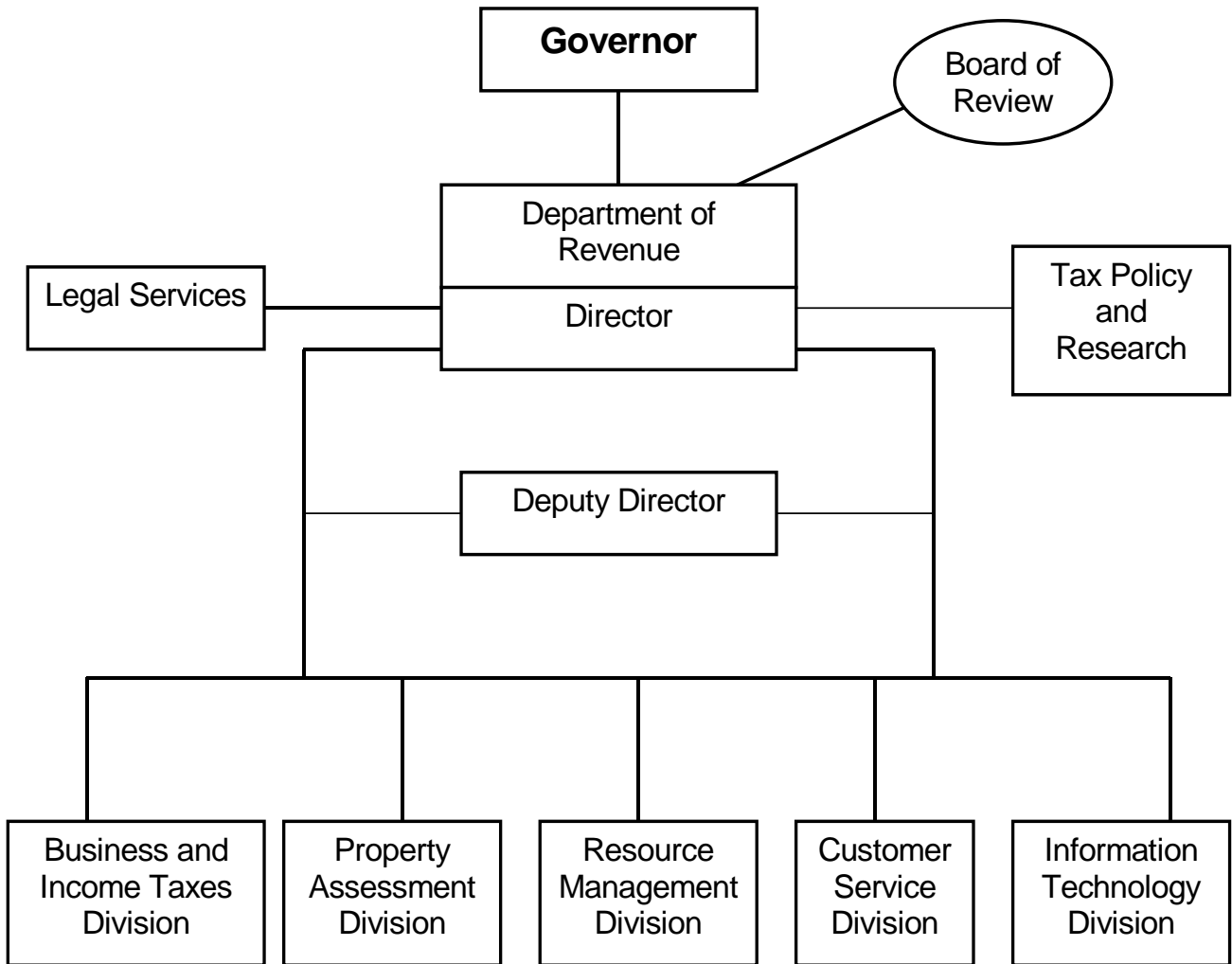
The **Resource Management Division** provides service and support to the department by integrating Human Resources, Payroll and Benefits, Education and Training, Liquor Distribution, Accounting, Purchasing, and Facilities and Asset Management.

The **Information Technology Division** provides service in the area of data support, applications support, technology support, and user assistance that enables the department to meet its business objectives.

The **Director's Office** supports the agency's director and is composed of six work units. The basic function for each unit is:

- *Legal Services* supervises the overall legal efforts of the department, which includes rules, policies, bankruptcy, disclosure officer and the Office of Dispute Resolution.
- *Tax, Policy and Research* is responsible for the preparation of legislative fiscal notes that affect revenue, the analysis of legislative proposals affecting the department, and department economic data analysis.
- *Budget Analyst* provides ongoing oversight of the department budget.
- *Communications* manages the department's communication activities, including information dissemination, media relations, document editing, stakeholder relations, website maintenance, public involvement and special events.
- *Internal Quality Manager* is responsible for providing management with information about the adequacy and the effectiveness of its system of internal controls and quality of its operations with established standards and management expectations.
- *Administrative Support* assists all units in the Director's Office with administrative responsibilities. This includes preparing for legislative committees, editing correspondence and finalizing mass mailings.

Organizational Chart 2004





TAX STRUCTURE TRENDS





Tax Structure Trends

Tax Structure Trends in Montana

The six charts on the next three pages provide a graphic illustration of Montana's general tax structure. Using tax collection data from fiscal years 1984 through 2004, the charts show how Montana's tax structure has changed over time. For most states, the tax structure is typically characterized as a "three-legged stool" consisting of income, property and sales taxes. In Montana, the sales tax leg of this typical tax structure is comprised of natural resource taxes (e.g., coal, oil and natural gas severance taxes) and selective sales taxes (e.g., cigarette and alcoholic beverage taxes). Income taxes include taxes levied on corporations as well as individuals; property taxes include state and local property tax levies.

The four tax categories represented on the six charts on the following pages are consistently comprised of these items:

Income Taxes

- Individual Income Tax
- Corporation License Tax

Natural Resource Taxes

- Coal Severance Tax
- Coal Gross Proceeds Tax
- Metalliferous Mines License Tax
- Metal Mines Gross Proceeds Tax
- Micaceous Mines License Tax
- Miscellaneous Mines Net Proceeds Tax
- Oil and Natural Gas Production Tax
- Resource Indemnity and Groundwater Assessment Tax
- Cement and Gypsum Taxes and Licenses

Property Taxes

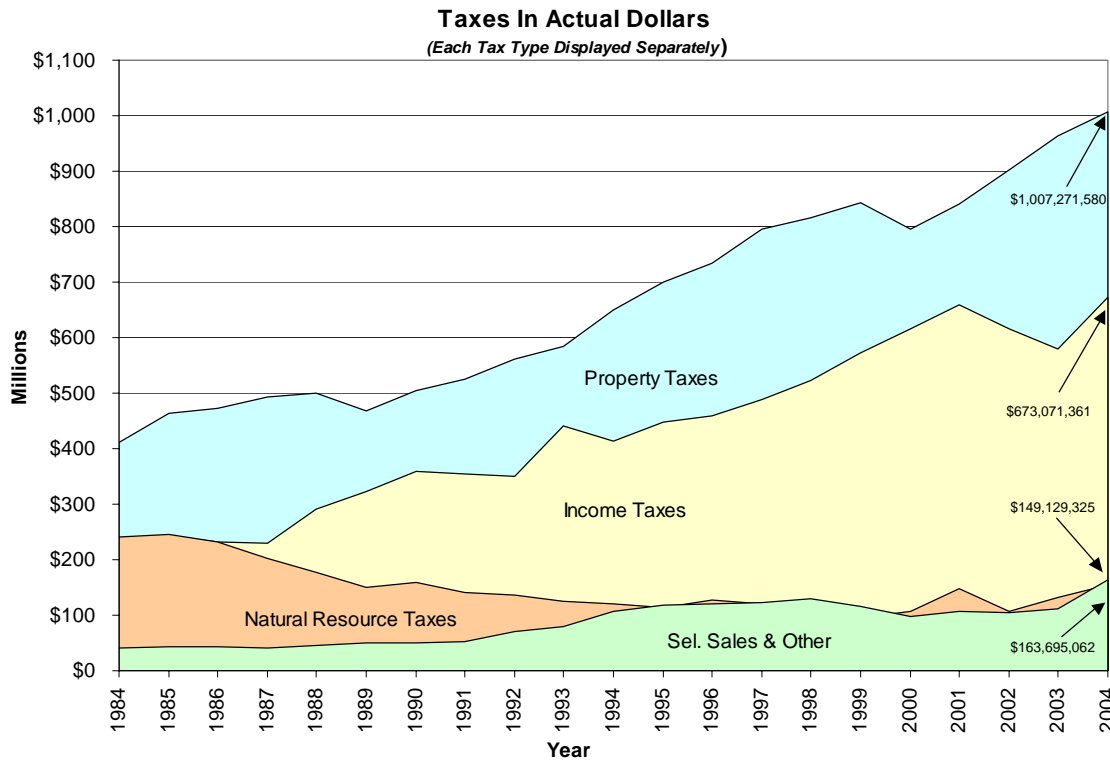
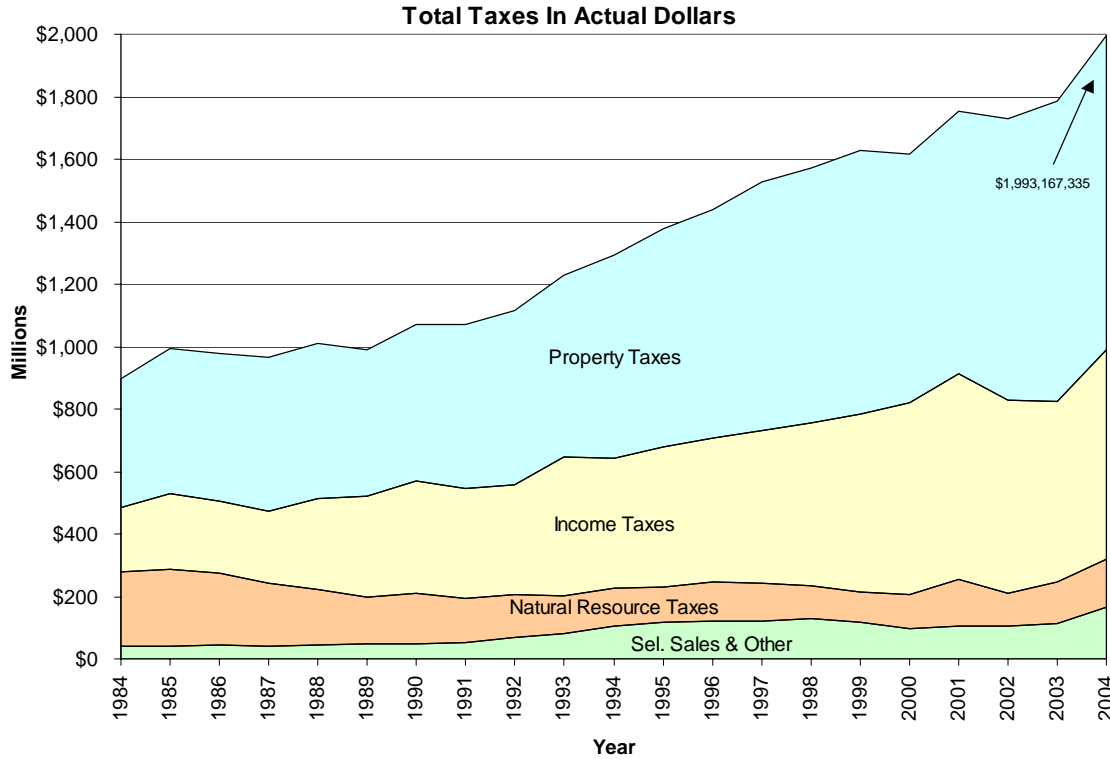
- Property Taxes
- All SID and RID Amounts
- All Fees Paid on Property

Other Taxes

- Accommodations Taxes
- Rental Vehicle Tax
- Cigarette and Other Tobacco Product Taxes
- Alcohol Taxes(Liquor, Beer and Wine)
- Telephone Company License Tax and Retail Telecommunications Excise Tax (RTET)
- Statewide Emergency Telephone 911 System Fee
- TDD Telecommunications Service Fee
- Electrical Energy Producers' License Tax
- Wholesale Energy Transaction Tax
- Consumer Council Tax
- Public Service Commission Tax
- Inheritance and Estate Taxes
- Nursing Facility Bed Tax
- Public Contractors' Gross Receipts Tax
- Rail Car Tax
- Intermediate Care Facility Utilization Fee
- Hospital Facility Utilization Fee

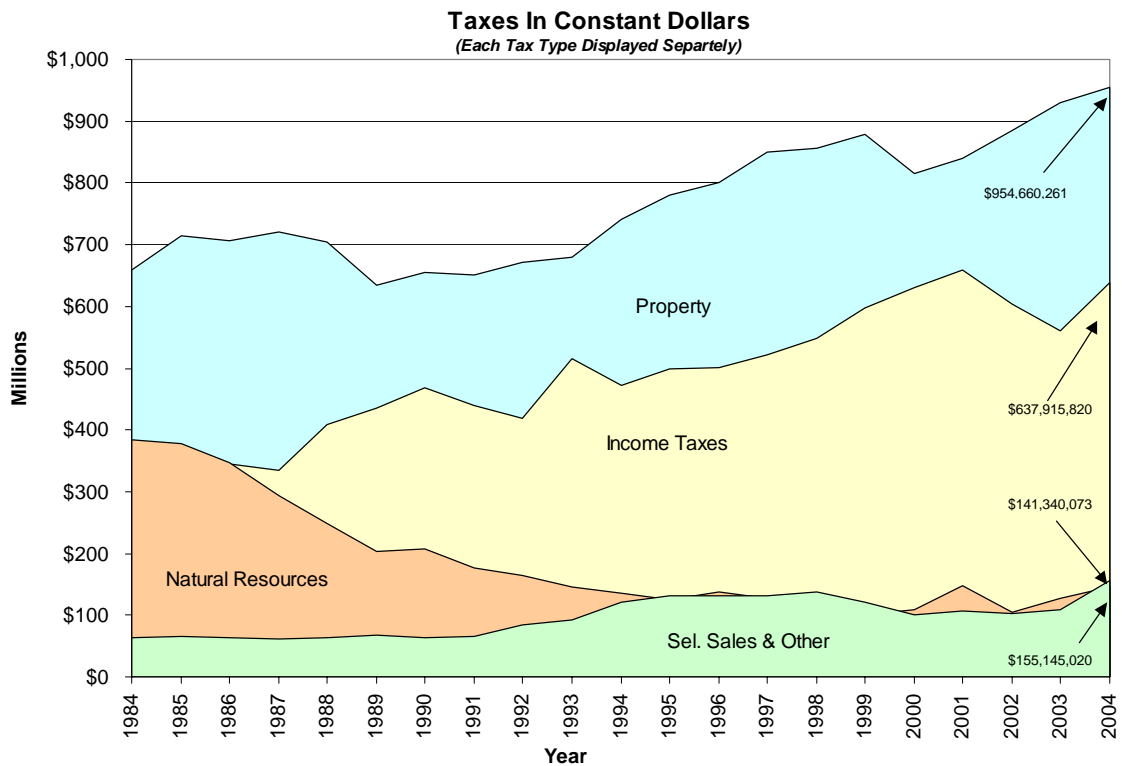
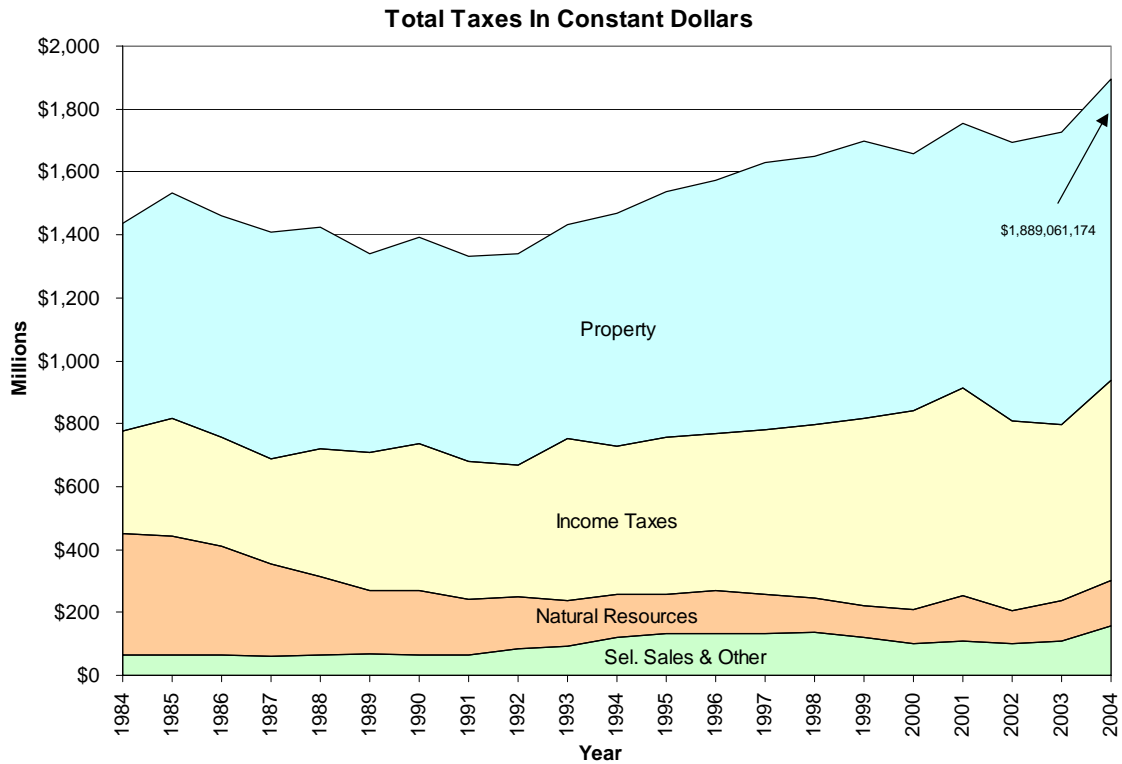
Tax Structure - Actual Dollars

The first two charts show the change in taxes over time in *actual* dollars. These dollars are **not** adjusted for effects due to inflation. The first chart shows growth in total taxes; the second chart shows how each component of total tax dollars has changed over time.



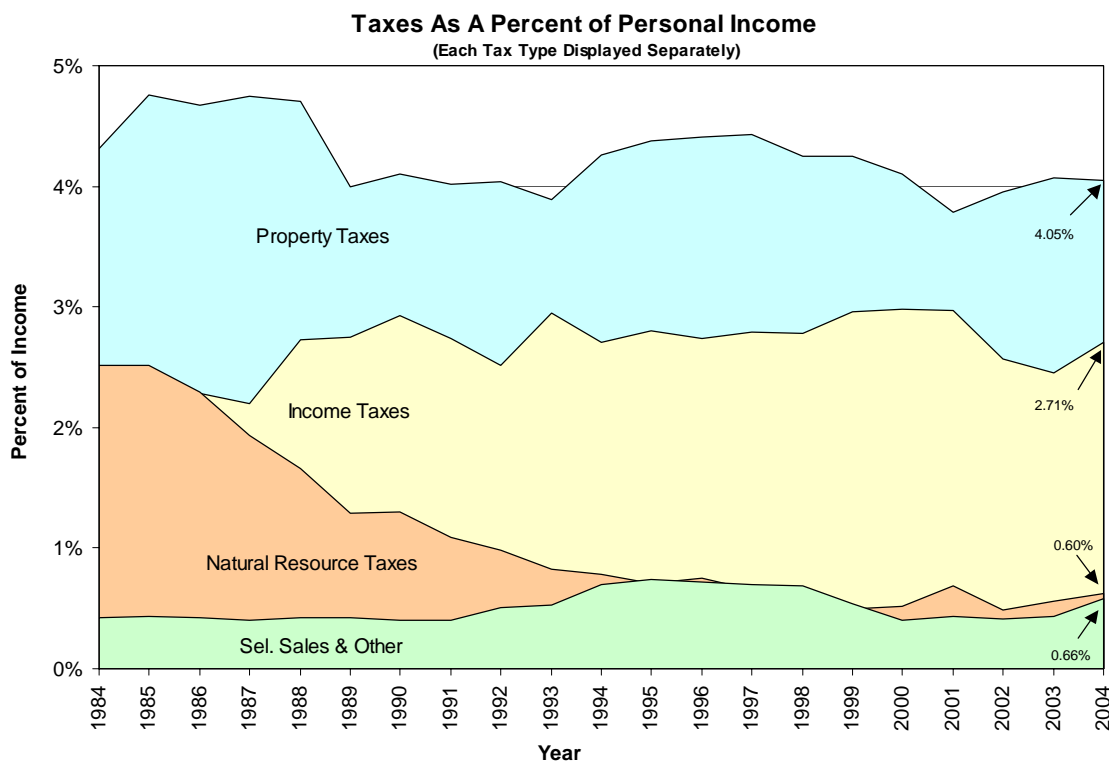
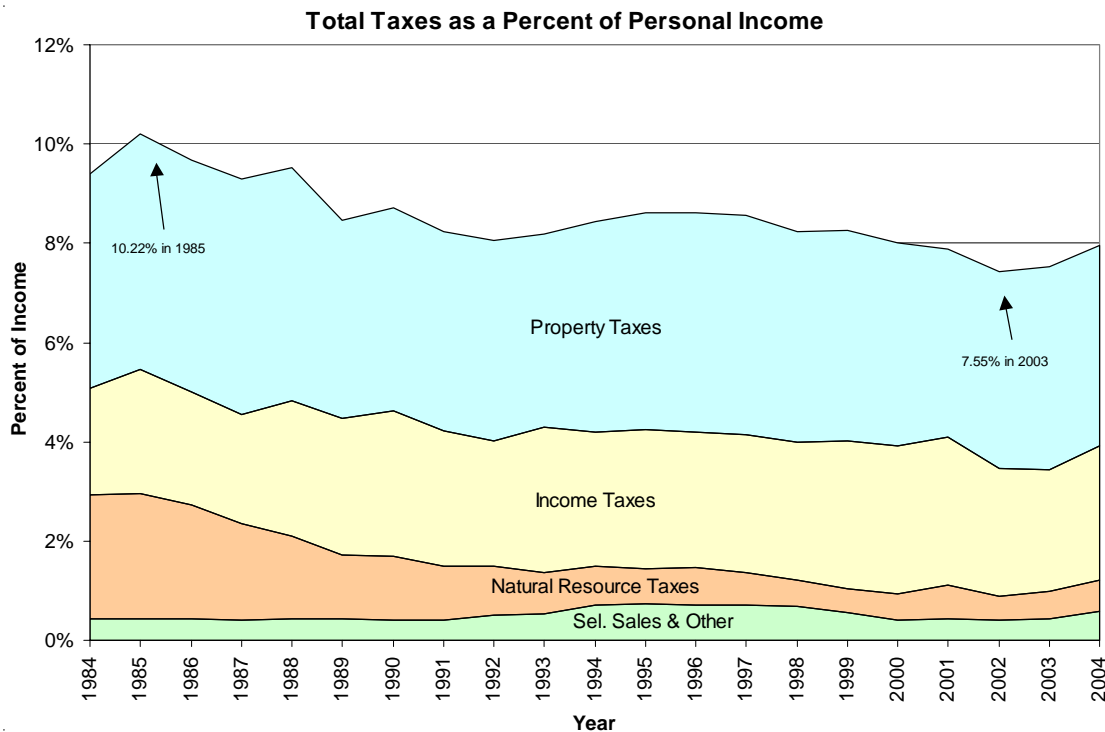
Tax Structure - Constant Dollars

The next two charts show the change in taxes over time in constant 2000 dollars. These dollars, often referred to as “real” dollars, have been adjusted to remove the effects of inflation. The charts show the changes in each component of the tax structure.



Tax Structure - Taxes as a Percent of Income

The final two charts show actual taxes as a percent of Montana total personal income (TPI). The chart can be viewed as a general reflection of the share of total economic activity consumed by taxes in each year. Since 1984, total taxes as a percent of personal income have been as high as 10.22% in 1985 and as low as 7.55% in 2003.



Dept of Revenue State Collections - Fiscal Years 1998 through 2004

	1998	1999	2000	2001	2002	2003	2004
Individual Income Tax							
Income Tax Withheld	\$ 338,489,478	\$ 354,150,183	\$ 366,445,198	\$ 393,209,335	\$ 403,857,414	\$ 428,364,605	\$ 457,863,199
Income Tax All Other	105,671,251	128,881,386	149,816,713	162,805,219	113,710,277	107,466,059	147,485,222
Subtotal	444,160,729	483,031,569	516,261,911	556,014,554	517,567,691	535,830,664	605,348,421
Corporation License Tax	77,928,498	89,624,560	99,088,870	103,670,487	68,173,254	44,137,518	67,722,940
Natural Resources Taxes (State)							
Coal Severance Tax	35,045,243	36,767,488	35,469,791	32,337,172	31,614,049	29,423,546	31,544,681
Oil and Gas Production Tax	11,185,290	9,221,612	13,817,290	31,392,351	15,837,967	30,894,533	47,712,085
Resource Indemnity Trust Tax	1,379,111	1,273,739	13,232,102	1,077,072	1,224,307	1,225,611	1,250,528
Metalliferous Mines License Tax	3,977,699	5,700,013	4,661,369	5,923,752	5,740,242	7,055,900	5,572,192
Subtotal	51,587,343	52,962,852	67,180,552	70,730,347	54,416,565	68,599,590	86,079,486
Other Taxes, Licenses and Services							
Cigarette Tax	13,244,550	12,265,347	11,766,271	11,628,458	11,052,174	16,093,023	41,582,823
Telecommunications Excise Tax	-	-	6,366,299	18,838,200	19,593,501	20,804,524	20,890,336
Lodging Facility Use Tax	10,008,143	10,773,706	11,184,192	11,348,328	12,015,697	12,045,407	13,573,172
Inheritance/Estate Tax (Net)	15,726,605	18,301,680	19,038,785	20,285,642	13,816,144	13,305,983	11,431,103
Sales Tax - Accommodation	-	-	-	-	-	571,237	9,278,658
Nursing Facility Bed Tax	6,200,413	5,713,357	6,054,947	5,655,978	5,918,173	5,723,472	9,158,829
Hospital Utilization Fee	-	-	-	-	-	-	7,427,903
Emergency Telephone 911 System	3,666,571	2,868,094	4,244,220	4,644,034	4,968,579	5,383,414	5,388,386
Electrical Energy Production Tax	4,401,728	4,618,433	4,829,002	4,057,952	4,197,477	4,130,019	4,660,529
Abandoned Property	1,831,638	1,247,508	1,809,387	1,930,446	1,349,765	1,929,547	3,836,896
Tobacco Products Tax	1,801,084	1,817,971	2,042,241	2,097,590	2,228,524	2,360,471	3,625,893
Wholesale Energy Transaction Tax	-	-	1,705,093	3,503,427	2,906,263	3,532,056	3,292,659
Public Service Commission Tax	2,154,289	2,383,511	2,347,280	2,851,306	2,296,111	2,041,709	2,875,741
Sales Tax - Rental Vehicles Tax	-	-	-	-	-	-	2,485,989
Contractor's Gross Receipts Tax	2,290,944	3,320,402	2,162,223	791,615	3,267,321	3,081,553	2,120,485
Rail Car Tax	2,054,244	2,074,000	2,100,600	1,555,747	1,489,813	1,484,264	1,567,868
Consumer Counsel Tax	779,809	877,935	929,731	1,049,394	855,308	858,819	1,303,597
TDD Telecommunications Service Fee	728,017	570,089	850,586	845,505	1,080,299	1,038,093	1,086,929
Intermediate Care Utilization Fee	-	-	-	-	-	454,664	863,036
Other Taxes, Licenses and Services	188,126	189,766	183,152	150,037	179,096	159,964	145,992
Old Fund Liability Tax	52,650,637	28,722,320	1,892,208	-	-	-	-
Telephone License Tax	5,773,341	6,036,769	3,490,590	-	-	-	-
Subtotal	123,500,139	101,780,888	82,996,807	91,233,659	87,214,245	94,998,219	146,596,825
Liquor Taxes, Profits, and Licenses							
Liquor Profits, Licenses (to GF), Tax Receipts	11,394,940	12,085,603	12,258,887	12,358,114	11,597,749	11,806,353	12,855,500
Liquor, Beer, and Wine Taxes	11,440,392	11,891,047	12,673,526	12,900,328	13,426,398	14,052,136	14,948,894
Subtotal	22,835,332	23,976,650	24,932,413	25,258,442	25,024,147	25,858,489	27,804,395
TOTAL COLLECTIONS	\$ 720,012,041	\$ 751,376,519	\$ 790,460,553	\$ 846,907,489	\$ 752,395,902	\$ 769,424,480	\$ 933,552,067



Tax Structure Trends



INCOME TAXES

Individual and Corporate





Individual and Corporate Income Tax



Individual and Corporate Income Tax

Overview of Individual Income Tax

Montana's individual income tax was enacted in 1933 and continues to this day to be the largest source of state tax revenue. The state's income tax system is viewed as being "progressive" because taxpayers with higher incomes are taxed at a higher rate than taxpayers with lower incomes. In Montana, income is taxed according to a graduated rate structure with rates ranging from 2% to 11% of taxable income (*but see the following section on legislative changes*).

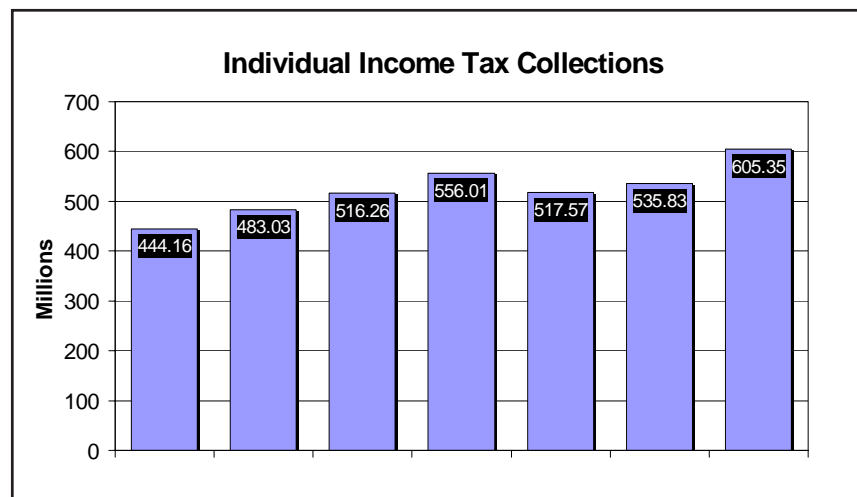
A significant feature of Montana's income tax is the substantial reliance on the federal tax code. Often described as a "tie to federal" alignment, this reliance allows the state to establish the essential elements of the state income tax by direct reference to federal definitions of income and deductions, and federal reporting procedures and protocol. This reliance is common among the 43 other states imposing individual income taxes. Most importantly, this approach allows both the state and its taxpayers to realize significant operating efficiencies. Without this parallel structure, Montanans would face increased complexity and substantially higher compliance costs.

The income tax statutes do, however, reflect Montana-specific tax policy as determined by previous legislative assemblies. These policy directives are found in the areas of additions and reductions to federal adjusted gross income, unique itemized deductions and tax credits.

Montana is one of just a few states that allows taxpayers to deduct any federal income tax paid during the tax year in full (*see the following section on legislative changes*). Montana also allows two-earner married couples to file separate tax returns. This not only reduces household tax liability when compared to a requirement to file jointly, but also eliminates any "marriage penalty" at the state level.

Individual Income Tax Collections

FY1998	\$444,160,729
FY1999	\$483,031,569
FY2000	\$516,261,911
FY2001	\$556,014,554
FY2002	\$517,567,691
FY2003	\$535,830,664
FY2004	\$605,348,421





Individual and Corporate Income Tax

Since 1981, Montana's individual income tax – including the standard deduction, personal exemptions and tax rate table brackets – have been adjusted annually for inflation. This prevents increases in tax liability that would otherwise occur due simply to inflation.

Income tax revenues are collected primarily through employer withholding, quarterly estimated tax payments and payments made when a return is filed. Income tax revenues are distributed 100% to the state general fund.

Income Tax Returns and Refund Information				
Calendar Year	Total Number of Income Tax Returns	Number of Returns With Refunds	Returns w/Refunds as Percent of Total Number	Average Refund
1996	433,105	261,034	60%	\$ 341.24
1997	437,443	268,616	61%	\$ 361.37
1998	422,565	257,791	61%	\$ 597.25
1999	433,483	279,377	64%	\$ 500.75
2000	457,859	292,522	64%	\$ 456.56
2001	467,776	310,404	66%	\$ 500.31
2002	469,369	311,122	66%	\$ 501.34
2003	473,749	318,105	67%	\$ 493.44

2003 Legislative Session Changes

Major Reform Legislation

Senate Bill 407 (SB407) provided for the first significant reform of Montana's individual income tax since 1980. Effective January 1, 2005, individual income tax rates, which currently range from 2% to 11%, are reduced to range from 1% to a top rate of 6.9%. The number of income tax brackets is reduced from ten to seven. Whereas the current top rate of 11% takes effect for taxable incomes in excess of \$80,300; the new top rate of 6.9% will take effect for taxable incomes in excess of \$13,900 (tax year 2005). As with current law, the SB407 tax bracket boundaries will continue to be indexed annually for inflation. The state withholding tax tables were adjusted for 2005 to reflect the new tax rates and tax brackets.

Prior to SB407, taxpayers who itemized their deductions were allowed to deduct in full any federal income taxes paid during the tax year. Under SB407, this deduction is limited to \$5,000; married couples who file a joint income tax return will be allowed to deduct up to \$10,000 in federal income taxes paid.

Finally, SB407 institutes a new capital gains tax credit. Beginning with tax year 2005, taxpayers will be allowed a credit against their individual income tax liability equal to 1% of any capital gains reported for federal income tax purposes. Beginning with tax year 2007, this credit is increased to 2% of reported capital gains. These reform measures, scheduled to take effect January 1, 2005, are estimated to reduce income tax collections by \$92 million in the 2007 biennium.



Individual and Corporate Income Tax

Other Legislation

House Bill 452 created a new developmental disability services account (Department of Public Health and Human Services), and provided for a credit against individual income taxes equal to 30% of donations to the account. The credit is non-refundable, may not exceed \$10,000 per taxpayer, and may not be carried forward or backward. Donations for which a credit is claimed may not be taken as an itemized deduction.

House Bill 616 once again modified the provisions of Montana's tax credit for contributions to a qualifying charitable endowment. HB616 repealed certain sections of SB15 (2002 Special Session) that would have significantly increased the amount of the credit that could be claimed, and allowed other sections of that bill to terminate June 30, 2003. Consequently, on July 1, 2003 the tax provisions of the credit returned to their pre-2002 session levels allowing a credit of 40% of any charitable contribution up to \$10,000 for "planned gifts," and 20% of any charitable contribution up to \$10,000 for "outright gifts."

Senate Bill 121 was a follow-up bill to HB143 of the 2001 session, and further reformed Montana's tax laws regarding the taxation of "pass-through entities". HB143 included an enforcement mechanism for the taxation of pass-through entity Montana-source income with respect to resident and non-resident individuals. However, that law did not specifically address the enforcement mechanism for "tiered" pass-through entities; that is, pass-through entities that are owned by other pass-through entities. SB121 essentially extends the concepts and options provided for in HB143 for non-individual owners of entities specifically to owners that are corporations and that are themselves pass-through entities.

Senate Bill 408 allowed certain licensed health care professionals meeting specific qualifications to exclude up to \$5,000 of income from taxation. To be eligible for this exclusion the taxpayer must, among other things, have had a student loan incurred as a result of health-related education; and must have received a loan payment made under a qualifying loan repayment program as described in the bill.

Senate Bill 484 provided for the creation of "empowerment zones" and provided tax credits to qualifying employers hiring new employees within these zones. Empowerment zones, which can be created only by resolution of the governing body of a county, municipality, or consolidated local government, may be created only in areas in which the average unemployment or poverty rate exceeds 150% of the statewide unemployment or poverty rate. Taxpayers must meet certain eligibility requirements to qualify for the tax credits.



Individual and Corporate Income Tax

Electronic Tax Reporting for Employers and Individuals

In this era of "reduced costs/improved service," the Montana Department of Revenue increasingly relies on electronic commerce for financial reporting.

Electronic Commerce (EC). The realm of technology available to communicate electronically in the business setting.

Electronic Data Interchange (EDI). The electronic transmission of information from one computer or through multiple computers to another computer.

Electronic Funds Transfer (EFT). An electronic remittance, including the transmission of information to ensure the debit/credit of appropriate accounts, which results in payment of a bill, tax, etc.

Electronic Tax Reporting for Employers (ETR). The combination of EDI and EFT specific to the filing of employer tax returns.

Electronic Filing for Individuals (E-file). Electronic data interchange specific to the filing of individual income tax returns.

Automated Clearing House (ACH). Many electronic fund transfer transactions are processed and transmitted via an automated clearing house. The National Association of Clearing House Administrators (NACHA) has developed transmission standards for users.

Current Department Electronic Commerce Projects

Electronic Filing For Individuals (E-file). The Montana Department of Revenue can accept electronically filed income tax returns from resident, part-year, and nonresident taxpayers in a joint project with the Internal Revenue Service. Taxpayers who file electronically with the IRS can have the information sent to the department as well. For tax year 2003 the Department of Revenue expects to process over 195,000 e-file returns. The information is received by the department electronically, reformatted, and input directly into the income tax system. Direct deposit is available to those taxpayers due a refund. Direct debit is available to taxpayers with a tax due.

Telefile for Individual Income Tax Returns. Individual income tax returns can be filed over the telephone. Taxpayers must meet eligibility requirements and be invited to participate in this program. Return information is entered using the telephone keypad. The department can receive these filings 24 hours a day, seven days a week. The telefile computer does all the calculations such as their refund/tax due and provides the taxpayer with a confirmation number. As with e-file, direct deposit of refunds is also available. Since January 1, 1997, the department has processed 145,464 returns with telefile.

Electronic Tax Reporting for Employers (ETR). Electronic Tax Reporting consists of both the electronic reporting and the electronic payment of the tax (EFT). ETR is accomplished through either an ACH credit or ACH debit. An ACH credit occurs when the taxpayer contacts his/her own bank to initiate a funds transfer. Included with the money is an information record which acts as the remittance advice. Under the ACH debit option, the taxpayer sends the electronic file directly to the department by using an on-line application. The file consists of the remittance information and authorizes the department to withdraw



Individual and Corporate Income Tax

a specific amount of money from the taxpayer's bank account on a specific date. These banking transactions are easily automated, requiring very little human intervention.

Benefits of Electronic Commerce. These programs lessen the strain on current operations. Labor intensive, error prone manual processes are reduced. Electronic filing eliminates the need for opening envelopes and extracting information, manual sorting, data entry, error correction, and document storage and retrieval. In addition, electronic payment eliminates the need for a cashiering function.

Taxpayers benefit through the ease in filing and refunds are received in a timely manner. The programs have an acknowledgment process that is not included in paper return processing. The taxpayer receives notification that the department has accepted the return.

For updated information please see our web site at: www.discoveringmontana.com/revenue.



Individual and Corporate Income Tax

Calculation of Individual Income Tax

Total Income: Total income includes wages and salaries; interest and dividends; net business income; capital and supplemental gains income; rent, royalty and partnership income; social security and pension income; net farm income; unemployment compensation; state refunds, alimony and any other miscellaneous income.

Less Adjustments To Income:

- Education expenses and student loan interest
- IRA/Keogh deductions
- Self-employment taxes (50%)
- Self-employment insurance deductions
- Alimony paid
- Moving expenses

Equals: Federal Adjusted Gross Income (FAGI)

Plus Additions and Less Subtractions:

Additions

- Non-Montana local government interest
- Federal tax refunds
- Other additions

Subtractions

- Farm risk management account contributions
- Elderly interest exclusion
- U.S. savings bond interest exclusion
- Exempt pension and annuity income
- Unemployment benefits
- Contributions to:
 - Medical savings accounts
 - First-time homebuyers savings accounts
 - Family education savings accounts
- Health care professional loan payments
- Other reductions (see tax form instructions)

Equals: Montana Adjusted Gross Income (MAGI)

Less itemized deductions or standard deduction

Less personal exemptions

Equals: Montana Taxable Income

Times Tax Table Rate

Equals: Tax Before Credits

Less Credits: Rural physician credit, college contribution credit, planned gift credit, elderly care credit, credit for taxes paid to other states/countries, contractor's gross receipts credit, alternative energy systems credit, conservation credit, alternative energy production credit, recycling credit, dependent care credit, health insurance for uninsured Montanans credit, preservation of historic buildings credit, developmental disabilities contribution credit, empowerment zone credit and other credits (see tax form instructions).

Equals: Tax After Credits



Individual and Corporate Income Tax

Montana Individual Income Tax Comparison of Return Data, Full-Year Residents 2002 vs. 2003

Item of Information	TY 2002		TY 2003		Difference in Total	
	Count	Total	Count	Total	Absolute	Percent
EXEMPTIONS						
Taxpayer exemptions	388,453	451,547	390,406	454,385	2,838	0.63%
Spouse exemptions	171,903	197,413	172,322	198,186	773	0.39%
Dependent exemptions	126,506	222,410	126,274	222,177	(233)	-0.10%
Handicapped children exemptions	1,326	<u>1,394</u>	1,403	<u>1,463</u>	<u>69</u>	<u>4.95%</u>
Total Exemptions	482,021	872,764	484,363	876,211	3,447	0.39%
INCOME ITEMS						
Wages, salaries, tips, etc.	382,855	9,265,904,285	385,362	9,649,686,526	383,782,241	4.14%
Interest income	265,225	528,958,537	251,361	453,025,235	(75,933,302)	-14.36%
Dividend income	134,265	264,875,326	129,073	297,422,847	32,547,521	12.29%
Net business income	74,187	620,571,881	75,240	629,701,263	9,129,382	1.47%
Capital gain or (loss)	112,243	637,443,506	111,022	790,912,922	153,469,416	24.08%
Supplemental gain or (loss)	16,028	32,565,301	16,398	55,546,743	22,981,442	70.57%
Rents, royalties & partnerships	85,241	1,014,593,070	86,402	1,019,724,460	5,131,390	0.51%
Net farm income	21,553	(157,524,702)	21,166	(146,211,074)	11,313,628	7.18%
Taxable social security	40,601	254,248,840	41,807	267,287,155	13,038,315	5.13%
Taxable IRA's, pensions & annuities	0	1,250,388,707	0	1,307,739,052	57,350,345	4.59%
Taxable individual retirement acct's	28,858	231,216,869	30,341	237,257,497	6,040,628	2.61%
Taxable pensions & annuities	78,054	1,019,171,838	79,789	1,070,481,555	51,309,717	5.03%
Other income	151,998	<u>(5,377,242)</u>	150,417	<u>(47,935,941)</u>	<u>(42,558,699)</u>	<u>-791.46%</u>
Total Income	481,285	13,706,647,509	483,517	14,276,899,188	570,251,679	4.16%
IRA/Keogh/Self-empl. deductions	116,598	252,613,291	121,712	292,240,897	39,627,606	15.69%
Federal Adjusted Gross Income	481,219	13,454,034,218	483,482	13,984,658,291	530,624,073	3.94%
ADDITIONS						
Interest on local gov't bonds	14,756	43,230,217	14,893	44,962,241	1,732,024	4.01%
Federal income tax refunds	124,242	247,312,164	127,012	256,907,579	9,595,415	3.88%
Other additions	34,579	<u>150,548,387</u>	37,992	<u>177,862,268</u>	<u>27,313,881</u>	<u>18.14%</u>
Total Additions	153,057	441,090,768	157,393	479,732,088	38,641,320	8.76%
FAGI Plus Additions	481,303	13,895,124,986	483,533	14,464,390,379	569,265,393	4.10%
REDUCTIONS						
Farm risk management account	22	61,948	48	872,912	810,964	1309.10%
Elderly interest exclusion	61,366	43,310,418	60,798	40,099,155	(3,211,263)	-7.41%
Savings bonds interest exclusion	30,308	59,642,270	26,395	47,157,089	(12,485,181)	-20.93%
Exempt retirement income	45,874	166,435,046	46,088	168,680,258	2,245,212	1.35%
Unemployment compensation	28,460	78,266,420	29,714	85,701,639	7,435,219	9.50%
Medical savings accounts	4,668	9,937,218	5,276	11,398,465	1,461,247	14.70%
Family education savings accounts	2,098	5,479,782	2,487	6,583,685	1,103,903	20.15%
First-time home buyers accounts	362	928,656	377	1,067,385	138,729	14.94%
Health care professional loan payment excl.	n.a.	n.a.	140	381,209	381,209	n.a.
Other reductions	142,965	<u>496,250,650</u>	139,969	<u>530,169,050</u>	<u>33,918,400</u>	<u>6.83%</u>
Total Reductions	219,962	860,312,408	218,284	892,110,847	31,798,439	3.70%
MT ADJ GROSS INCOME	477,419	13,034,812,578	479,305	13,572,279,532	537,466,954	4.12%



Individual and Corporate Income Tax

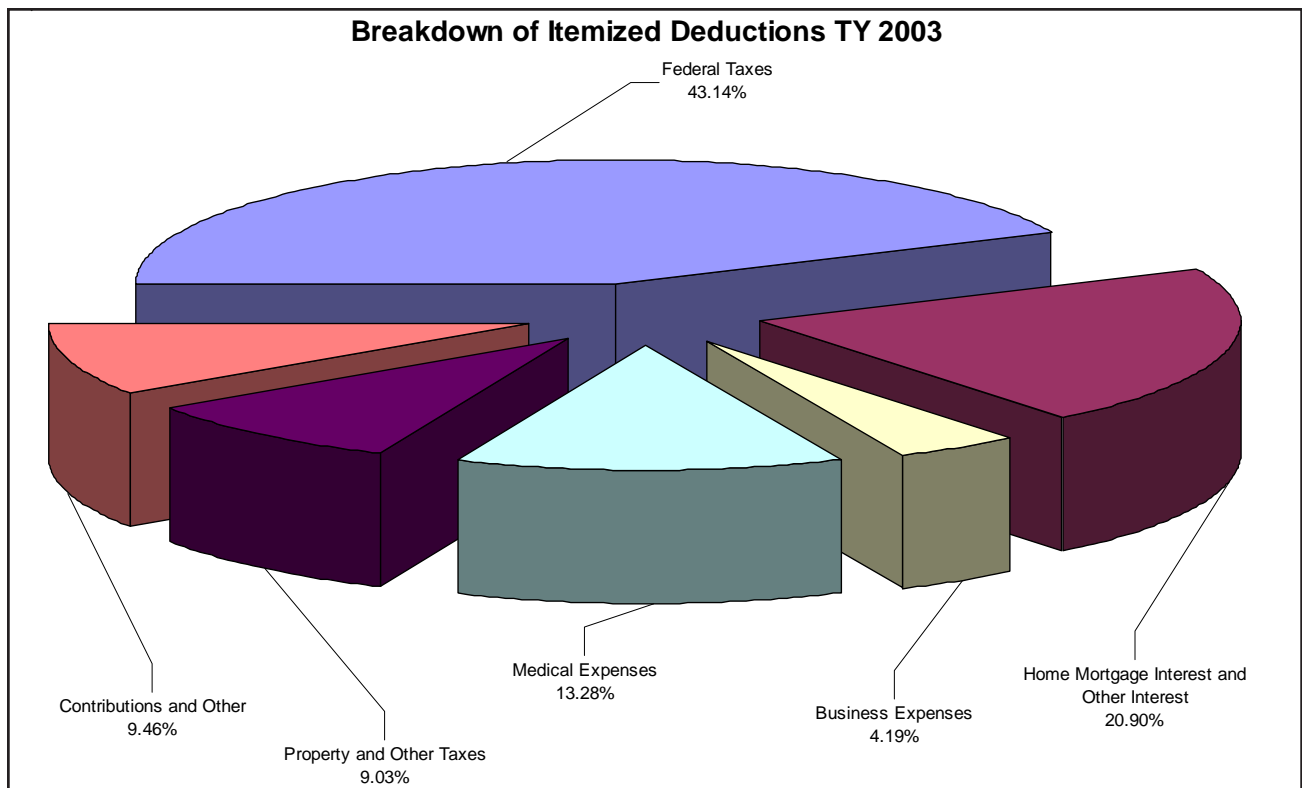
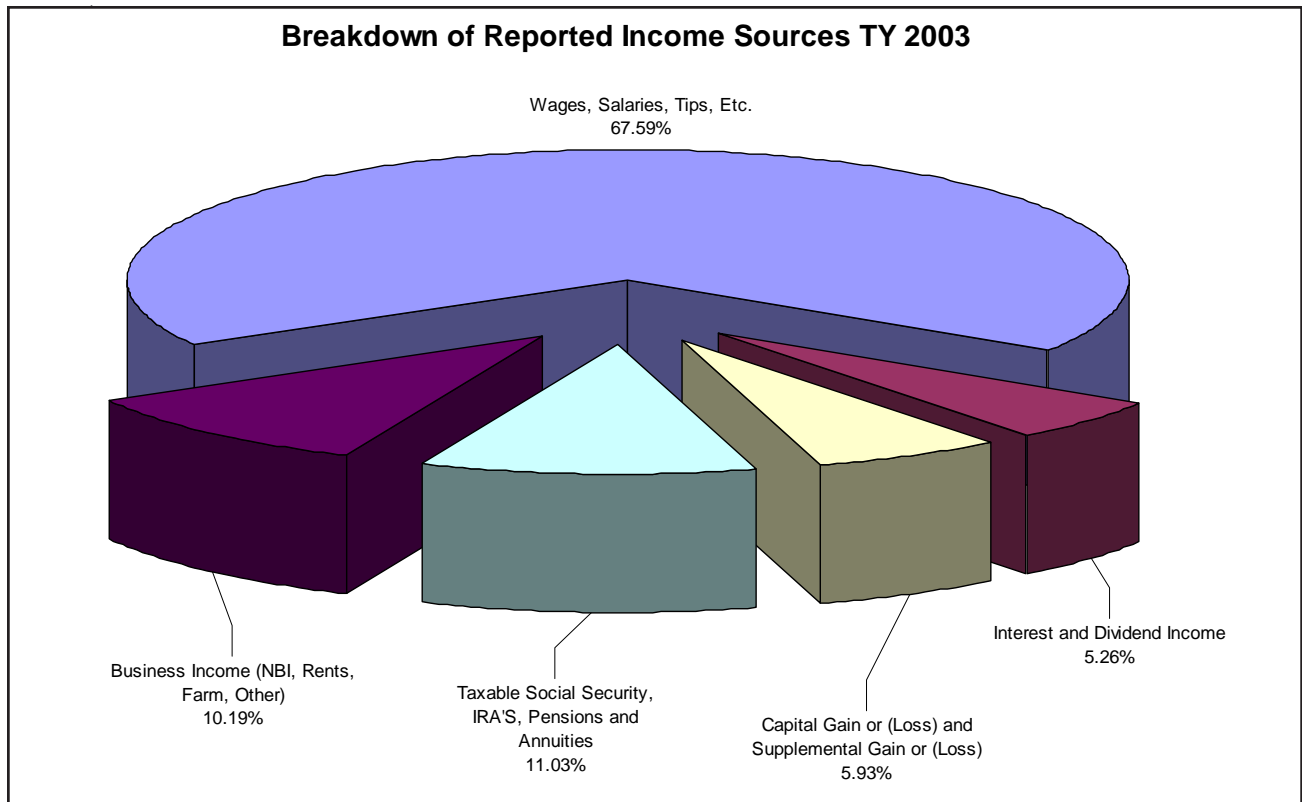
Montana Individual Income Tax Comparison of Return Data, Full-Year Residents 2002 vs. 2003

Item of Information	TY 2002		TY 2003		Difference in Total	
	Count	Total	Count	Total	Absolute	Percent
ITEMIZED DEDUCTIONS						
Medical insurance premiums	105,703	239,493,910	92,300	234,737,082	(4,756,828)	-1.99%
Medical and dental	69,766	222,983,052	70,877	236,626,833	13,643,781	6.12%
Long term care insurance premiums	9,384	15,887,210	9,838	17,295,360	1,408,150	8.86%
Federal income tax withheld	220,901	976,047,102	220,855	986,983,234	10,936,132	1.12%
Federal estimated tax paid	49,892	486,933,537	45,397	450,627,639	(36,305,898)	-7.46%
Federal advance payment (TY2003 only)	n.a.	n.a.	49,427	(25,795,362)	(25,795,362)	n.a.
Federal income tax balance	52,925	168,575,424	44,504	159,994,983	(8,580,441)	-5.09%
Federal income tax additional years	4,034	12,960,763	4,583	15,246,921	2,286,158	17.64%
Property taxes	189,452	274,873,159	188,925	291,351,060	16,477,901	5.99%
Other deductible taxes	130,980	39,533,367	131,651	40,720,924	1,187,557	3.00%
Home mortgage interest	144,375	752,226,098	144,774	744,358,655	(7,867,443)	-1.05%
Other interest	9,378	27,933,231	9,064	24,518,357	(3,414,874)	-12.23%
Charitable contributions	177,303	345,228,308	175,608	337,410,601	(7,817,707)	-2.26%
Child/dependent care expenses	1,196	1,667,803	1,110	1,704,198	36,395	2.18%
Casualty and theft losses	457	4,464,106	423	4,105,444	(358,662)	-8.03%
Employee business exp/other (Misc 1)	54,204	146,328,492	54,071	146,982,049	653,557	0.45%
Other misc. deductions (Misc 2)	1,741	4,266,845	1,465	7,147,014	2,880,169	67.50%
Gambling Losses	960	4,846,199	897	4,674,101	(172,098)	-3.55%
Total Itemized	278,530	3,724,248,606	275,568	3,678,689,093	(45,559,513)	-1.22%
TOTAL DEDUCTIONS	477,916	4,212,063,322	479,599	4,221,930,016	9,866,694	0.23%
VALUE OF EXEMPTIONS	482,021	1,518,609,340	484,363	1,559,655,580	41,046,240	2.70%
MONTANA TAXABLE INCOME	397,339	8,074,343,167	399,823	8,623,646,928	549,303,761	6.80%
Tax	397,337	494,137,275	399,823	538,203,804	44,066,529	8.92%
Tax on lump sum distributions	108	78,920	103	42,438	(36,482)	-46.23%
Tax before credits	397,348	494,216,195	399,834	538,246,242	44,030,047	8.91%
Investment credit recapture	30	3,175	4	153	(3,022)	-95.18%
Recapture tax and withdrawal penalties	n.a.	n.a.	32	5,332	5,332	n.a.
Montana tax withheld	371,572	398,225,812	374,754	420,984,542	22,758,730	5.72%
Estimated payments	44,734	120,904,288	42,491	124,263,363	3,359,075	2.78%
Payment made with extension	n.a.	n.a.	2,386	11,767,137	11,767,137	n.a.
Elderly homeowner/renter credit	14,211	6,883,615	15,448	7,719,936	836,321	12.15%
Total Payments	408,874	526,013,715	411,922	564,734,978	38,721,263	7.36%
CREDITS						
Physician credit for rural practice	84	405,666	83	338,643	(67,023)	-16.52%
College contribution credit	2,046	166,369	2,132	148,470	(17,899)	-10.76%
Charitable endowment credit	676	1,610,509	707	2,138,608	528,099	32.79%
Elderly care credit	35	27,493	31	21,041	(6,452)	-23.47%
Other state/foreign tax credit	10,119	14,013,510	10,171	14,479,498	465,988	3.33%
Contractor's gross receipts credit	324	613,178	306	776,635	163,457	26.66%
Alternative energy systems credit	472	228,283	656	300,489	72,206	31.63%
Energy conservation credit	4,986	1,305,788	8,916	2,440,965	1,135,177	86.93%
Alternative energy production credit	34	13,312	25	11,174	(2,138)	-16.06%
Recycling credit	46	66,369	45	121,309	54,940	82.78%
Dependent care assistance credit	7	3,897	9	8,484	4,587	117.71%
Employee health insurance credit	94	61,113	209	137,398	76,285	124.83%
Historic bldg. preservation credit	20	74,777	7	17,810	(56,967)	-76.18%
Developmental disability account credit	n.a.	n.a.	0	0	0	n.a.
Empowerment zone credit	n.a.	n.a.	0	0	0	n.a.
Other credits	n.a.	364,774	39	178,460	(186,314)	-51.08%
Total Credits	18,202	18,955,038	22,269	21,118,984	2,163,946	11.42%



Individual and Corporate Income Tax

Components of Income Reported for Individual Income Tax





Individual and Corporate Income Tax

Comparison of Income and Tax Paid by Decile Group

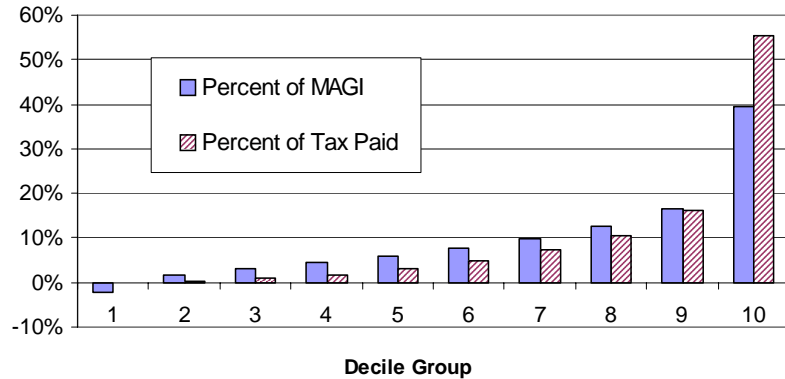
Decile Grouping is a very useful tool in tax burden analysis. The population is divided into ten equal groups by income level. Group 1 includes 10% of the population with the lowest incomes, while group 10 represents 10% of the population with the highest incomes. The following table and chart show the tax year 2003 decile groups for full-year resident taxpayers, the percent of total Montana adjusted gross income for each decile group, and the percent of total tax paid by each decile group.

The progressive nature of Montana's individual income tax is highlighted by noting that in every decile group except the highest (decile group 10) the share of income received exceeds the share of total tax paid. In the highest income bracket, taxpayers received nearly 40% of total Montana adjusted gross income, and paid just over 55% of the total tax liability.

**Share of Montana Adjusted Gross Income (MAGI) and Total Tax Liability
By Decile Group, Tax Year 2003**

Decile Group	Percent MAGI	Percent of Tax Paid
1	-2.20%	0.00%
2	1.74%	0.23%
3	3.08%	0.83%
4	4.54%	1.74%
5	6.09%	3.06%
6	7.82%	4.89%
7	9.95%	7.39%
8	12.70%	10.55%
9	16.66%	16.04%
10	39.64%	55.27%

**Share of MAGI and Tax Liability by Decile Group
Full-Year Residents, Tax Year 2003**



**Montana Individual Income Tax Returns
Effective Tax Rate by Decile Group
Full-Year Resident Taxpayers, Tax Year 2003**

Decile Group	Adjusted Gross Income Range	Adjusted Gross Income	Total Tax Liability	# of Returns in Bracket	Average Tax per Taxpayer	Effective Tax Rate
1	<\$3,042	(\$299,257,296)	\$16,111	48,436	\$0.33	0.00%
2	\$3,043 - \$6,721	235,962,362	1,221,488	48,436	25.22	0.52%
3	\$6,722 - \$10,609	418,022,212	4,476,479	48,436	92.42	1.07%
4	\$10,610 - \$14,853	615,618,570	9,373,341	48,436	193.52	1.52%
5	\$14,854 - \$19,363	825,983,409	16,458,123	48,436	339.79	1.99%
6	\$19,364 - \$24,609	1,061,041,666	26,326,972	48,436	543.54	2.48%
7	\$24,610 - \$31,461	1,350,260,471	39,762,497	48,436	820.93	2.94%
8	\$31,462 - \$40,184	1,723,034,673	56,796,515	48,436	1,172.61	3.30%
9	\$40,185 - \$55,232	2,261,406,198	86,310,000	48,436	1,781.94	3.82%
10	\$55,233 and over	5,380,207,267	297,462,278	48,436	6,141.35	5.53%
Totals		\$13,572,279,532	\$538,203,804	484,360	\$1,111.16	3.97%



Individual and Corporate Income Tax

Summary of Tax Credits

CREDITS	Tax Year 2002			Tax Year 2003		
	Total Value of Tax Credits	Number of Returns	Average Tax Credit per Return	Total Value of Tax Credits	Number of Returns	Average Tax Credit per Return
Physician credit for rural practice	\$405,666	84	\$4,829	\$338,643	83	\$4,080
College contribution credit	166,369	2,046	81	148,470	2,132	70
Charitable endowment credit	1,610,509	676	2,382	2,138,608	707	3,025
Elderly care credit	27,493	35	786	21,041	31	679
Other state/foreign tax credit	14,013,510	10,119	1,385	14,479,498	10,171	1,424
Contractor's gross receipts credit	613,178	324	1,893	776,635	306	2,538
Alternative energy systems credit	228,283	472	484	300,489	656	458
Energy conservation credit	1,305,788	4,986	262	2,440,965	8,916	274
Alternative energy production credit	13,312	34	392	11,174	25	447
Recycling credit	66,369	46	1,443	121,309	45	2,696
Dependent care assistance credit	3,897	7	557	8,484	9	943
Employee health insurance credit	61,113	94	650	137,398	209	657
Historic bldg. preservation credit	74,777	20	3,739	17,810	7	2,544
Developmental disability account credit	194,163	3	64,721	0	0	n.a.
Other credits	170,611	n.a.	n.a.	178,460	39	4,576
Total Credits	\$18,955,038	18,202	\$1,041	\$21,118,984	22,269	\$948

Comparison of Itemized vs. Standard Deduction Filers Full-Year Resident Filers, Tax Year 2003

Item	Standard Deductions	Allowable Itemized Deductions	Totals
Number of Returns	195,638	284,725	480,363
Percent of Returns	41%	59%	100%
Total Deductions	\$541,727,016	\$3,680,203,000	\$4,221,930,016
Average Deductions	\$2,769	\$12,925	\$8,789
Taxable Income	\$1,633,466,146	\$6,990,180,782	\$8,623,646,928
Average Taxable Income	\$8,349	\$24,551	\$17,952
Deductions as a Percentage of Taxable Income	33%	53%	49%



Individual and Corporate Income Tax

Ranking of Income Tax Burdens Nationally and Regionally

Comparison of Individual Income Tax Burdens All States - Tax Year 2003				
Rank	State	Income Tax Collected (In Thousands)	Personal Income (In Thousands)	Tax Per Thousand \$ Of Personal Income
1	Oregon	4,023,579	104,439,224	38.53
2	New York	22,648,364	701,852,392	32.27
3	Massachusetts	8,026,149	256,143,591	31.33
4	Wisconsin	5,252,500	169,080,678	31.07
5	Minnesota	5,374,550	174,258,567	30.84
6	North Carolina	7,089,142	237,381,527	29.86
7	Maine	1,074,826	37,645,908	28.55
8	California	32,709,761	1,197,550,472	27.31
9	Virginia	6,775,746	248,702,609	27.24
10	Utah	1,569,861	58,731,862	26.73
11	Hawaii	1,037,854	38,876,343	26.70
12	Delaware	711,575	26,821,803	26.53
13	Kentucky	2,813,947	108,101,336	26.03
14	Georgia	6,271,374	255,692,439	24.53
15	Connecticut	3,639,362	150,387,093	24.20
16	Rhode Island	824,870	34,346,326	24.02
17	West Virginia	1,055,523	44,134,314	23.92
18	Idaho	843,780	35,402,793	23.83
19	Ohio	7,916,410	342,438,276	23.12
20	Arkansas	1,528,231	66,204,880	23.08
21	Maryland	4,681,860	205,652,120	22.77
22	Oklahoma	2,113,947	93,602,291	22.58
23	Montana	535,830	23,784,336	22.53
24	Kansas	1,776,884	81,528,880	21.79
25	Vermont	411,343	19,031,411	21.61
26	South Carolina	2,334,066	108,373,678	21.54
27	Michigan	6,519,643	306,820,052	21.25
28	Missouri	3,519,844	166,867,516	21.09
29	Nebraska	1,122,893	53,496,517	20.99
30	Iowa	1,791,129	85,505,765	20.95
31	Colorado	3,235,796	156,009,688	20.74
32	Indiana	3,644,159	178,327,187	20.44
33	New Jersey	6,735,282	349,223,572	19.29
34	New Mexico	923,113	47,879,533	19.28
35	Illinois	7,340,982	426,297,600	17.22
36	Alabama	2,035,538	118,540,440	17.17
37	Pennsylvania	6,661,780	395,669,472	16.84
38	Louisiana	1,867,150	117,355,322	15.91
39	Mississippi	1,020,028	67,559,925	15.10
40	Arizona	2,102,361	149,776,666	14.04
41	North Dakota	199,390	18,510,801	10.77
42	New Hampshire	55,118	44,685,246	1.23
43	Tennessee	115,593	166,228,769	0.70
States With No Individual Income Tax				
44	Alaska	0	21,779,422	0.00
45	Florida	0	518,169,495	0.00
46	Nevada	0	70,072,668	0.00
47	South Dakota	0	22,344,077	0.00
48	Texas	0	649,669,992	0.00
49	Washington	0	204,373,240	0.00
50	Wyoming	0	16,444,753	0.00

Source : State Personal Income - BEA; Individual Income Tax Collections - Census Bureau, USDC

Individual Income Tax Burden Regional Ranking		
High - Low Ranking	State	Tax Per \$1,000 PI
1	Oregon	38.53
2	Utah	26.73
3	Idaho	23.83
4	Montana	22.53
5	Colorado	20.74
6	North Dakota	10.77
7	Nevada	0.00
7	South Dakota	0.00
7	Washington	0.00
7	Wyoming	0.00



Individual and Corporate Income Tax

Overview of Corporation License Tax

Montana's corporation license tax is a franchise tax levied on corporations, including banks and savings and loan associations, for "...the privilege of carrying on business in this state." The tax is levied at the rate of 6.75% on net income earned in Montana. Corporations making a "water's edge" election pay tax at a rate of 7%. Corporations whose only activity in Montana consists of making sales, and who do not own or rent real estate or tangible personal property, and whose annual gross income from sales in Montana does not exceed \$100,000 may elect to pay a tax equal to ½ of 1% of gross sales.

The starting point for the Montana corporation license tax is the corporation's federal taxable income. Net operating losses of the corporation may be carried back for a period of three years, and may be carried forward for a period of seven years. Montana is a worldwide, combined unitary state, and corporations conducting business that is taxable both in and outside the state (multistate corporations) are required to allocate income to Montana based on an equally weighted, three-factor apportionment formula. Sales, property and payroll comprise the three factors used in the apportionment formula.

There is a minimum tax of \$50. However, if a corporation has no property, payroll or sales in Montana during the tax period, it is exempt from paying the minimum tax. All Montana corporations not otherwise exempt from the corporation license tax must file a tax return even if they are exempt from the minimum tax.

Corporations electing to file as a subchapter S. corporation for federal income tax purposes must also file as an S. corporation for Montana tax purposes. S. corporations are not subject to tax; instead, the income of these corporations flows through to individual shareholders and is subject to the state's individual income tax.

Organizations exempt from the corporation license tax include labor, agricultural or horticultural organizations; nonprofit corporations; fraternal organizations, societies or associations; and domestic international sales corporations (DISCs). Research and development (R&D) firms organized to engage in business for the first time in Montana are not subject to the corporation license tax for the first five years of operation.

Corporation License Tax Returns Returns Filed in FY 2004

Regular Corporations	16,297
S. Corporations	19,328
Total Corporations	35,625
Corporations Paying \$50 Min. Tax	9,878
Corporations Paying More Than \$50 Tax	5,447
Corporations Paying No Tax	972
Total Regular Corporations	16,297

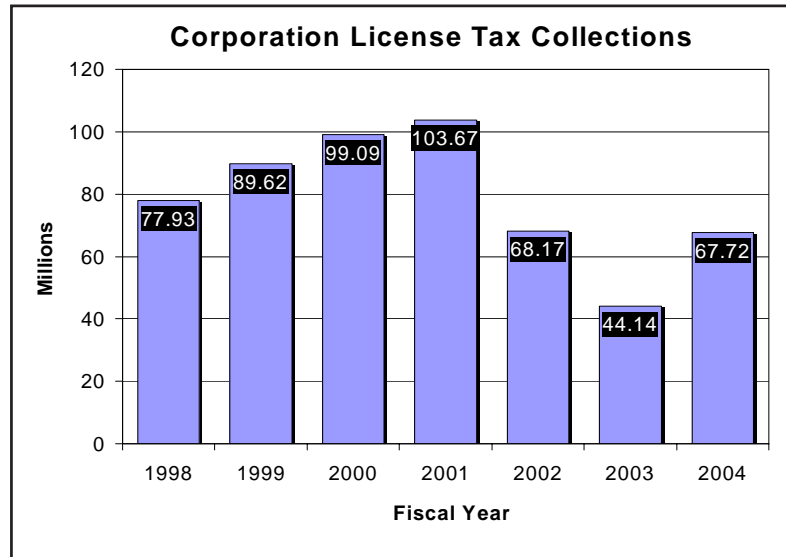


Individual and Corporate Income Tax

The table and chart below show total corporation license tax collections from fiscal years 1998 to 2004. Under current law, 100% of corporation license taxes are deposited in the state general fund.

Corporation License Tax Collections

FY1998	\$77,928,498
FY1999	\$89,624,559
FY2000	\$99,088,870
FY2001	\$103,670,487
FY2002	\$68,173,254
FY2003	\$44,137,518
FY2004	\$67,722,940



Corporations may claim one or more of twenty different tax credits. Detailed descriptions of these credits are provided in the tax expenditure section of this report. Among the more commonly used credits are the contractor's gross receipts tax credit; the charitable endowment contribution credit; the college contribution credit; the Montana Capital Company credit; the employer disability insurance credit; and the recycling credit. The following table shows credit usage for the past two fiscal years. In addition to credits claimed on original returns filed during the fiscal year, some of the credits shown below were claimed on amended returns received during the fiscal year.

Montana Corporation License Tax Credits

Credit	-----Fiscal Year 2003-----		-----Fiscal Year 2004-----	
	Number of Corps	Credit Amount	Number of Corps	Credit Amount
1 Contractor's Gross Receipts Tax Credit	112	\$955,804	78	\$972,698
2 Infrastructure Users Fee Credit	3	533,813	2	814,362
3 Credit for Increasing Research Activities	11	352,236	15	311,483
4 Charitable Endowment Credit	77	425,846	52	117,618
5 Historic Building Preservation Credit	3	30,948	3	111,843
6 Employer Disability Insurance Credit	16	18,888	17	19,433
7 Credit for Alternative Fuel Motor Vehicle Conversion	1	3,000	2	12,267
8 College Contribution Credit	23	5,413	24	6,480
9 Recycling Credit	9	5,440	4	2,718
10 Montana Capital Company Credit	14	934	15	2,716
11 Dependent Care Assistance Credit	1	1,672	1	50
Total Credits		\$2,333,994		\$2,371,668



Individual and Corporate Income Tax

Filing Dates

The corporation license tax return is due on the 15th day of the fifth month following the end of the corporation's taxable year. Corporations are entitled to an automatic six month extension for filing a return, with tax plus interest due at the time the return is filed.

Estimated Payments

Corporations whose estimated tax for the period is \$5,000 or more are required to make quarterly estimated tax payments on the 15th day of the fourth, sixth, ninth, and twelfth months of their tax year. The required annual total estimated payment is 80% of the tax shown on the return, or 100% of the tax for the prior year.

Penalties and Interest

Corporations who fail to pay a tax when due may be assessed a late payment penalty of 1.5% per month on the unpaid tax, up to a maximum penalty of 18% of the tax due. Interest on unpaid taxes accrues at the rate of 12% per year, accrued at 1% per month or fraction of a month on the unpaid tax.



Individual and Corporate Income Tax

Comparison of Corporation License Tax Rate with Other States

Ranking of States By Maximum Corp. Tax Rate

All States Highest to Lowest, Tax Year 2004

Rank	State	Maximum Tax Rate
1	Iowa**	12.00%
2	North Dakota**	10.50%
3	Pennsylvania	9.99%
4	Minnesota	9.80%
5	Vermont**	9.75%
6	Massachusetts	9.50%
7	Alaska**	9.40%
8	New Jersey	9.00%
9	Rhode Island	9.00%
10	West Virginia	9.00%
11	Maine**	8.93%
12	California	8.84%
13	Delaware	8.70%
14	Indiana	8.50%
15	New Hampshire	8.50%
16	Ohio**	8.50%
17	Kentucky**	8.25%
18	Louisiana**	8.00%
19	Wisconsin	7.90%
20	Nebraska**	7.81%
21	Idaho	7.60%
22	New Mexico**	7.60%
23	Connecticut	7.50%
24	New York	7.50%
25	Illinois	7.30%
26	Maryland	7.00%
27	Arizona	6.97%
28	North Carolina	6.90%
29	Montana	6.75%
30	Oregon	6.60%
31	Alabama	6.50%
32	Arkansas**	6.50%
33	Tennessee	6.50%
34	Hawaii**	6.40%
35	Missouri	6.25%
36	Georgia	6.00%
37	Oklahoma	6.00%
38	Virginia	6.00%
39	Florida	5.50%
40	Mississippi**	5.00%
41	South Carolina	5.00%
42	Utah	5.00%
43	Colorado	4.63%
44	Kansas	4.00%
45	Michigan*	0.00%
46	Nevada*	0.00%
47	South Dakota*	0.00%
48	Texas*	0.00%
49	Washington*	0.00%
50	Wyoming*	0.00%

There are 44 states that have a similar tax. The table to the left shows that corporation tax rates vary from a low of 4% in Kansas to a high of 12% in Iowa. Among all states, Montana ranks 29th with a rate of 6.75%.

The table below provides a regional ranking of corporation tax rates.

Maximum Corporation License Tax Regional Ranking		
Rank	State	Maximum Tax Rate
1	North Dakota	10.50%
2	Idaho	7.60%
3	Arizona	6.97%
4	Montana	6.75%
5	Oregon	6.60%
6	Utah	5.00%
7	Nevada	0.00%
7	Wyoming	0.00%
7	Washington	0.00%

Source: Federation of Tax Administrators (Tax Rates as of January 1, 2004)

*States with no corporation tax (Nevada, Washington, and Wyoming), with an alternative form of tax not necessarily based on income (Michigan and Texas), or tax on financial institutions only (South Dakota).

**States with a graduated rate corporation income tax (highest rate shown).



NATURAL RESOURCE TAXES





Natural Resource Taxes



Natural Resource Taxes

Overview of Natural Resource Taxes

Historically, Montana has relied on its store of natural resource wealth as a primary source of tax revenue. This section discusses the characteristics of each of the different natural resource taxes in Montana. Generally, natural resource taxes may be categorized as either severance/license taxes, or some form of ad valorem (property) taxes. Information provided includes tax rates, filing requirements, disposition of the tax, production tax incentives and recent revenue collections.

Natural Resource Tax Collections - FY2004	
	Fiscal 2004 Collections
State Severance and License Taxes	
Coal Severance Tax	\$31,544,681
Oil & Gas Production Tax (State Share)	47,712,085
Metalliferous Mines License Tax	5,572,192
Resource Indemnity and Groundwater Assessment Tax (RIGWAT)	<u>1,250,528</u>
Total State Collections	\$86,079,486
Local Government Ad Valorem and Severance Taxes	
Coal Gross Proceeds Tax	\$10,498,787
Oil & Natural Gas Production Tax (Local Government Share)	44,963,964
Metal Mines Gross Proceeds Tax (estimated)	4,266,001
Miscellaneous Mines Net Proceeds Tax (estimated)	<u>2,867,163</u>
Total Local Government Collections	\$62,595,915



Natural Resource Taxes

Coal Severance Tax

Tax Rate

The coal severance tax applies to the value of coal f.o.b. (free-on-board) at the mine less deductions for taxes, fees, government and tribal royalties, and processing allowances. (MCA 15-35-102)

Coal Severance Tax Rates		
<u>Heating Quality (BTU* per pound)</u>	<u>Surface Mining</u>	<u>Underground Mining</u>
Under 7,000 BTU	10% of value	3% of value
7,000 BTU and over	15% of value	4% of value

*BTU stands for British Thermal Unit

Producers of over 50,000 tons of coal per year pay a quarterly tax on all production in excess of 20,000 tons. Producers of less than 50,000 tons per year are exempt from the tax. Surface mined coal is taxed at 15% of value if rated 7,000 BTU per pound and over, and taxed at 10% of value if rated less than 7,000 BTU per pound. Coal mined underground is taxed at 4% if rated 7,000 BTU per pound and over, and is taxed at 3% if rated less than 7,000 BTU per pound.

Value of Coal

The value of coal to which the severance tax is applied is the “contract sales price.” The contract sales price is the price of coal extracted and prepared for shipment f.o.b. mine, less that amount required to pay production taxes. Production taxes include the state severance tax, resource indemnity and groundwater assessment tax (RIGWAT), local gross proceeds taxes, federal reclamation taxes, and the federal Black Lung Tax. The contract sales price includes royalties up to 15 cents per ton paid to federal and state governments, or Indian tribes, and all royalties paid to other mineral rights owners.

Production Incentives

Persons producing less than 50,000 tons of coal in a year are exempt from severance tax. Persons producing more than 50,000 tons per year are exempt from severance tax on the first 20,000 tons produced. Effective calendar year 1995, a person or firm is not liable for any severance tax upon the first two million tons of coal produced as feedstock for an approved coal enhancement facility. This exemption terminates December 31, 2005. Coal used in a power plant constructed between 2002 and 2008 that offers half of the electricity it produces for sale in Montana, at a rate set by the Public Service Commission, is to be taxed at one-third of the normal rate.

Filing Requirements

Coal mine operators are required to file quarterly statements containing information sufficient to calculate the tax due. The quarterly return and tax payments are due 30 days following the close of each calendar quarter.

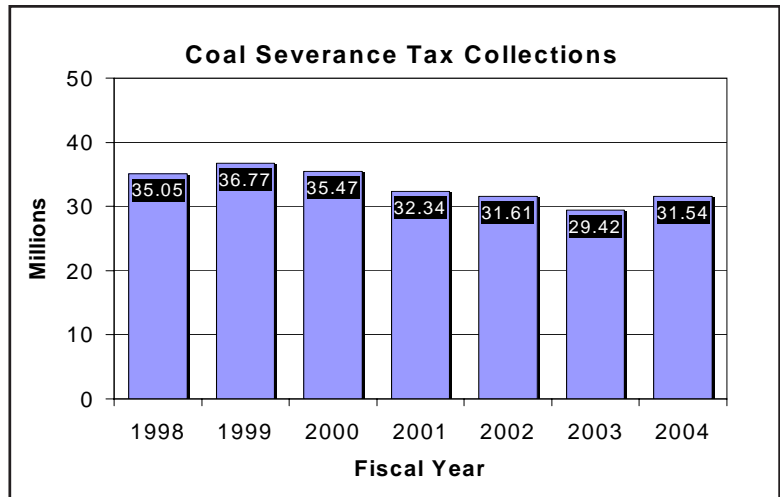


Natural Resource Taxes

Collection of Coal Severance Tax

Coal Severance Tax Collections							
	FY1998	FY1999	FY2000	FY2001	FY2002	FY2003	FY2004
Severance Tax Collected	\$35,045,243	\$36,767,488	\$35,469,791	\$32,337,172	\$31,614,049	\$29,423,546	\$31,544,681
Number of Producers	5	5	5	5	5	5	6
Number of Tons Taxed	35,501,422	34,975,407	35,077,422	32,317,962	33,148,533	30,245,709	31,128,959
Average Value per ton	\$6.78	\$6.00	\$6.43	\$6.23	\$6.38	\$6.60	\$6.78

Coal Severance Tax Collections	
FY1998	\$ 35,045,243
FY1999	\$ 36,767,488
FY2000	\$ 35,469,791
FY2001	\$ 32,337,172
FY2002	\$ 31,614,049
FY2003	\$ 29,423,546
FY2004	\$ 31,544,681



Distribution of Coal Severance Tax Revenue

Coal severance tax collections are distributed to several trusts, funds and programs, with 50% of revenues deposited into the Coal Trust Fund as mandated by the state constitution. The following table details past and current law tax distributions.

Distribution of Coal Severance Tax Revenue				
	FY99	FY00-FY02	FY03	FY04-FY05
Coal Tax Trust Fund	50.00%	50.00%	50.00%	50.00%
General Fund	26.55%	26.79%	33.04%	27.40%
Long Range Building Fund	12.00%	12.00%	10.00%	12.00%
Local Impact Fund	8.36%	8.36%	6.01%	7.75%
Parks Acquisition	1.27%	1.27%	0.00%	1.27%
Renewable Resource Loan Fund	0.95%	0.95%	0.95%	0.95%
Capitol / Art Trust Fund	0.87%	0.63%	0.00%	0.63%
Total Distributions	100.00%	100.00%	100.00%	100.00%



Natural Resource Taxes

Coal Severance Tax Trust Funds

Half of coal severance tax collections are deposited in the coal tax trust funds. The Coal Severance Tax Bond Fund and Coal Severance Tax School Bond Contingency Loan Funds are reserve funds to guarantee repayment of state and school bonds if the normal funding source is unavailable. Having these funds allows the state to borrow at lower interest rates. Interest on these two funds and on the Coal Severance Tax Fund is deposited in the state general fund. Interest on the Treasure State Endowment Fund is to be used for local infrastructure projects. Interest on the Treasure State Endowment Regional Water System Fund is to be used for regional water systems.

Principal and Interest of the Coal Trust Fund						
Fund	----- Principal -----					
	FY1999	FY2000	FY2001	FY2002	FY2003	FY2004
Coal Severance Tax Bond Fund	\$11,066,948	\$6,933,282	\$9,586,515	\$9,403,227	\$9,212,267	\$10,223,798
Treasure State Endowment Fund	64,749,752	76,976,715	87,664,755	99,311,288	111,590,227	118,262,570
Coal Severance Tax Fund	541,587,573	544,861,285	545,160,833	543,584,807	543,584,807	546,920,978
Regional Water System Fund	-	3,441,977	6,987,709	10,869,886	14,962,866	18,299,038
School Bond Contingency Loan Fund	2,177,740	2,177,740	-	-	-	-
Total Trust Fund Principal	\$619,582,013	\$634,390,999	\$649,399,812	\$663,169,208	\$679,350,167	\$693,706,384
Fund	----- Interest -----					
	FY1999	FY2000	FY2001	FY2002	FY2003	FY2004
General Fund	\$41,177,971	\$39,195,203	\$37,639,527	\$37,605,247	\$36,297,863	\$34,907,273
Local Infrastructure Projects	5,030,847	5,123,375	5,801,525	6,804,839	7,175,069	8,073,637
Regional Water Systems	-	32,058	370,164	643,133	894,259	1,201,061
Total Trust Fund Interest	\$46,208,818	\$44,350,636	\$43,811,216	\$45,053,219	\$44,367,191	\$44,181,971

Coal Gross Proceeds Tax

Tax Rate

State and local governments do not levy or assess any mills against the reported gross proceeds of coal; instead, a flat tax of 5% is levied against the value of the reported gross proceeds.

Value of Coal

The gross proceeds of coal is determined by multiplying the number of tons produced times the contract sales price.

Coal Gross Proceeds Tax							
Tax Year	TY1997	TY1998	TY1999	TY2000	TY2001	TY2002	TY2003
Tons	33,772,470	36,195,263	35,656,533	33,456,998	33,281,024	32,090,040	30,926,339
Gross Value	\$351,551,736	\$308,119,966	\$323,056,504	\$302,646,145	\$301,864,347	\$305,301,959	\$301,406,721
Gross Proceeds	\$250,878,184	\$217,415,975	\$229,967,925	\$212,699,186	\$208,870,891	\$211,360,749	\$210,071,951
Tax	\$12,543,909	\$10,870,799	\$11,498,396	\$10,634,959	\$10,443,545	\$10,568,037	\$10,498,787

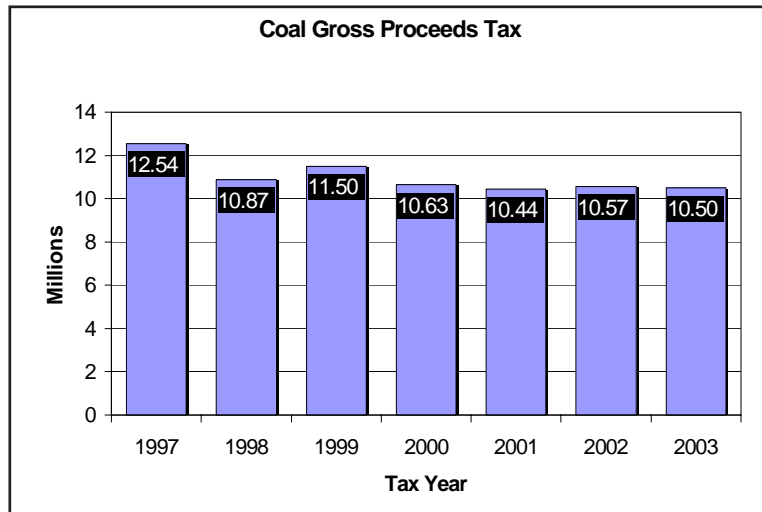


Natural Resource Taxes

Filing Requirements

On or before March 31 of every year, each person or firm engaged in mining coal must file a statement of gross yield for every mine operated in the preceding year. The producer must pay 50% of the taxes due on or before November 30; the remaining 50% is due on or before May 31 of the following year.

Collection of Coal Gross Proceeds Tax



Distribution of Coal Gross Proceeds Tax

Coal gross proceeds tax revenue is proportionally distributed to the appropriate taxing jurisdictions in which production occurred based on the total number of mills levied in fiscal year 1990.

Metalliferous Mines License Tax

Tax Rate

Mining operations in which metal or gems are extracted are subject to the metalliferous mines license tax, which is based on the gross value of the product.

The first \$250,000 of gross value of concentrate shipped to a smelter, mill or reduction work is exempt from taxation and the increment above \$250,000 is taxed at 1.81% of gross value. The first \$250,000 of gross value of gold, silver or any platinum-group metal that is dore, bullion or matte that is shipped to a refinery is exempt from taxation and the increment above \$250,000 is taxed at 1.60% of gross value. Shipping and refining costs are deducted from revenue to determine gross value. (MCA 15-37-102, 103)

Product	Gross Value Of Product	Tax Rate
Dore/Bullion/Matte	First \$250,000	0.00%
	Over \$250,000	1.60%
Concentrates	First \$250,000	0.00%
	Over \$250,000	1.81%



Natural Resource Taxes

Gross Value

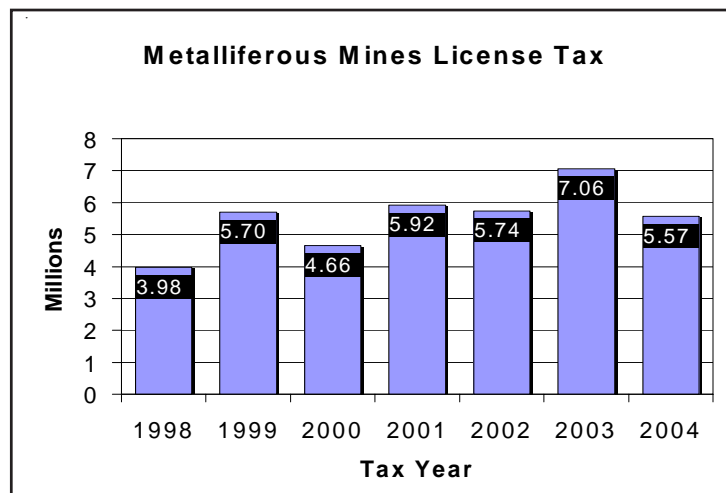
The value to which the tax rate is applied is the monetary payment the mining company receives from the metal trader, smelter, roaster or refinery, determined by multiplying the quantity of metal received by the metal trader, smelter, roaster or refinery by the quoted price for the metal and then subtracting basic treatment and refinery charges, quantity deductions, price deductions, interest and penalty, metal impurity, and moisture deductions as specified by contract between the mining company and the receiving metal trader, smelter, roaster or refinery. Deductions also are allowed for the cost of transportation from the mine or mill to the smelter, roaster or refinery.

Filing Requirements

Beginning in 2003, reports and payment of metal mines tax are due twice a year, on or before March 31 and August 15.

Metalliferous Mines License Tax Collections

Metalliferous Mines License Tax			
Year	Number of Producers	Gross Value	Total Tax
FY1998	10	\$302,013,004	\$ 3,977,699
FY1999	5	\$298,741,683	\$ 5,700,013
FY2000	5	\$324,743,563	\$ 4,661,369
FY2001	5	\$352,909,344	\$ 5,923,752
FY2002	4	\$374,454,984	\$ 5,740,242
FY2003	4	\$317,268,981	\$ 7,055,900
FY2004	4	\$371,563,545	\$ 5,572,192



Distribution of Metalliferous Mines License Tax

Currently, 58% of metalliferous mines license tax revenue is deposited in the state general fund; 8.5% in the hard-rock mining reclamation account; 7% in the reclamation and development grants account; 2.5% in the hard-rock mining impact trust account; and 24% to the county or counties identified as experiencing fiscal and economic impacts under an impact plan. If no such plan has been prepared, that same 24% goes instead to the county in which the mine is located (MCA 15-37-117). In fiscal 2003, no revenue went to reclamation and development grants and 65% went to the state general fund.



Natural Resource Taxes

Metal Mines Gross Proceeds Tax

Tax Rate

For property tax purposes, the taxable value of metal mines is equal to 3% of annual gross proceeds. This amount is then subject to state and local mill levies in the jurisdictions in which the taxable value of the mining operation is allocated. (MCA 15-23-801, 802)

Gross Value

Total gross proceeds means the monetary payment or refined metal received by the mining company from the metal trader, smelter, roaster, or refinery, determined by multiplying the quantity of metal received by the quoted price for the metal and then subtracting basic treatment and refinery charges, quantity deductions, price deductions, interest and penalty, metal impurity, and moisture deductions as specified by contract.

Metal Mines Gross and Taxable Value of Production		
<u>Annual Production</u>	<u>Gross Value</u>	<u>Taxable Value</u>
1997	\$301,805,597	\$9,049,227
1998	\$276,229,167	\$8,282,055
1999	\$282,110,429	\$8,460,977
2000	\$367,081,367	\$11,012,441
2001	\$355,644,688	\$10,669,341
2002	\$303,045,425	\$9,086,281
2003	\$371,542,491	\$10,428,301

Filing Requirements

Metal mines tax reports are required to be filed by March 31 of each year, showing the total gross proceeds of metal mined during the preceding calendar year.

Distribution of Metal Mines Gross Proceeds Tax

The metal mines gross proceeds tax is class 2 of the property tax. Property tax is allocated to taxing jurisdictions based on their mill levies.

Micaceous Mines License Tax

Micaceous minerals are those that are generally classified as complex silicates, and include such minerals as vermiculite, perlite, kernite, maconite. There have been no micaceous mines license tax collections since FY1990 because there has been no production. All proceeds from the micaceous mines license tax are deposited in the state general fund.

Tax Rate

There is a tax of 5¢ per ton of concentrates mined, extracted, or produced.

Filing Requirements

Operators of micaceous mineral mines are required to file quarterly statements showing the number of tons of micaceous minerals mined. Quarterly returns, along with the accompanying tax payment, are due within 30 days following the end of each calendar quarter.



Natural Resource Taxes

Miscellaneous Mines Net Proceeds Tax

Tax Rate

For property tax purposes, the taxable value of mines other than metal and coal mines (bentonite, talc, vermiculite, etc.) is equal to 100% of annual net proceeds. This amount is then subject to state and local mill levies in the jurisdictions where the mining operation is located.

Exemptions

Sand, gravel, travertine and building stone are exempt from mines net proceeds taxation. Persons who produce less than 1,000 tons of industrial garnets within a tax year are exempt from miscellaneous mines net proceeds taxation.

Miscellaneous Mines Net Proceeds Imputed Value of Minerals	
Talc	\$5.99 per ton for 2004 production, adjusted annually for inflation
Vermiculite	\$34.92 per ton for 2004 production, adjusted annually for inflation
Limestone for Quicklime	\$0.43 per ton for 2004 production, adjusted annually for inflation
Industrial Garnets	\$23.51 per ton for 2004 production, adjusted annually for inflation
All Other Minerals	Gross proceeds minus allowable costs

Filing Requirements

Miscellaneous mines tax reports are due by March 31 of each year, showing the total gross proceeds of minerals mined during the preceding calendar year, and information on costs associated with the mining operation sufficient to allow calculation of the net proceeds from the operation.

Distribution of Miscellaneous Mines Net Proceeds Tax

The net proceeds of miscellaneous mines is subject to mill levies of those taxing jurisdictions in which the mine is located. The tax is distributed on the basis of relative mills levied by all jurisdictions levying taxes in the area.

Miscellaneous Mines Net Proceeds Tax					
Tax Year	Tons	Gross Value	Net Proceeds	Taxable Royalties	Taxable Value
1997 Production	4,353,042	\$ 22,627,631	\$ 7,076,916	\$ 421,834	\$ 7,498,750
1998 Production	2,546,160	\$ 18,073,480	\$ 6,908,942	\$ 289,372	\$ 7,198,314
1999 Production	2,321,605	\$ 15,127,844	\$ 4,770,722	\$ -	\$ 4,770,722
2000 Production	2,965,847	\$ 20,127,099	\$ 7,276,946	\$ 160,093	\$ 7,437,039
2001 Production	2,753,889	\$ 23,606,545	\$ 8,133,721	\$ -	\$ 8,133,721
2002 Production	2,675,016	\$ 20,319,372	\$ 7,489,451	\$ 259,054	\$ 7,748,505
2003 Production	2,453,053	\$ 22,513,861	\$ 7,319,184	\$ 386,094	\$ 7,705,278



Natural Resource Taxes

Oil and Natural Gas Production Tax

Tax Rates

The 1995 Montana Legislature replaced all existing state and local extraction taxes on all oil and natural gas production with a single production tax based on the type of well and type of production. This tax became effective January 1, 1996. The 1999 legislature further simplified the structure of oil and gas production tax rates. Effective January 1, 2000, the legislature consolidated tax rates, revised the definition of qualifying production, shortened incentive periods for qualifying production, and replaced pre - 1985 and post - 1985 categories with pre - 1999 and post - 1999. The pre - 1999 classification includes all wells drilled before January 1, 1999, while the post - 1999 classification refers to wells drilled on or after January 1, 1999. (MCA 16-36-304)

Oil Production Tax Rates	
Royalties	15.06%
Pre -1999 wells not in another category	12.76%
Post -1999 wells not in another category	9.26%
Incremental production from secondary recovery	8.76%
Incremental production from tertiary recovery	6.06%
New production horizontally recompleted wells and first 10 barrels per day from wells producing 3 to 15 barrels a per day	5.76%
New production and wells producing less than 3 barrels per day	0.76%

Natural Gas Production Tax Rates	
Royalties and regular production from pre -1999 wells	15.06%
Regular production post -1999 wells and all horizontally completed wells	9.26%
Pre - 1999 wells producing less than 60 thousand cubic feet per day	11.26%
The first 12 months of new wells, production from post - 1999 wells	0.76%

Value of Oil

Total gross value of oil is computed as the product of the total number of barrels produced each month and the average wellhead value per barrel. Producers are allowed to deduct any oil produced that is used in the operation of the well.

Value of Natural Gas

Total gross value of natural gas is computed as the product of the total number of cubic feet produced each month and the average wellhead value per cubic foot. Producers are allowed to deduct any natural gas produced that is used in the operation of the well.

Exemptions

Royalties received by an Indian tribe from on-reservation oil production pursuant to a lease entered into under the Indian Mineral Leasing Act of 1938, and all governmental royalties, are exempt from taxation.

Production Incentives

Incremental production from secondary and tertiary recovery projects and recompleted horizontal wells are taxed at reduced rates as shown above. These reduced rates apply when the average price for West Texas Intermediate Crude Oil (WTI) is less than \$30 per barrel. Production from stripper wells is taxed at reduced rates as shown in the tables above. The reduced rate for oil wells producing less than 3 barrels per day applies when the average price of WTI is less than \$38 per barrel. The reduced rate for oil wells



Natural Resource Taxes

producing between 3 and 15 barrels per day applies when the average price of WTI is less than \$30 per barrel. The first 12 months of production from a conventional well and the first 18 months of production from a horizontally completed or horizontally recompleted well is taxed at reduced rates as shown in the tables that can be found on the previous page.

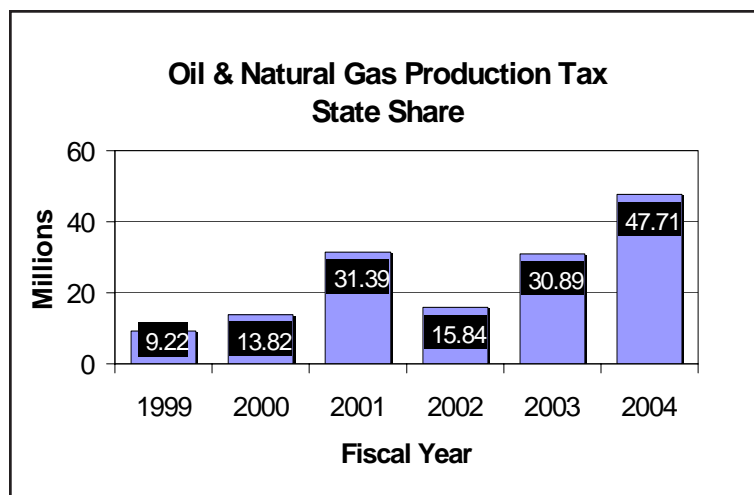
Filing Requirements

Oil and natural gas producers are required to file quarterly statements containing information sufficient to calculate the tax due. Tax payments are due within 60 days following the close of each calendar quarter.

Oil and Natural Gas Tax Collections

Oil and Natural Gas Production Tax Revenue Collections						
Fund	FY1999	FY2000	FY2001	FY2002	FY2003	FY2004
General Fund	\$7,505,617	\$11,362,742	\$26,057,218	\$12,902,439	\$29,086,038	\$41,323,718
University Millage						1,213,786
Coal Bed Methane					400,000	563,380
Board of Oil and Gas	650,457	1,055,457	2,000,320	982,574	1,408,495	1,905,579
Resource Indemnity *	1,065,538	1,399,091	3,334,813	1,952,954	-	2,705,622
Total State Share	\$9,221,612	\$13,817,290	\$31,392,351	\$15,837,967	\$30,894,533	\$47,712,085
Total Local Share	21,607,789	29,953,032	61,425,763	34,465,644	42,494,843	44,963,964
Total State and Local	\$30,829,401	\$43,770,322	\$92,818,114	\$50,303,611	\$73,389,376	\$92,676,049

* Resource Indemnity includes distributions to the reclamation & development account, the orphan share account, and the resource indemnity trust account.





Natural Resource Taxes

Distribution of the State Share of the Oil and Gas Production Tax

The state share of the oil and gas production tax is distributed as shown in the table below.

Distribution of State Share of Oil and Gas Production Tax *			
<u>Account</u>	<u>FY03</u>	<u>FY04 - FY11</u>	<u>FY12</u>
Coal Bed Methane Protection	\$400,000	1.23%	---
Reclamation and Development Grants	---	2.95%	4.18%
Orphan Share	---	2.95%	2.95%
University System	---	2.65%	2.65%
General Fund	<u>Remainder</u>	<u>90.22%</u>	<u>90.22%</u>
Total Distributions	100.00%	100.00%	100.00%

* Does not include the portion of the tax that is levied to fund the operations of the Board of Oil and Gas Conservation (0.26% of gross value of production).



Natural Resource Taxes

Resource Indemnity and Groundwater Assessment Tax

Tax Rates

The resource indemnity and groundwater assessment tax (RIGWAT) was created to indemnify the citizens of Montana for the loss of long-term value resulting from the depletion of natural resource bases, and for environmental damage caused by mineral development.

<u>Mineral</u>	<u>Tax *</u>
Talc	4% of gross value
Coal	0.4% of gross value
Vermiculite	2% of gross value
Quicklime	10% of gross value
Industrial Garnets	1% of gross value
Other	0.5% of gross value
* Minimum tax is \$25	

Exemptions

- Metal production subject to the metal mines license tax is exempt from RIGWAT.
- Oil and gas royalties received by an Indian tribe, by the U.S. Government as trustee for individual Indians, by the U.S. Government, by the State of Montana, or by a county or municipality are exempt from RIGWAT.
- Oil and natural gas production subject to the oil and gas production tax is exempt from RIGWAT.

Filing Requirements

All extractors and producers of minerals must file an annual statement showing the gross yield of product for each mineral mined. Metal producers are required to file on or before March 31. All other producers are required to file on or before the 60th day following the end of the calendar year. The tax due is required to be paid at the time of filing the statement of gross yield.

RIGWAT Tax Collections

<u>Mineral</u>	<u>FY1999</u>	<u>FY2000</u>	<u>FY2001</u>	<u>FY2002</u>	<u>FY2003</u>	<u>FY2004</u>
Coal	\$1,069,298	\$1,034,506	\$951,681	\$998,816	\$1,005,490	\$965,537
Metals	1,078	0	1,862	460	0	0
Other	203,363	288,596	123,529	225,031	220,121	284,991
Total	\$1,273,739	\$1,323,102	\$1,077,072	\$1,224,307	\$1,225,611	\$1,250,528



Natural Resource Taxes

Distribution of RIGWAT

The principal of the resource indemnity trust reached \$100 million in fiscal year 2002, and by statute no more funds are to be deposited in the trust. In fiscal year 2004, \$366,000 was deposited in the groundwater assessment account, 50% of the remainder was deposited in the reclamation and development grants account and 50% of the remainder was deposited in the orphan share account.

Distribution of Interest Income

Interest from the resource indemnity trust is allocated in a two-stage process. First, several programs receive fixed allocations. Second, remaining funds are divided between four programs on a percentage basis. The table shows these allocations.

	Fixed Allocations		Percentage Allocations of Remainder	
	Even Numbered	Odd Numbered		
	Fiscal Years	Fiscal Years		
MSU-Northern Water Quality Program	\$240,000	\$240,000		
Renewable Resource Grants and Loans	\$2,000,000	\$2,000,000	25.5%	²
Reclamation and Development Grants	\$1,200,000	\$1,200,000 ¹	45.0%	²
Groundwater Assessment	\$300,000	\$300,000	—	
Fishery Habitat Restoration	\$350,000	\$350,000 ¹	—	
Environmental Contingency Account	\$175,000	\$0	—	
Oil and Gas Damage Mitigation	\$50,000	\$0	—	
Water Storage	\$500,000	\$0	—	
Hazardous Waste/CERCLA Account	\$0	\$0	22.0%	²
Environmental Quality Protection Fund	\$0	\$0	7.5%	²

1 Beginning FY2006 \$1,500,000 to Reclamation and Development Grants and \$500,000 to Fishery Habitat Restoration

2 Beginning FY2006 30% to Renewable Resource Grants and Loans, 35% to Reclamation and Development Grants, 26% to Hazardous Waste/CERCLA, and 9% to Environmental Quality Protection Fund



Natural Resource Taxes

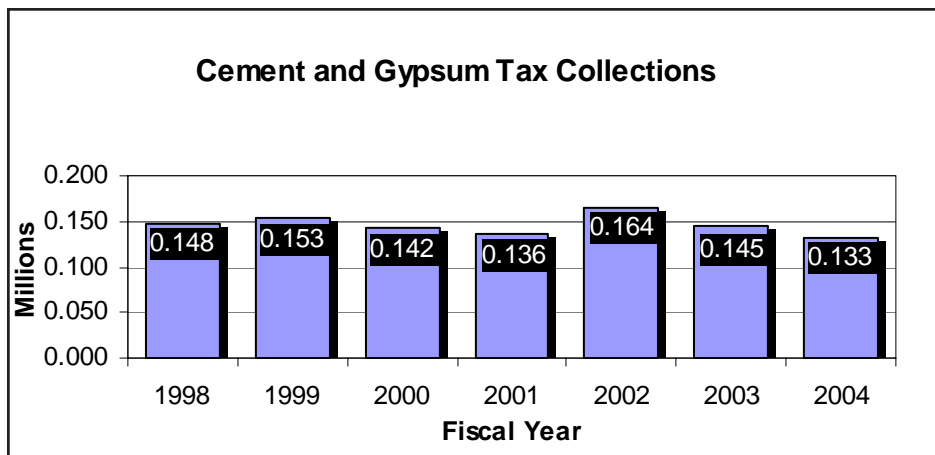
Cement and Gypsum Taxes and Licenses

Tax Rate

Producers and importers of cement and cement products are required to pay a license tax of 22¢ per ton. Producers and importers of gypsum and gypsum products are required to pay 5¢ per ton. All cement and gypsum collections are deposited in the state general fund. (MCA 15-59-101)

Cement and Gypsum Taxes and Licenses Collections

Cement and Gypsum Tax Collections	
FY1998	\$147,705
FY1999	\$153,393
FY2000	\$142,204
FY2001	\$136,301
FY2002	\$163,893
FY2003	\$145,126
FY2004	\$132,604



Filing Requirements

Producers, manufacturers and importers must file quarterly statements showing the number of tons of cement or gypsum produced, manufactured or imported. The statements, along with the tax due, must be submitted within 30 days following the end of each calendar quarter.

Distribution

All proceeds from cement and gypsum taxes and licenses are deposited in the state general fund.



OTHER TAXES





Other Taxes

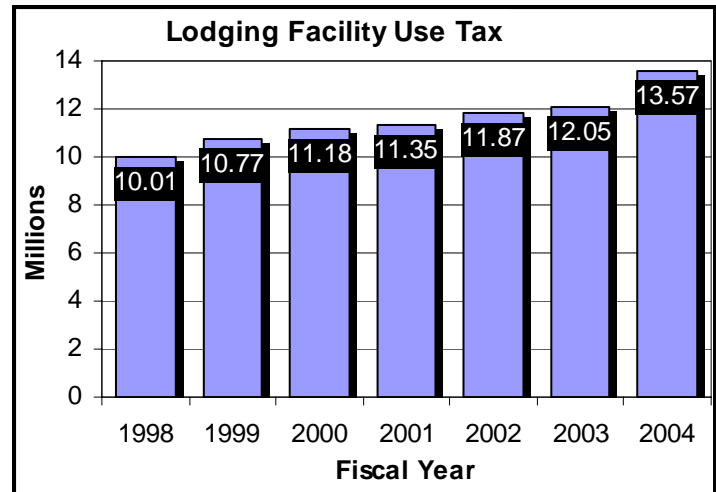


Lodging Facility Use Tax

A tax is imposed on users of overnight lodging facilities which include campgrounds, dormitories, condominium inns, dude ranches, guest ranches, hostels, public lodging houses, and bed and breakfast facilities or other structures containing individual sleeping rooms that provide lodging facilities for periods of less than 30 days. This tax is 4% of the lodging charge and is collected by the owner or operator of the facility.

Proceeds from the tax are deposited in a state special revenue fund to the credit of the Department of Revenue. Department administrative costs are paid, various state funds are reimbursed for taxes paid by state agencies for in-state lodging, and \$400,000 each year goes to the Montana Heritage Preservation Account. The balance is distributed 67.5% to the Department of Commerce for its direct use, 1% to the Montana Historical Society, 2.5% to the university system for the Montana Travel Research Program, and 6.5% to the Department of Fish, Wildlife and Parks for maintenance of facilities. The remaining 22.5% goes to various regional nonprofit tourism corporations unless that particular city-county area collects in excess of \$35,000 in proceeds annually. In this instance, half of the amount available for distribution to the nonprofit tourism corporation would instead go to a nonprofit convention and visitors bureau in that city-county region. (MCA 15-65-111, 15-65-121)

Lodging Facility Use Tax Collections	
FY1998	\$10,008,143
FY1999	\$10,773,706
FY2000	\$11,184,192
FY2001	\$11,348,328
FY2002	\$11,872,763
FY2003	\$12,045,407
FY2004	\$13,573,172



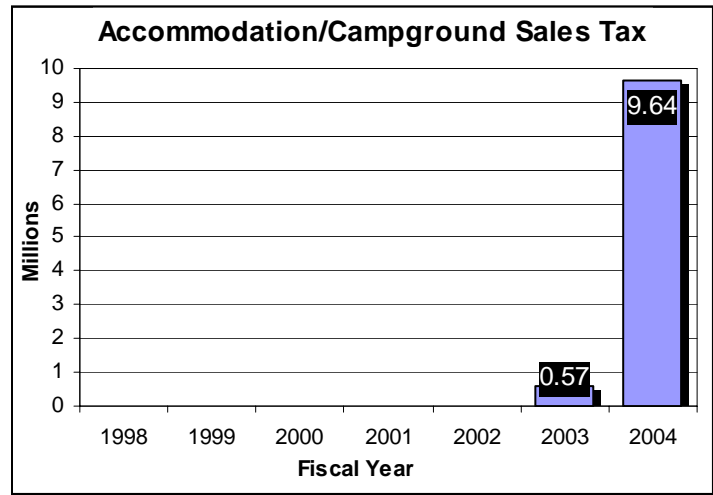


Sales and Use Tax - Accommodations and Campgrounds

The 2003 Legislature passed Senate Bill 407 (SB407), which enacted a 3% selective sales and use tax on accommodations and campgrounds effective July 1, 2003. The 3% sales tax on accommodations is levied in addition to the lodging facilities use tax. (MCA 15-68-102) Generally, the sales tax on accommodations applies to the same facilities as the Lodging Facility Use Tax.

Collections for fiscal year 2003 totaled \$571,237. Collections for fiscal year 2004, the first full year of the tax, totaled \$9,278,658. The revenue from the accommodations and campground sales and use tax is deposited in the state general fund. (MCA 15-68-820)

Accommodation and Campground Sales Tax	
FY1998	
FY1999	
FY2000	
FY2001	
FY2002	
FY2003	\$571,237
FY2004	\$9,643,499





Rental Vehicle Tax

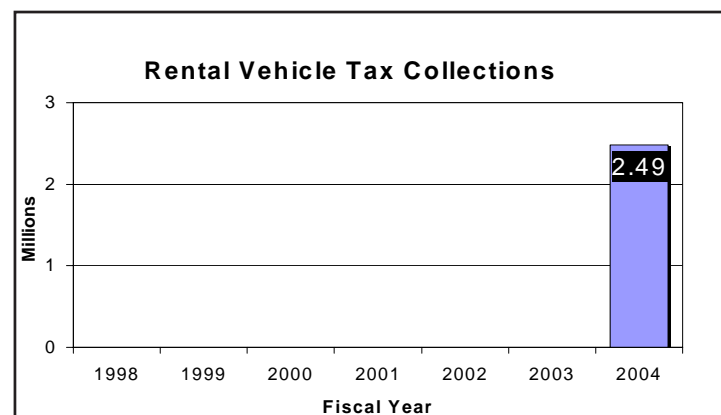
The 2003 Legislature passed Senate Bill 407 (SB407), which enacted a 4% selective sales and use tax on the base rental charges for rental vehicles, effective July 1, 2003 (MCA 15-68-102). The base rental charges include the charges for time of use of the rental vehicle, mileage, charges for personal accident insurance, charges for additional or underage drivers and charges for certain accessory equipment.

Farm vehicles, machinery and equipment are not considered motor vehicles for this part only and are not subject to the rental vehicle tax. In addition, off-highway vehicles as defined in 23-2-801, MCA and that are rented for periods longer than 30 days; and vehicles that are rented with a driver, pilot or operator or are designed to carry 15 or fewer passengers are not subject to the tax.

Owners or operators of a business whose transactions are subject to the tax will collect the tax and forward payment of the tax to the Department of Revenue by the last day of the month following the quarter's end.

Collections for fiscal year 2004, the first year of the tax, totaled \$2,485,989. The revenue from the rental vehicle tax is deposited in the state general fund (MCA 15-68-820).

Rental Vehicle Tax Collections	
FY1998	\$0
FY1999	\$0
FY2000	\$0
FY2001	\$0
FY2002	\$0
FY2003	\$0
FY2004	\$2,485,989





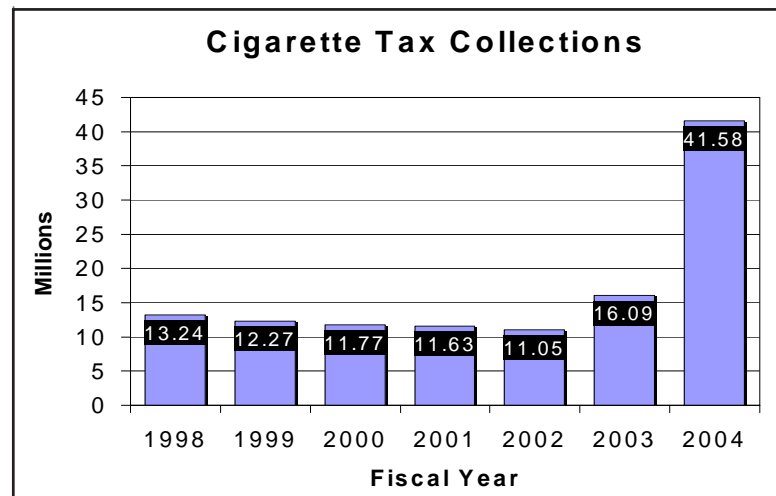
Cigarette Tax

The 2003 Legislature passed Senate Bill 407 (SB407), which increased the taxes on cigarettes from 18¢ to 70¢ per pack, an increase of 52¢ per pack. The tax rate increase was effective on May 1, 2003.

Montana cigarette wholesalers pre-collect the 70¢ tax per package of 20 cigarettes. The tax is included in the retail price of the cigarettes. A tax insignia must be affixed to each package by the wholesaler licensed to purchase insignias at face value less allowances to defray costs of affixing insignias and pre-collecting the tax on behalf of the State of Montana.

Cigarette tax revenues, after tribal revenue sharing payments, are distributed 87.4% to the state general fund; 4.3% to the Long-Range Building Account; and 8.3% to the Department of Public Health and Human Services. (MCA 16-11-111; 16-11-119)

Cigarette Tax Collections	
FY1998	\$13,244,550
FY1999	\$12,265,347
FY2000	\$11,766,271
FY2001	\$11,628,458
FY2002	\$11,052,174
FY2003	\$16,093,023
FY2004	\$41,582,823



Initiative 149, passed by the electorate on November 2, 2004 will raise the tax on cigarettes from 70¢ a pack to \$1.70 on January 1, 2005. At 70¢ per pack, Montana ranked 23rd highest among the states with respect to taxes on cigarettes (see following table). At \$1.70 per pack, Montana will have the third highest tax on cigarettes among all states.



Other Taxes

Cigarette Tax for All States 2004

(December 12, 2004)

Rank	State	Excise Tax Rate	Rank	State	Excise Tax Rate
1	New Jersey	\$2.05	27	Arkansas (2)	\$0.59
2	Rhode Island	\$1.71	28	Idaho	\$0.57
3	Connecticut	\$1.51	29	Indiana	\$0.555
3	Massachusetts	\$1.51	30	Delaware	\$0.55
5	New York (1)	\$1.50	30	Ohio	\$0.55
6	Washington	\$1.425	30	West Virginia	\$0.55
7	Hawaii	\$1.40	33	South Dakota	\$0.53
8	Pennsylvania	\$1.35	34	New Hampshire	\$0.52
9	Oregon	\$1.28	35	Minnesota	\$0.48
10	Michigan	\$1.25	36	North Dakota	\$0.44
11	Vermont	\$1.19	37	Texas	\$0.41
12	Arizona	\$1.18	38	Georgia	\$0.37
12	Alaska	\$1.00	39	Iowa	\$0.36
12	Maine	\$1.00	39	Louisiana	\$0.36
12	Maryland	\$1.00	41	Florida	\$0.339
12	Dist. of Columb	\$1.00	42	Oklahoma	\$0.23
17	Illinois (1)	\$0.98	43	Colorado	\$0.20
18	New Mexico	\$0.91	43	Tennessee (1) (2)	\$0.20
19	California	\$0.87	45	Mississippi	\$0.18
20	Nevada	\$0.80	46	Missouri (1)	\$0.17
21	Kansas	\$0.79	47	Alabama (1)	\$0.165
22	Wisconsin	\$0.77	48	South Carolina	\$0.07
23	Montana	\$0.70	49	North Carolina	\$0.05
24	Utah	\$0.695	50	Kentucky (2)	\$0.03
25	Nebraska	\$0.64	51	Virginia (1)	\$0.025
26	Wyoming	\$0.60			

High	\$2.05
Low	\$0.025
Average	\$0.74
U. S. Median	\$0.60

Source: Compiled by FTA from various sources

(1) Counties and cities may impose an additional tax on a pack of cigarettes in AL, 1¢ to 6¢; IL, 10¢ to 15¢; MO, 4¢ to 7¢; NYC \$1.50; TN, 1¢; and VA, 2¢ to 15¢.

(2) Dealers pay an additional enforcement and administrative fee of 0.1¢ per pack in KY and 0.05¢ in TN. In AR, a \$1.25/1,000 cigarette fee is imposed.

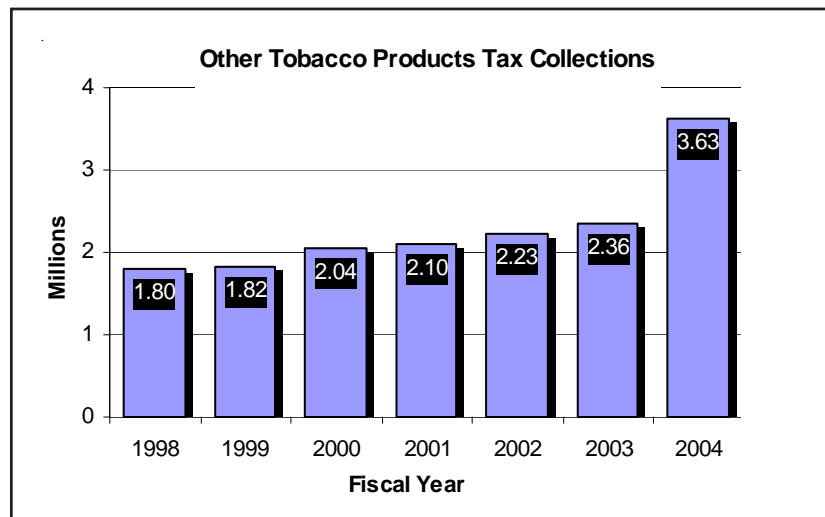


Tobacco Products Tax

The 2003 Legislature passed Senate Bill 407 (SB407), which increased the taxes on all tobacco products effective May 1, 2003. Prior to passage of SB407 the tax on "other tobacco products" was 12.5%. Under SB407, tobacco products, excluding cigarettes and moist snuff, are subject to a tax of 25% of their wholesale price. A tax of 35¢ per ounce is levied on moist snuff. The tax is collected from the wholesaler, less a 2.5% defrayment for collection and administrative expenses. Tobacco products tax revenues, after tribal revenue sharing payments, are deposited in the state general fund. (MCA 16-11-206; 16-11-202)

Initiative 149, passed by the electorate on November 2, 2004 will raise the tax on moist snuff from 35 cents to 85 cents per ounce, and taxes on other tobacco products will increase from 25% to 50% of wholesale price.

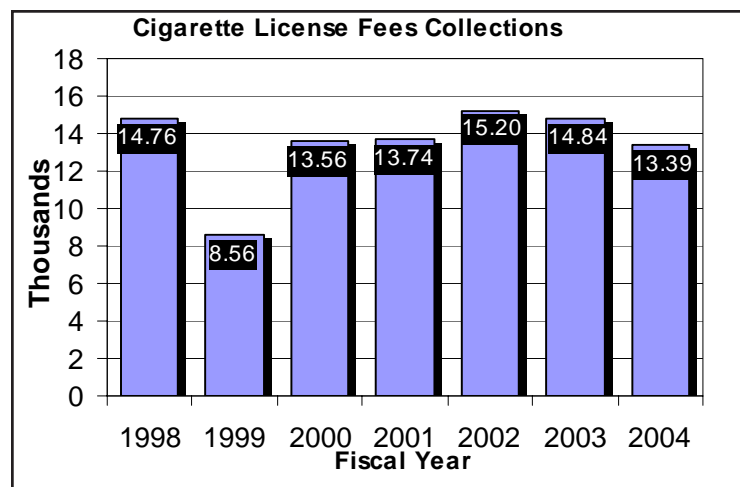
Other Tobacco Tax Collections	
FY1998	\$1,801,084
FY1999	\$1,817,971
FY2000	\$2,042,241
FY2001	\$2,097,590
FY2002	\$2,228,524
FY2003	\$2,360,471
FY2004	\$3,625,893



Cigarette Wholesalers' and Retailers' License Fees

A license fee is imposed on cigarette dealers in Montana. Wholesalers, subjobbers and vendors (possessing 10 or more machines) pay an annual license fee of \$50. Retailers and vendors (possessing 9 or fewer machines) pay an annual license fee of \$5. Revenues from the license fees are deposited in the state general fund. (MCA 16-11-120; 16-11-124)

Cigarette License Fees Collections	
FY1998	\$14,760
FY1999	\$8,560
FY2000	\$13,555
FY2001	\$13,736
FY2002	\$15,203
FY2003	\$14,838
FY2004	\$13,388





Alcohol Taxes

The Department of Revenue administers Title 16, Chapters 1 through 6, Montana Code Annotated. These sections of Montana Code relate to alcoholic beverage control, sale and distribution, and the licensing of alcoholic beverage manufacturers, wholesalers and retailers. Warehouse inventory management, warehouse shipping and receiving, agents' order processing, agents' accounts receivable management, and customer service functions are all duties performed by the Resource Management Division. The Customer Intake Bureau is charged with all licensing and regulatory responsibilities for all-beverage, beer and wine licensees. Additionally, the bureau oversees brewery and winery registrations, vendor permit applications and renewals, special retail beer permit applications, and provides information and explanation about licensing activity or related law, rule, policy and procedures.

State	On-Premise License	Fee
Montana	All Beverages	\$ 400 - 800
	Beer and Wine	\$ 400
	Fraternal All Beverages	\$ 400 - 800
	Veteran's All Beverages	\$ 250 - 650
Wyoming	Resort/Restaurant License	\$ 500 - 3000
	County Malt Beverage	\$ 100 - 1500
	Fraternal, Veteran, Golf	\$ 100 - 1500
Idaho	Beer (Retail)	\$ 50
	Wine (Retail)	\$ 100
	Beer and Wine (wholesaler)	\$ 300
	Liquor (Retail)	\$ 300-750
Washington	Beer	\$ 400 - 520
	Beer and Wine	\$ 400 - 520
	Beer, Wine and Spirits	\$ 1000 - 2000
South Dakota	Retail Wine	\$ 500
	Retail Beer, Wine and Spirits	Set Locally
North Dakota	Beer, Wine and Spirits	\$ 100 - 200

Source: National Alcohol Beverage Control Association Annual Survey, 2001

An explanation of revenues and their distribution to cities, towns and counties may be found in the fiscal 2002-2003 *Annual Financial Report of the Liquor Enterprise Fund* from the Resource Management Division.

----- Off-Premise -----			----- Wholesale -----		
Type of License	Number Issued	Annual Fee	Type of License	Number Issued	Annual Fee
Agencies	98	No Fee	Beer	9	\$ 400
Beer	165	\$ 200	Wine	4	\$ 400
Wine	8	\$ 200	Beer & Wine	22	\$ 800
Beer & Wine	769	\$ 400			
Total Off-Premise	1,040		Total Wholesale	35	
----- On-Premise -----			----- Breweries/Wineries -----		
Type of License	Number Issued	Annual Fee	Type of License	Number Issued	Annual Fee
Beer	102	\$ 200	Beer	84	\$ 500
Beer & Wine	555	\$ 400	Wine	478	\$ 25 - 400
Beer & Wine & Spirits	1,603	\$ 400 - 800			
Total On-Premise	2,260		Total Suppliers	562	

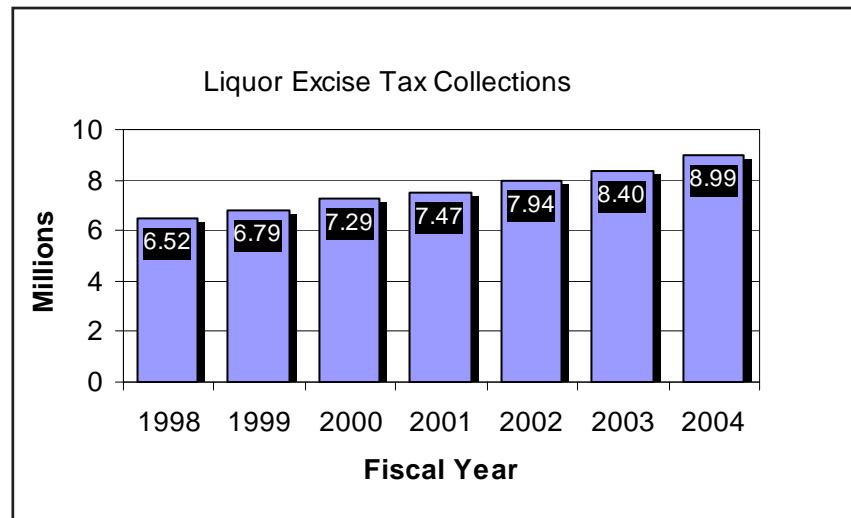


Other Taxes

Liquor Excise Tax

The Department of Revenue collects an excise tax of 16% of the retail-selling price on all liquor sold by the state. The excise tax on products sold by companies whose annual sales do not exceed 200,000 proof gallons of liquor nationwide in the preceding year is 13.8%. A small portion of liquor excise tax revenue is refunded to three Indian tribes that have a revenue sharing agreement with the state, with the remaining revenue deposited in the state general fund. (MCA 16-1-401)

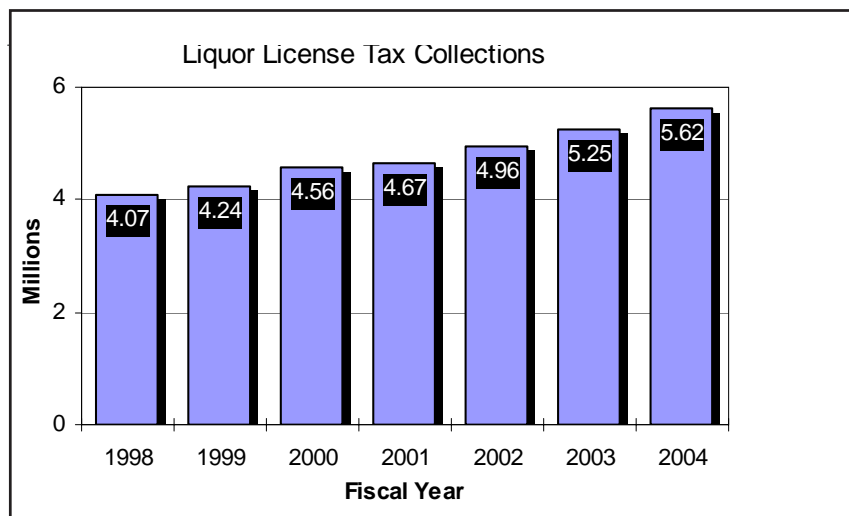
Liquor Excise Tax Collections	
FY1998	\$6,515,413
FY1999	\$6,786,469
FY2000	\$7,292,796
FY2001	\$7,472,654
FY2002	\$7,936,782
FY2003	\$8,395,319
FY2004	\$8,992,427



Liquor License Tax

A license tax equal to 10% of the retail selling price of all liquor sold by the state is levied in addition to the liquor excise tax. The liquor license tax on products sold by companies whose annual sales do not exceed 200,000 proof gallons of liquor nationwide in the preceding year is 8.6%. The liquor license tax is deposited 34.5% in the state general fund and 65.5% to the Department of Public Health and Human Services to fund alcohol treatment programs. (MCA 16-1-404)

Liquor License Tax Collections	
FY1998	\$4,069,693
FY1999	\$4,238,338
FY2000	\$4,560,286
FY2001	\$4,668,407
FY2002	\$4,961,565
FY2003	\$5,248,155
FY2004	\$5,621,399





Beer Tax

Section 16-1-406, MCA, provides for a tax on each barrel (a barrel consists of 31 gallons) of beer sold in Montana by a wholesaler at rates ranging from \$1.30 to \$4.30 per barrel depending on the size of the brewer.

Beer tax revenues are distributed 76.74% to the state general fund and 23.26% to the Department of Public Health and Human Services. A small portion of beer tax revenue is refunded from the state general fund to those Indian tribes that have a revenue sharing agreement with the state. Currently, the state has agreements with the Blackfeet, Fort Peck and Fort Belknap Tribes.

Barrels Produced by a Brewer	Tax Rate Per Barrel
Less than or equal to 5,000	\$1.30
5,001 to 10,000	\$2.30
10,001 to 20,000	\$3.30
Greater than 20,000	\$4.30

Beer Tax Collections	
FY1998	\$3,324,479
FY1999	\$3,443,466
FY2000	\$3,613,076
FY2001	\$3,614,271
FY2002	\$3,673,818
FY2003	\$3,680,560
FY2004	\$3,852,302

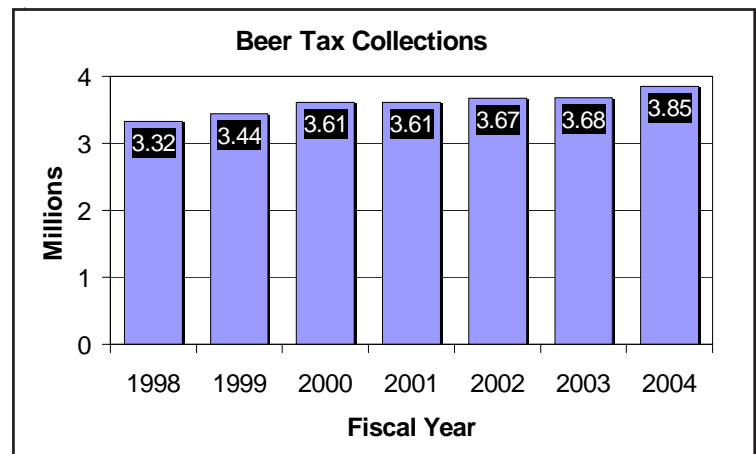
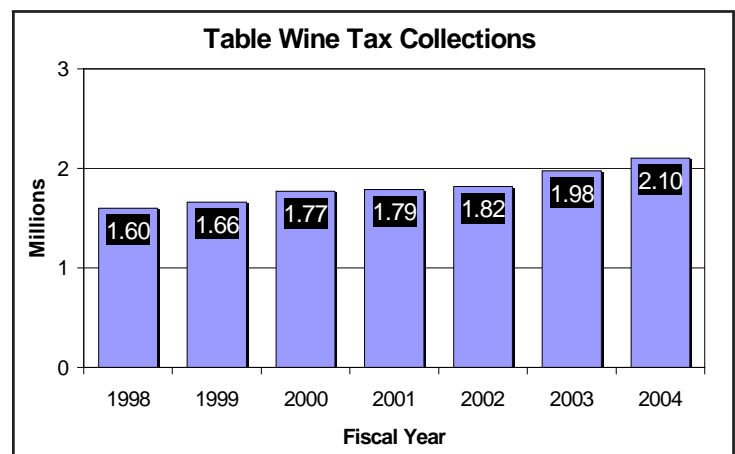


Table Wine Tax

A tax of 27¢ per liter on table wine and a tax of 3.7¢ per liter on hard cider are levied on the amount imported by any distributor or the Department of Revenue. The revenues collected from the tax are deposited 69% to the state general fund, and 31% to the Department of Public Health and Human Services for treatment, rehabilitation and prevention of alcoholism. A small portion of wine tax revenue is refunded from the general fund to the Indian tribes that have a revenue-sharing agreement with the state. (MCA 16-1-411)

Table Wine Tax Collections	
FY1998	\$1,600,500
FY1999	\$1,661,112
FY2000	\$1,767,654
FY2001	\$1,786,403
FY2002	\$1,815,798
FY2003	\$1,976,257
FY2004	\$2,104,165





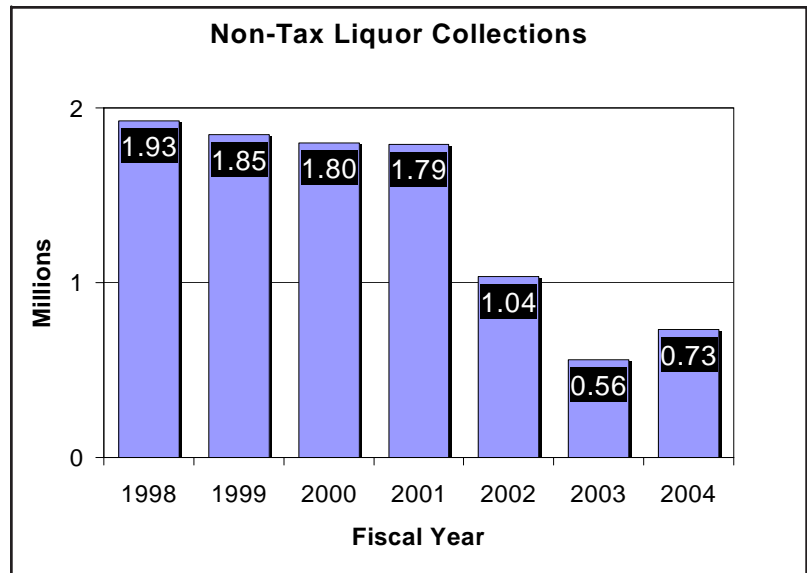
Non-Tax Alcoholic Beverage License and Fee Collections

All-beverage licenses are subject to a one-time fee of \$20,000. In cities of 10,000 population or larger, an annual renewal fee of \$800 is charged with lesser renewal amounts charged for cities with smaller populations. The number of licenses available in an area depends on the population. Nationally chartered veteran organizations, airlines, railroads, resorts and caterers pay specific fees different from those collected for other liquor licenses.

The department retains license and fee revenues from these sources in a liquor enterprise fund. The administrative and compliance expenses associated with enforcing the liquor laws of Montana by the Department of Revenue and the Department of Justice are paid from the liquor enterprise fund. The balance remaining in the fund at the end of the fiscal year is deposited in the state general fund (MCA 16-2-108).

Non-Tax Liquor Collections

FY1998	\$1,925,247
FY1999	\$1,847,265
FY2000	\$1,798,601
FY2001	\$1,789,706
FY2002	\$1,036,184
FY2003	\$558,198
FY2004	\$734,102

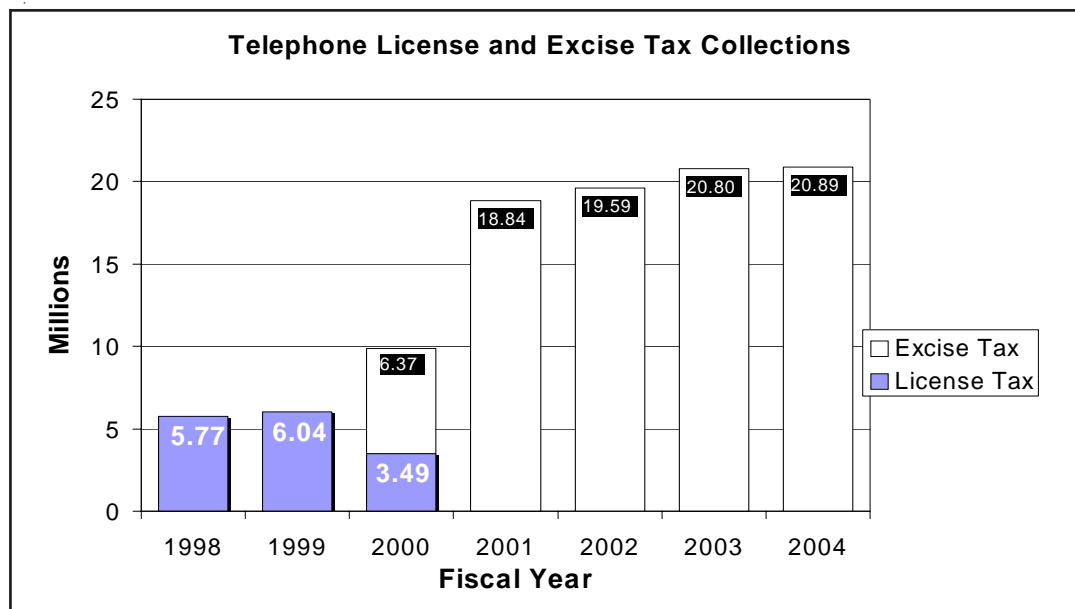




Telephone Company License Tax and Retail Telecommunications Excise Tax (RTET)

Through 1999, Montana levied a telephone company license tax of 1.8% on the gross revenue that telephone companies earned from in-state telephone calls. On January 1, 2000, this tax was replaced by the retail telecommunications excise tax, levied at a rate of 3.75%, on retail sales of telecommunications services where the transmission either originates or terminates in Montana, and the bill is sent to a Montana address. All receipts of both the telephone company license tax and the retail telecommunications excise tax are deposited in the state general fund. (MCA 15-53-128)

Telephone License and Excise Tax Collections		
Tax Year	License Tax	Excise Tax
FY1998	\$5,773,341	\$0
FY1999	\$6,036,769	\$0
FY2000	\$3,490,590	\$6,366,299
FY2001	\$0	\$18,838,200
FY2002	\$0	\$19,593,501
FY2003	\$0	\$20,804,524
FY2004	\$0	\$20,890,336



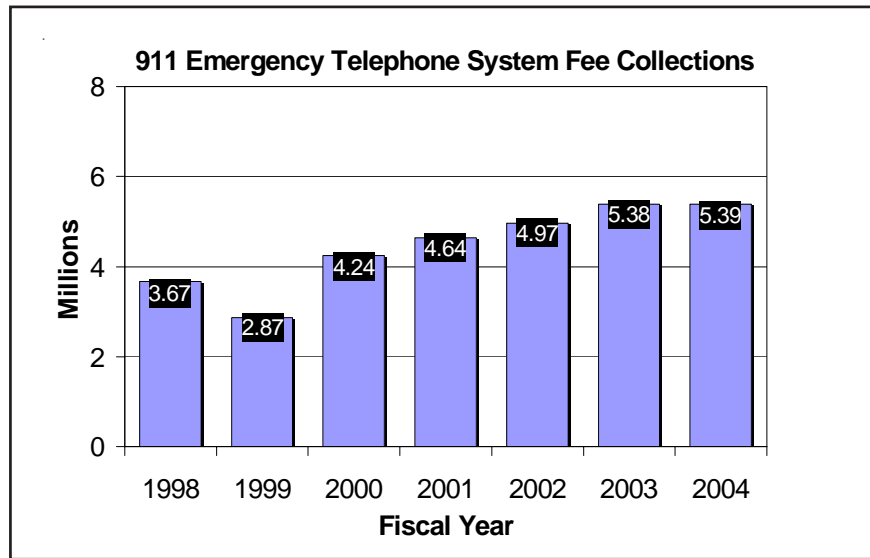


Statewide 911 Emergency Telephone System Fee

A fee of 50¢ a month per access line on each service subscriber in the state is imposed on the amount charged for telephone exchange access services. Services the state is prohibited from taxing and coin-operated public telephones are exempt from this fee. The fee revenue is deposited in a special revenue fund for development of emergency 911 systems in the state. (MCA 10-4-201)

911 Emergency Telephone System Fee Collections

FY1998	\$3,666,571
FY1999	\$2,868,094
FY2000	\$4,244,220
FY2001	\$4,644,034
FY2002	\$4,968,579
FY2003	\$5,383,414
FY2004	\$5,388,386

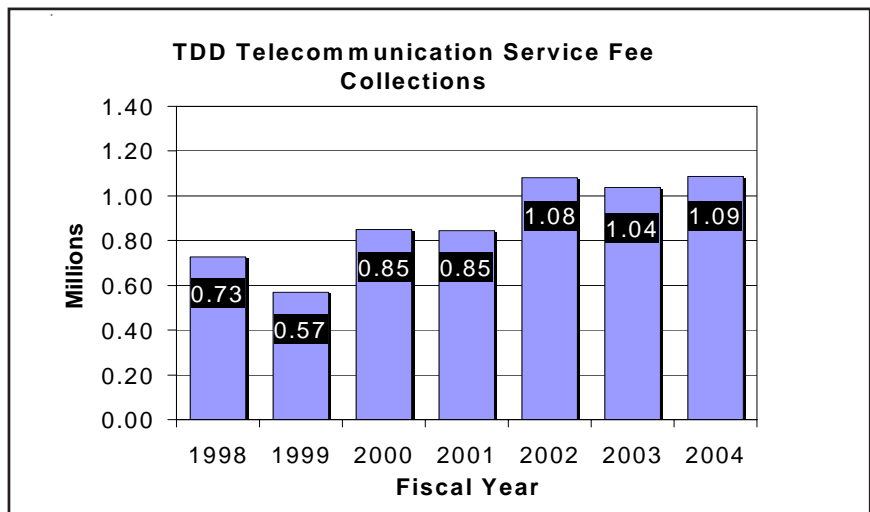


TDD Telecommunications Service Fee

A fee of 10¢ a month per access line on each service subscriber in the state is imposed on the amount charged for telephone exchange access services. The revenue from this fee is deposited in a special revenue account to provide telecommunication devices for persons with hearing disabilities. (MCA 53-19-311)

TDD Telecommunication Service Fee Collections

FY1998	\$728,017
FY1999	\$570,089
FY2000	\$850,586
FY2001	\$845,505
FY2002	\$1,080,299
FY2003	\$1,038,093
FY2004	\$1,086,929

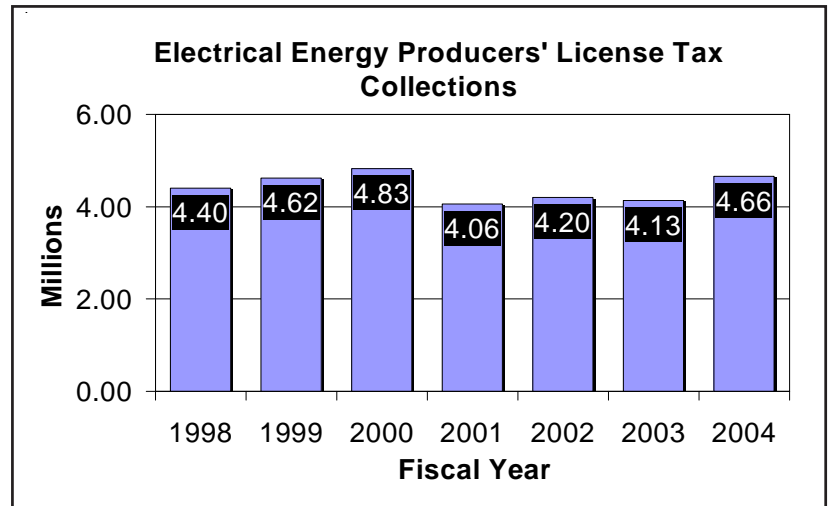




Electrical Energy Producers' License Tax

A quarterly tax is imposed on any business in the state engaged in the generation of electrical energy. The tax is \$.0002 per kilowatt hour (kwh) of electrical energy generated, manufactured or produced. Electric energy producers license tax collections are deposited in the state general fund. (MCA 15-51-101)

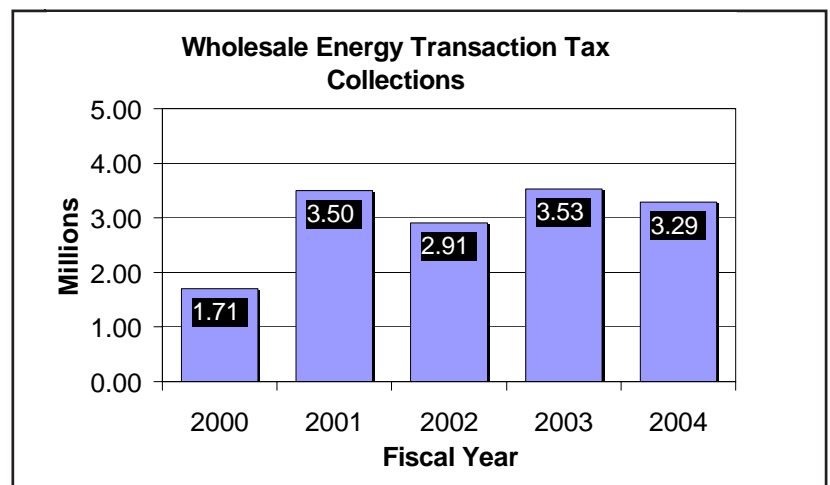
FY1998	\$4,401,728
FY1999	\$4,618,433
FY2000	\$4,829,002
FY2001	\$4,057,952
FY2002	\$4,197,477
FY2003	\$4,130,019
FY2004	\$4,660,529



Wholesale Energy Transaction Tax

The wholesale energy transaction (WET) tax is imposed at a rate of \$0.00015 per kilowatt hour (Kwh) on all electricity transmitted by a transmission service provided in the state. The tax, effective January 1, 2000, is paid on a quarterly basis; hence, fiscal 2000 only received two quarters worth of payments from this tax. The WET tax is deposited in the state general fund. (MCA 15-72-101)

FY2000	\$1,705,093
FY2001	\$3,503,427
FY2002	\$2,906,263
FY2003	\$3,532,056
FY2004	\$3,292,659



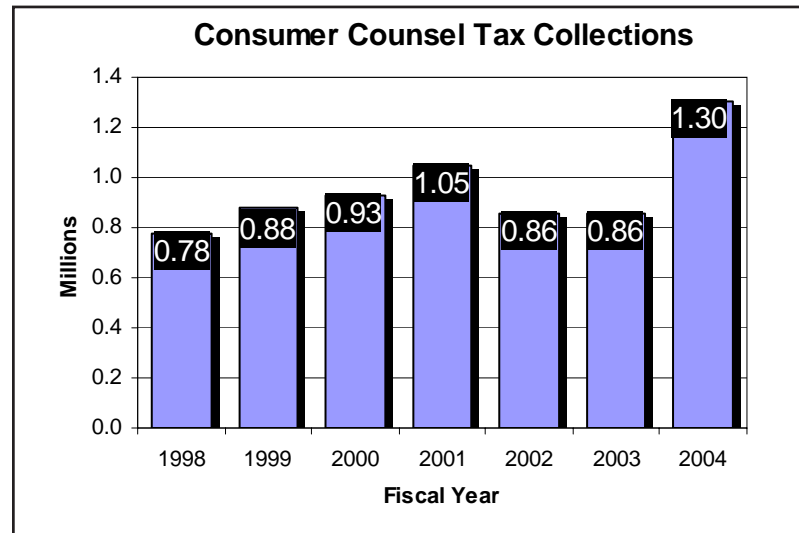


Other Taxes

Consumer Counsel Tax

All companies providing services which are regulated by the Public Service Commission are subject to a quarterly Consumer Counsel Tax on gross operating revenue. The tax rate is set annually for the succeeding fiscal year to cover appropriations for the operation of the Office of the Consumer Counsel. All collections are deposited in a state special revenue fund. (MCA 69-1-201;223;224)

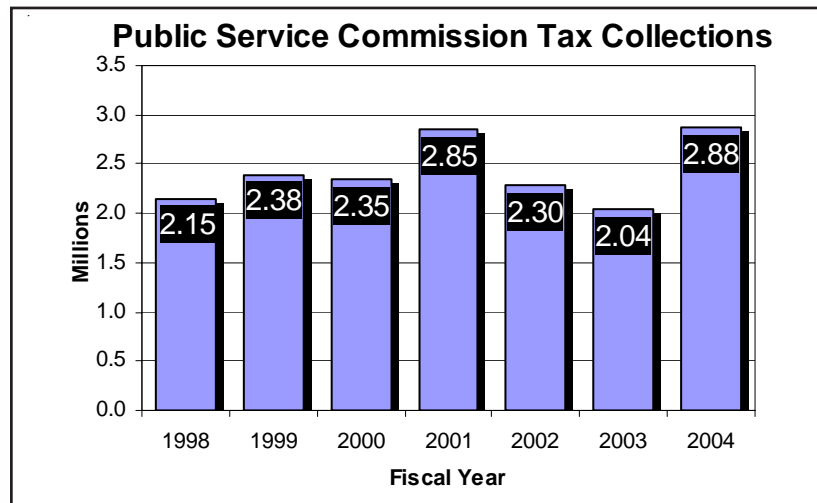
Consumer Counsel Tax Collections	
FY1998	\$779,809
FY1999	\$877,935
FY2000	\$929,731
FY2001	\$1,049,394
FY2002	\$855,308
FY2003	\$858,819
FY2004	\$1,303,597



Public Service Commission Tax

All companies providing services which are regulated by the Public Service Commission are subject to a quarterly tax on gross revenues excluding revenues from sales to other regulated companies for resale. The tax rate is set annually for the succeeding fiscal year in a manner to fund appropriations for the operations of the Department of Public Service Regulation. All collections are deposited in a state special revenue fund. Motor carriers are not subject to the tax. (MCA 69-1-402)

Public Service Commission Tax Collections	
FY1998	\$2,154,289
FY1999	\$2,383,511
FY2000	\$2,347,280
FY2001	\$2,851,306
FY2002	\$2,296,111
FY2003	\$2,041,709
FY2004	\$2,875,741

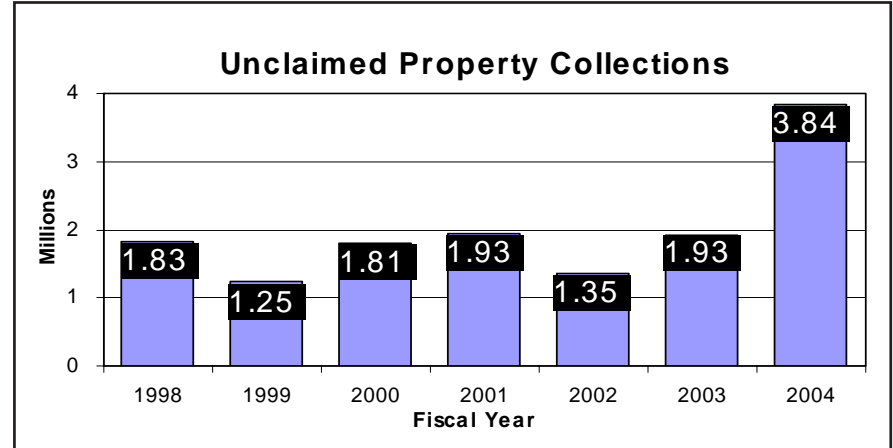




Unclaimed Property

Under Montana's uniform unclaimed property act, any intangible and certain tangible property unclaimed by its owner must be turned over to the Department of Revenue. Montana is considered a "custodial state" and holds such property on behalf of the owners of lost or abandoned property. The department maintains records on all unclaimed property reported in Montana. Reports filed by holders of unclaimed property (banks and insurance companies, for instance) may be examined by the public.

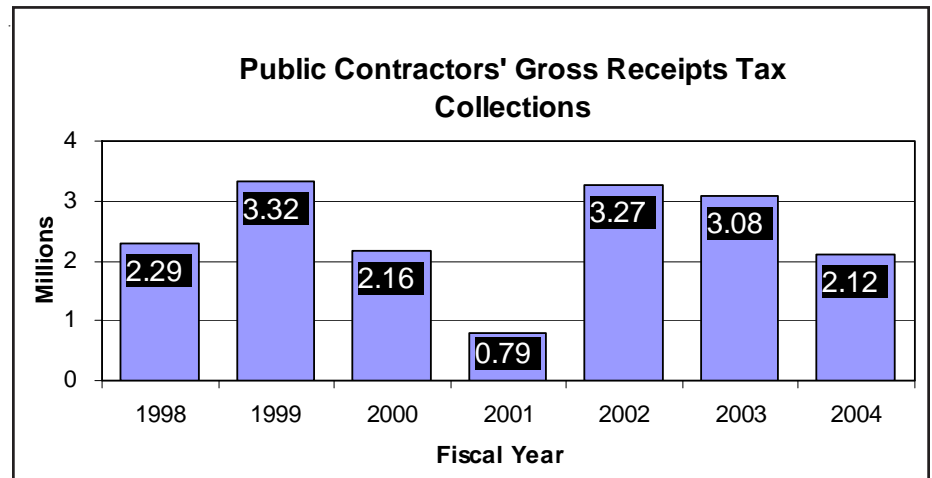
Unclaimed Property Collections	
FY1998	\$1,831,638
FY1999	\$1,247,508
FY2000	\$1,809,387
FY2001	\$1,930,446
FY2002	\$1,349,765
FY2003	\$1,929,547
FY2004	\$3,836,896



Public Contractors' Gross Receipts Tax

Prime contractors and all levels of subcontractors must pay a tax equal to 1% of all public contracts over \$5,000. A contractor can obtain part or all of the tax back by requesting refunds for business equipment and vehicle property taxes paid by the contracting business, and by claiming credit on a Montana individual income tax return or Montana corporation license tax return. Revenues are deposited in the state general fund. (MCA 15-50-101)

Public Contractors' Gross Receipts Tax Collections	
FY1998	\$ 2,290,944
FY1999	\$ 3,320,402
FY2000	\$ 2,162,223
FY2001	\$ 791,615
FY2002	\$ 3,267,321
FY2003	\$ 3,081,553
FY2004	\$ 2,120,485





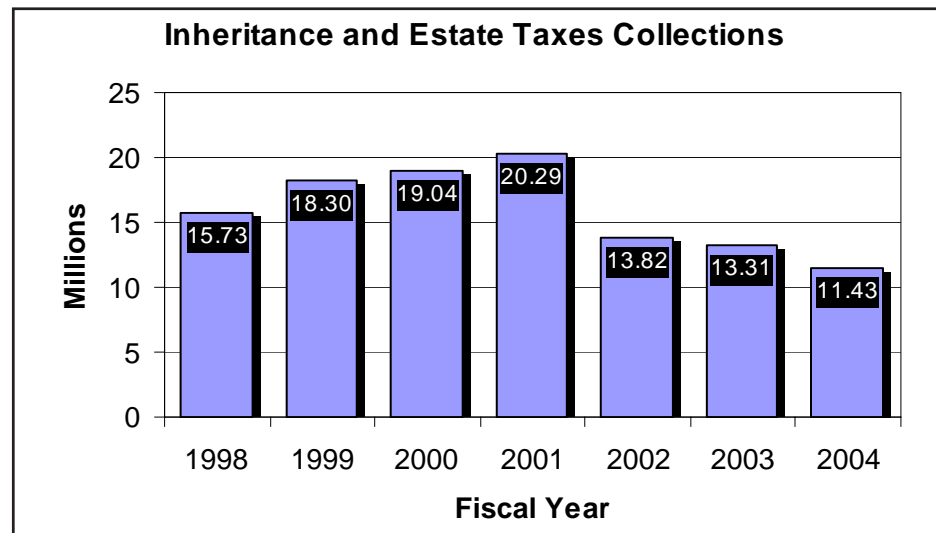
Inheritance and Estate Taxes

The federal estate tax allows a credit for state inheritance or estate taxes. The Montana estate tax is equal to the maximum deduction allowed under the federal tax. The tax is due within eighteen months from the date of death.

Montana's inheritance tax was repealed by the passage of Legislative Referendum 116 in November 2000, and does not apply to bequests made on or after January 1, 2001. Beginning on January 1, 2002, the federal deduction is being phased out in 25% increments. Therefore, there will be no Montana estate tax for deaths on or after January 1, 2005. Inheritance and estate tax collections are deposited in the state general fund. (MCA 72-16-901)

Inheritance and Estate Tax Collections

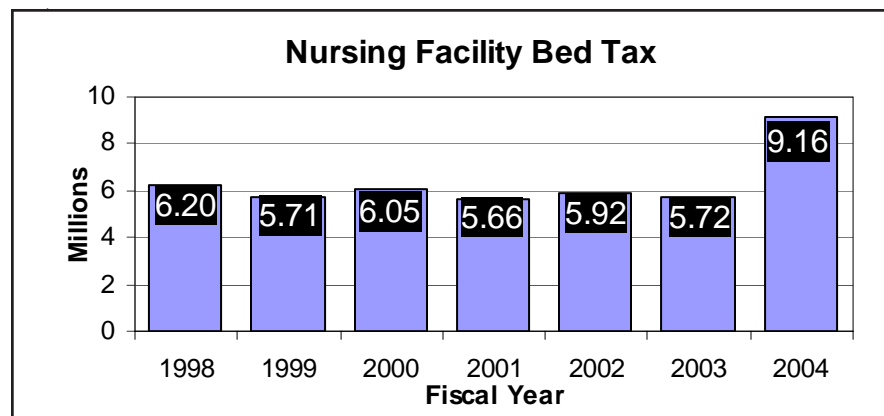
FY1998	\$15,726,605
FY1999	\$18,301,680
FY2000	\$19,038,785
FY2001	\$20,285,642
FY2002	\$13,816,144
FY2003	\$13,305,983
FY2004	\$11,431,103



Nursing Facility Bed Tax

Nursing Facility Bed Tax Collections

FY1998	\$6,200,413
FY1999	\$5,713,357
FY2000	\$6,054,947
FY2001	\$5,655,978
FY2002	\$5,918,173
FY2003	\$5,723,472
FY2004	\$9,158,829



Title 15, chapter 60, MCA, provides for a nursing facilities utilization fee. "Nursing facilities" are health care facilities licensed by the Department of Public Health and Human Services (DPHHS) as facilities providing "skilled nursing care" or "intermediate nursing care." It does not matter whether the facility is nonprofit or for-profit, freestanding or part of another facility, publicly owned or privately owned. Through fiscal 2003 the nursing facilities utilization fee was \$2.80 per day. HB705 (2003) increased the fee to \$4.50 in fiscal 2004,



Other Taxes

and to \$5.30 in fiscal 2005. HB743 (2003) included the Montana Mental Health Nursing Care Center among facilities required to pay this fee. Through fiscal 2003, all collections of the nursing facility utilization fee were deposited in the general fund. Starting in fiscal 2004, \$2.80 of the nursing facility utilization fee is deposited in the general fund; any excess over this amount is deposited in the nursing facility utilization fee state special revenue account. (*MCA Title 15, Chapter 60*)

Intermediate Care Facility Utilization Fee

HB722 (2003) implemented a new utilization fee for intermediate care facilities for the developmentally disabled. Retroactively applied to tax years beginning after December 31, 2002, the fee is equal to 5% of the intermediate care facility's quarterly bed day revenue. Intermediate care facilities are required to report the revenue and the number of resident bed days quarterly. Collections from this fee, which totaled \$454,664 in fiscal 2003 and \$863,036 in fiscal 2004, are deposited 30% to the state general fund, and 70% to the Department of Public Health and Human Services.

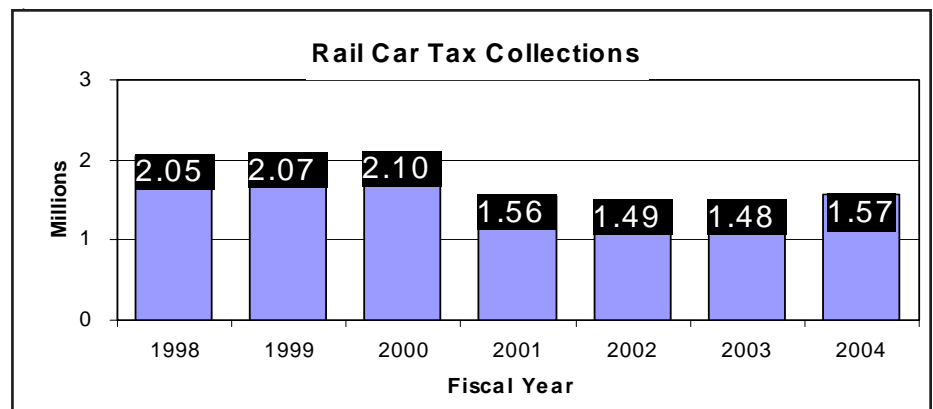
Hospital Facility Utilization Fee

Effective July 1, 2003, HB481 (2003) imposed a new utilization fee on hospitals. The fee is equal to \$32.44 per bed day for the period July 1, 2003 through December 31, 2003, and \$19.43 per bed day for the period January 1, 2004 through June 30, 2005. The fee terminates June 30, 2005. Hospitals are required to report bed days annually and remit the fee by January 31 of each year. The fee generated \$7,427,903 in fiscal 2004 with all revenue deposited in a state special revenue fund to the credit of the Department of Public Health and Human Services.

Rail Car Tax

The rail car tax provides for the central assessment of rail car companies' operating properties. The rail car tax is assessed on the rolling stock of freight line companies. Section 15-23-214, MCA, provides that the tax is computed by multiplying the taxable value of the property by the average statewide mill levy for commercial and industrial property. Rail car tax revenue is deposited in the state general fund.

Rail Car Tax Collections	
FY1998	\$ 2,054,244
FY1999	\$ 2,074,000
FY2000	\$ 2,100,600
FY2001	\$ 1,555,747
FY2002	\$ 1,489,813
FY2003	\$ 1,484,264
FY2004	\$ 1,567,868





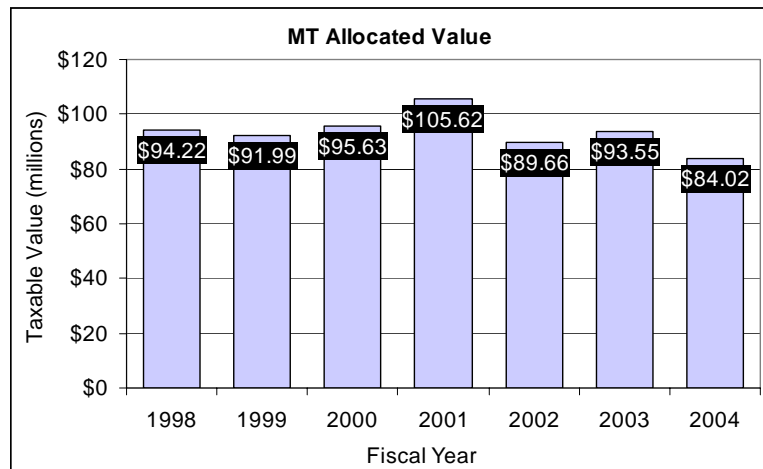
Calculation of Rail Car Tax

Rail car companies were moved from a gross receipts tax to an ad valorem tax by the July 1992 special session of the Montana legislature. Calculation of rail car tax liability for tax year 2004 is a three-step process. The first step is to determine the Montana market value of rail car companies. The second step is to calculate the taxable value by applying the class 12 taxable valuation rate to the Montana market value. The third step is to apply 95% of the statewide average mill levy for commercial and industrial property to the taxable value.

Step 1: Calculate Montana Market Value

The Montana market value has fluctuated over the years. The total Montana allocated values for all rail car companies for fiscal years 1996 through 2004 is shown in the table.

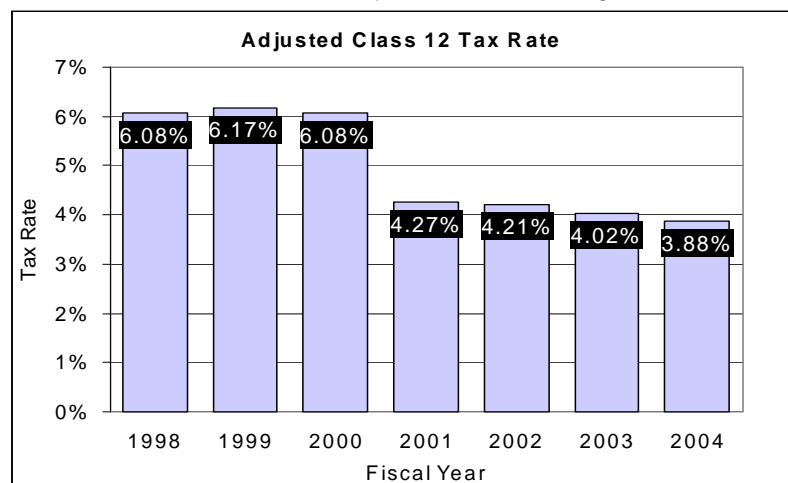
Montana Allocated Value		
Fiscal Year	MT Allocated Value	Percent Change
1998	\$94,220,000	11.91%
1999	\$91,985,000	-2.37%
2000	\$95,626,964	3.96%
2001	\$105,615,567	10.45%
2002	\$89,657,366	-15.11%
2003	\$93,549,680	4.34%
2004	\$84,020,000	-10.19%



Step 2: Calculate Taxable Value Rate

The second step in calculating the rail car tax liability is to calculate the taxable value by applying the class 12 taxable valuation rate to Montana market value. The class 12 taxable valuation rate, which applies to railroad and airline property, is a composite rate reflective of the weighted average tax rate applied to all commercial and industrial property in the state. The class 12 taxable valuation rate for fiscal years 2001 through 2003 decreased significantly from the fiscal 2000 value due to the impacts of legislation, passed during 1999 Legislative session, on taxable valuations of classes 7, 8, and 9 properties. The class-12 tax rate is 3.88% for fiscal 2004. The table shows class 12 tax rates for fiscal years 1996 through 2004.

Class 12 Tax Rate		
Fiscal Year	Adjusted Class 12 Tax Rate	Percent Change
1998	6.08%	-3.34%
1999	6.17%	1.48%
2000	6.08%	-1.46%
2001	4.27%	-29.77%
2002	4.21%	-1.41%
2003	4.02%	-4.51%
2004	3.88%	-3.52%



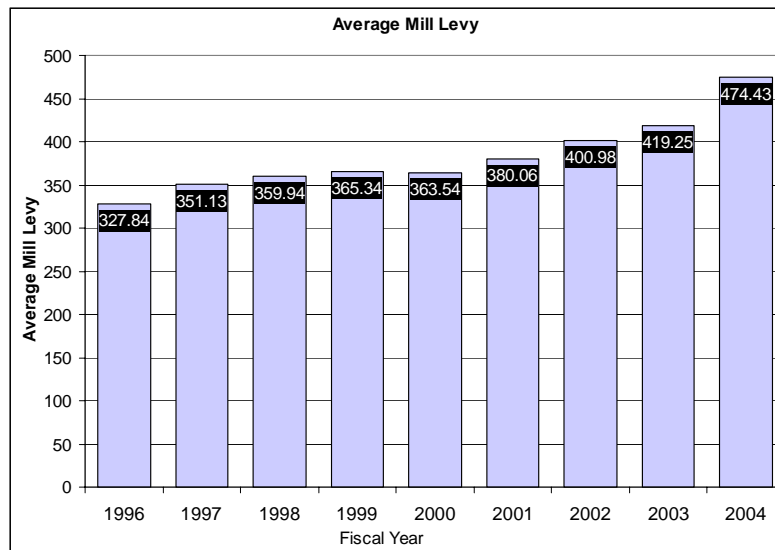


Step 3: Calculate Statewide Average Commercial/Industrial Property Mill Levy

The third step in calculating the rail car tax liability is to determine the statewide average mill levy for commercial and industrial property. Section 15-23-211, MCA, provides a definition of the “average levy.” Prior to fiscal year 2004, 95% of the average statewide mill levy was used as the average state mill. Under current law tax calculations are calculated at 100% of the average statewide mill levy.

The applicable average statewide mill levies for commercial and industrial property for fiscal years 1996 through 2004 are shown in the table below.

Average Statewide Mill Levy Commercial and Industrial Property Fiscal Years 1996 through 2003		
Fiscal Year	Average Mill Levy	Percent Change
1996	327.84	4.29%
1997	351.13	7.10%
1998	359.94	2.51%
1999	365.34	1.50%
2000	363.54	-0.49%
2001	380.06	4.54%
2002	400.98	5.51%
2003	419.25	4.56%
2004	474.43	13.16%



Calculate General Fund Revenue

The rail car tax general fund revenue is Montana’s allocated rail car value multiplied by the class 12 taxable valuation rate, and then multiplied by the average statewide mill levy for commercial and industrial property as shown in the table.

Calculation of Rail Car Tax General Fund Revenue Fiscal 2004	
Description	FY2004
Total Montana Allocated Value	\$ 84,020,000
Multiply by Class 12 Tax Rate	3.88%
Taxable Value	\$ 3,259,976
Multiply by Mill Levy	0.47443
General Fund Revenue	\$ 1,546,627



Other Taxes



PROPERTY TAX





Property Tax



The Department of Revenue's Role

The Department of Revenue is responsible for insuring that all classes of property in the state are valued uniformly. The department's duties include the appraisal, assessment, and equalization of the value of all property in the state for the purpose of taxation. The rate of tax on the various classes of property and the establishment of the property classes is a function of the legislature.

Property owned by companies that is single and continuous and is in more than one county (such as railroads, telecommunications, electric utilities, and pipelines) is centrally assessed by the Department of Revenue. The valuation is apportioned to counties and other jurisdictions on a mileage basis or other basis judged to be "reasonable and proper."

In 1975, the legislature required the Department of Revenue to administer and supervise a program for the revaluation every five years of all taxable property within the state. In 1991, the legislature reduced future reappraisal cycles to three years beginning January 1, 1997. Revaluations (more commonly called reappraisal cycles) are designed to insure that all property is taxed on current structural, market and income information.

Montana's second statewide reappraisal was completed in 1985; its third in 1992; its fourth in 1996. The new reappraisal values were used for property tax purposes the following year. The 1997 Legislature passed Senate Bill 195, which mitigated the impact of the 1997 reappraisal values by phasing-in those values at the rate of 2% per year and by reducing the tax rate by .022 points per year. The SB195 phase-in values were used for tax years 1997 and 1998. The 1999 Legislature once again addressed the impacts of the 1997 reappraisal with Senate Bill 184.

To mitigate the impacts of the 1997 reappraisal, SB184 provided for an additional phase-in of the changes in assessed values for agricultural land (class 3), residential and commercial properties (class 4), and forestland (class 10), over a 4-year period beginning in tax year 1999. SB184 established a residential homestead exemption for the first time in Montana (rental property, including duplexes, triplexes, fourplexes, etc., is considered residential property). SB184 also provided a similar exemption for commercial properties. The exemptions excluded a specified percentage of the market value of a residential and commercial property from taxation. The bill also reduced the taxable valuation rates for classes 3, 4, and 10.

The state's fifth reappraisal was completed on December 31, 2002. The 2003 Legislature passed SB461 in order to address the property tax valuation changes that resulted from the 2003 reappraisal. SB461 phased in the valuation increases due to reappraisal for property tax classes 3, 4, and 10 over a 6-year period that began in tax year 2003. The partial exemptions for homestead (residential) and comstead (commercial) properties are to continue over the 6-year period, and the taxable valuation rates for classes 3 and 4 properties are reduced for each of the six years.



Property Tax

The homestead and comstead exemptions exclude a percentage of the market value of residential and commercial property from taxation. The homestead and comstead exemption percentages and the reduction of taxable valuation rates are listed in the table below:

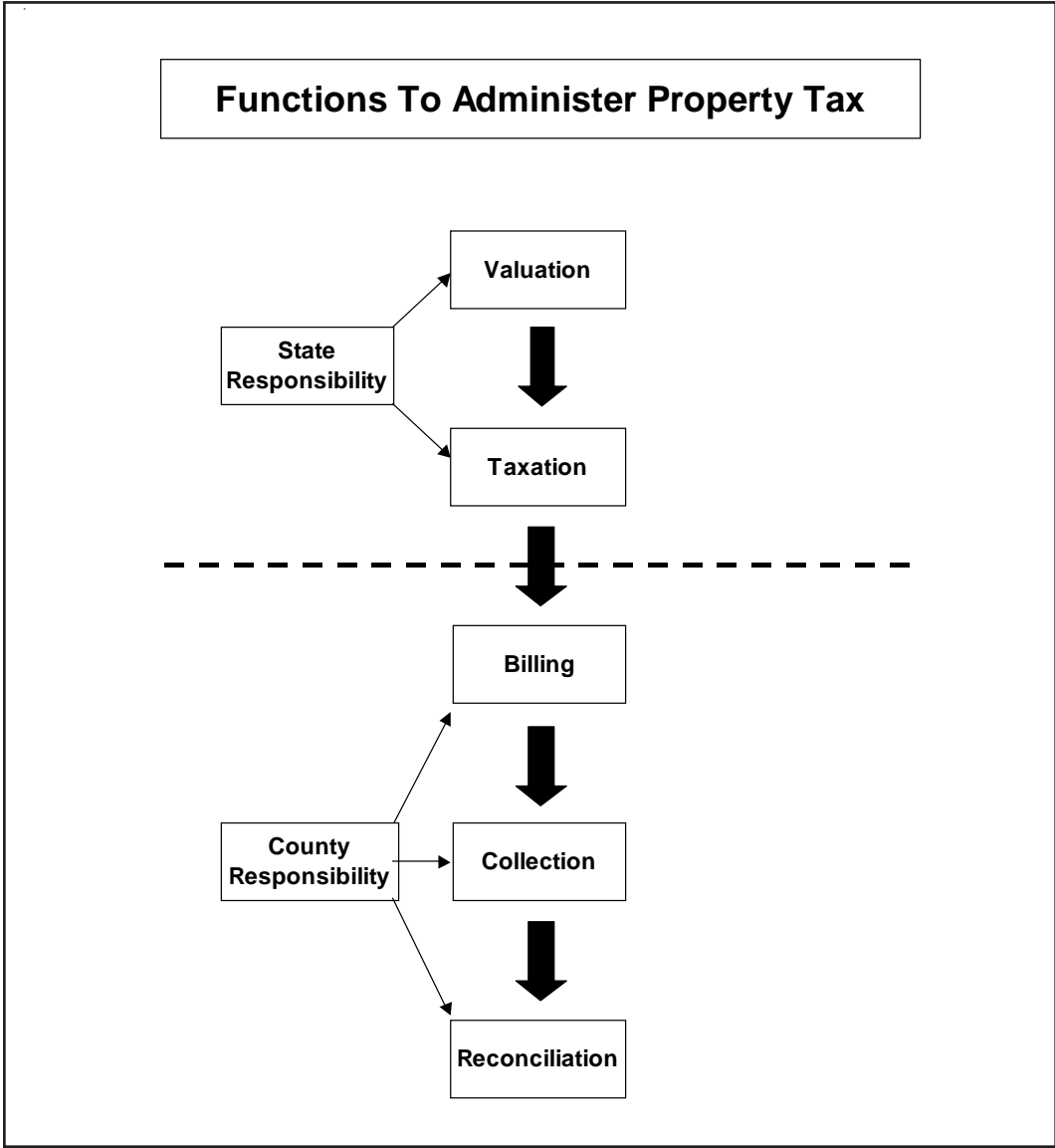
<u>Tax Year</u>	<u>Partial Exemption</u>		<u>Taxable Valuation Rates</u>
	<u>Residential</u>	<u>Commercial</u>	<u>Classes 3 & 4</u>
2004	31.4%	13.3%	3.30%
2005	32.0%	13.8%	3.22%
2006	32.6%	14.2%	3.14%
2007	33.2%	14.6%	3.07%
2008 and after	34.0%	15.0%	3.01%

There are currently eleven classes of property. Local governments determine the mill levy requirements for each local taxing jurisdiction. State mill levy requirements are established by the legislature. Using those mill levy determinations, Department of Revenue staff calculate the property tax liability for each property including special district fees and charges.



Functions of Property Taxation

The various functions required to accomplish property taxation are identified below. The valuation and taxation functions are currently the responsibility of the state. The tax billing, collection and reconciliation functions are a county responsibility.



Appraisal Cycles

Beginning in 2003 – 6 years (January 1, 2003 – December 31, 2008)

Annual Revaluation

Property Types

- Residential Land and Building – Class 4
- Commercial, Industrial Land, and Buildings
- Forest Land – Class 10
- Agricultural Land
- Business Equipment – Class 8
- Centrally Assessed Properties – all other classes



Property Tax Computer Systems

The Department of Revenue currently uses three property tax computer systems.

1. Business Equipment Valuation System (BEVS)
2. Computer-Assisted Mass Appraisal System (CAMAS)
3. Montana Ownership Database System (MODS)

Business Equipment Valuation System (BEVS)

The Business Equipment Valuation System is a computer-assisted valuation system used by the department to value and assess personal property subject to ad valorem taxation. BEVS generates market value for more than 75,000 parcels of property containing equipment. These valuations are based on characteristic data identified in the system such as quantity, make, model, year acquired, acquired cost, etc. The value of each piece of equipment identified for a specific business owner is recapped by class code to produce a valuation roll-up, or master record, for that property.

Two years of personal property information (current/previous) are maintained on BEVS. The current year's information is stored in a "working file" where changes are made and reports gathered. The previous year's information is used for viewing only.

BEVS provides the department the ability to generate itemized reporting forms. New property owners only need to review the previously reported personal property and update the information for the current year. This has resulted in a substantial savings in time to property owners.

BEVS provides the ability to list and value business equipment reported to the department by property owners more accurately and uniformly than ever before. Its reporting functions enable staff to produce statistical reports by specific property types, which can be used to identify discrepancies in valuations between similar businesses.

Automation of business equipment valuation has greatly enhanced efficiency and allows department staff the opportunity to concentrate their efforts on other responsibilities such as on-site field inspections of farms and businesses to ensure a greater degree of accuracy and equity in the valuation and assessment of these properties.

Computer-Assisted Mass Appraisal System (CAMAS)

The Computer-Assisted Mass Appraisal System is a set of computer programs and user procedures that help create and maintain a database of property information for each county in the state. The database holds the records of property characteristics that affect the tax evaluation of each taxable parcel in the state. It uses these files to produce computer-assisted cost and market valuations of residential and agricultural properties, and cost and income valuations of commercial and industrial properties.

The primary objective of CAMAS is to assist the department in determining uniform, accurate, equitable and defensible valuations of all types of classes of real property statewide. CAMAS has enabled the department to produce accurate, detailed reports and statistical information pertaining to the valuation of residential, commercial, industrial, agricultural and forest land properties statewide. CAMAS provides the department with the ability to utilize all three approaches to value: cost, market and income.



Cost Approach

The CAMAS cost program provides appraisers with the ability to estimate the depreciated cost of reproducing or replacing a building and its site improvements. This is accomplished by determining the replacement cost new of a structure and deducting any loss in value due to physical deterioration, and functional or economic obsolescence.

The significance of the cost approach lies in the extent of its application. It is the one approach that can be used on all types of construction on each type of property. It is a starting point for appraisers in determining the value of a property. Its widest application is in the appraisal of properties where the lack of adequate market and income data preclude a reasonable application of the other traditional approaches to value.

Market Approach

The CAMAS market-modeling program gives appraisers the ability to establish the market value of property using the comparable sales approach. When a sufficient number of sales are available, market models can be developed. The models are then applied, in conjunction with a comparable sales analysis, to provide an estimate of the market value of each property. In making this analysis, individual properties are valued using three to five comparable sales. The comparable sales are adjusted to the subject for differences such as square foot of living area, location, year built, date of sale, quality grade, etc. The adjustments for each comparable are then applied to their sale price. The result is an estimate of value for the subject property, based on the adjusted sales of the comparable properties.

Income Modeling

CAMAS income modeling gives the appraiser the ability to value income producing properties using the income approach to value. In applying the income approach to value, the appraiser must determine market rents, expenses and appropriate capitalization rates.

When income modeling, the appraiser develops a basic set of income and expense models based on market data. Through use of a capitalization rate, net operating income is capitalized into an estimate of value. The models created reflect current economic trends in specific valuation areas. The value indications produced by the income approach and the cost approach are correlated. A final value for the property is then determined.



Montana Ownership Database System (MODS)

The Montana Ownership Database System provides the Department of Revenue the ability to maintain real and personal property ownership and address information for more than 1.5 million parcels of real and personal property subject to ad valorem taxation. MODS contains owner(s) name, mailing address, legal descriptions, and market and taxable values.

Market and taxable values (of all classes of real and personal taxable property) generated by CAMAS and BEVS are uploaded electronically to MODS and stored in summary form by assessment code number. This function provides state and local government with a broad database of real and personal property ownership and valuation information, and allows for electronic preparation of all state and county recap reports and reporting forms from a central database.

MODS allows the department to produce and mail assessment notices for every county, from a central location. We are able to utilize the Department of Administration's laser printer, fold/pressure seal machine and bar-code spraying machine. These features, in conjunction with the MODS on-line Postal Service address certification program, eliminate the need for staff to handle mailings. Postal address certification results in reduced postage rates. Local government can take advantage of the certified addresses from MODS to also reduce their mailing costs.

MODS provides the department the ability to produce statewide statistical reports and analysis of valuation, assessment and taxation information more quickly, efficiently and accurately than ever before.



Significant Property Tax Bills Passed by 2003 Legislature

SB65 revised the eligibility requirements and income levels used to determine the property tax exemption for disabled veterans and veterans' spouses. Residential property of certain qualifying veterans is exempt from property taxation. Previously, eligibility was determined on the basis of whether the veteran "had been rated 100% disabled because of a service connected disability". New language provides that eligibility be determined on the basis of whether the veteran "is currently rated 100% disabled or is paid at the 100% disabled rate by the U.S. Department of Veterans Affairs".

With respect to qualifying income levels, previous law provided that veterans must have annual gross income of not more than \$30,000 for a single person or \$36,000 for a married couple in order to qualify for full exemption from property tax; surviving spouses could not have gross income in excess of \$25,000. Under SB65, these income levels are maintained to qualify for a full exemption from property tax, but now will be adjusted annually for inflation.

SB65 also expanded eligibility for this program by providing a partial exemption from property tax for veterans with incomes above the 100% exemption level, as shown in the following table.

Income Level			Percentage Multiplier
Single	Married	Surviving Spouse	
\$0 - \$30,000	\$0 - \$36,000	\$0 - \$25,000	0%
\$30,001 - \$33,000	\$36,001 - \$39,000	\$25,001 - \$28,000	20%
\$33,001 - \$36,000	\$39,001 - \$42,000	\$28,001 - \$31,000	30%
\$36,001 - \$39,000	\$42,001 - \$45,000	\$31,001 - \$34,000	50%

Property taxes of veterans are reduced in accordance with the percentage multiplier in effect at each income level. For example, a single veteran with \$32,000 of income would pay 20% of what the normal property tax would be; a veteran with \$34,000 of income would pay 30% of what the normal property tax would be. Veterans with more than \$39,000 of income (\$45,000 if married), and surviving spouses with more than \$34,000 of income, are not eligible for the program. SB65 requires that all income levels in the above table be adjusted annually for inflation.

SB65 also repealed the \$5 fee in lieu of all other fees and taxes paid by certain disabled veterans on a motor vehicle.

SB461 addressed the valuation increases from the reappraisal cycle that ended on December 31, 2002. The new valuations established for agricultural and forest land, and Class 4 residential, commercial and industrial properties took effect in tax year 2003. The new valuations reflect the change in the market that occurred since the last reappraisal in tax year 1997. For example, between 1997 and 2002, the value of residential property increased by about 24% on average statewide.

SB461 addressed the property tax impacts that otherwise would have occurred under reappraisal in the following manner:

- increases in valuation arising from reappraisal are phased-in in equal increments over a six-year period;
- decreases in valuation arising from reappraisal are implemented immediately;
- the taxable valuation rate applied to agricultural land and Class 4 residential and commercial properties is gradually phased down from 3.30% in tax year 2004 to 3.01% in tax year 2008;



Property Tax

- the Class 4 residential property homestead exemption is gradually increased from 31.4% in tax year 2004 to 34% in tax year 2008; and
- the Class 4 commercial property comstead exemption is gradually increased from 13.3% in tax year 2004 to 15% in tax year 2008.

The following table shows the phased-in changes in taxable valuation rates, and residential and commercial property exemption levels, over the 6-year reappraisal cycle.

SB461 Tax Rates for Class 3 and 4 Property			
Exemption Percentages for Class 4 Residential and Commercial			
Tax Year	Class 3 & 4 Tax Rate	Class 4 Exemption Percentages Residential	Commercial
2002	3.46%	31.00%	13.00%
2003	3.40%	31.00%	13.00%
2004	3.30%	31.40%	13.30%
2005	3.22%	32.00%	13.80%
2006	3.14%	32.60%	14.20%
2007	3.07%	33.20%	14.60%
2008	3.01%	34.00%	15.00%

The following table shows how the phased-in changes in full-market value, the homestead exemption percentage, and the taxable valuation rate act to mitigate property tax impacts for a residential property whose full market value increased from \$100,000 to \$124,000 under the recent reappraisal.

Example of Reappraisal Impact Mitigation - Market Value Increased from \$100,000 (1997) to \$124,000 (2002)						
Assumes Constant Mill Levy Over Time						
	TY2003	TY2004	TY2005	TY2006	TY2007	TY2008
Full Market Value	\$124,000	\$124,000	\$124,000	\$124,000	\$124,000	\$124,000
Phased- In Full Market Value	\$104,000	\$108,000	\$112,000	\$116,000	\$120,000	\$124,000
Homestead Exemption Percent	31.0%	31.4%	32.0%	32.6%	33.2%	34.0%
Homestead Exemption Amount	<u>\$32,240</u>	<u>\$33,912</u>	<u>\$35,840</u>	<u>\$37,816</u>	<u>\$39,840</u>	<u>\$42,160</u>
Taxable Market Value	\$71,760	\$74,088	\$76,160	\$78,184	\$80,160	\$81,840
Tax Class Percent	3.40%	3.30%	3.22%	3.14%	3.07%	3.01%
Taxable Value	\$2,440	\$2,445	\$2,452	\$2,455	\$2,461	\$2,463
Mill Levy	0.582	0.582	0.582	0.582	0.582	0.582
Property Tax Liability	\$1,420	\$1,423	\$1,427	\$1,429	\$1,432	\$1,434

As the table shows, the \$24,000 increase in market value is phased-in in equal increments of \$4,000 in each year of the cycle. This, combined with the gradual increase in the homestead exemption percentage and the gradual decrease in the tax class percent, largely prevents an increase in property taxes paid over the cycle, assuming that mill levies do not change.



Property Tax

Of course, mill levies do change. So along with other factors such as where the property is located, the relative distribution of all types of property in the taxing jurisdiction, and the percentage change in market value under reappraisal, the result is varying property tax outcomes for properties across the state.

Extended Property Tax Assistance Program (EPTAP)

SB461 also gave recognition to the fact that for some properties with exceptionally large percentage increases in reappraisal value the general program designed to mitigate reappraisal impacts may not prevent a significant increase in property taxes. To address these situations, SB461 implemented the Extended Property Tax Assistance Program (EPTAP).

Residential properties that have an increase in taxable value of at least 24%, and a tax liability increase of \$250 or more, are eligible for assistance under this program, provided the property owner's income is below \$75,000. Essentially, EPTAP provides that:

- If the eligible residence's household income is \$25,000 per year or less, the taxable value increase is capped at 24% over six years.
- If the eligible residence's household income is greater than \$25,000 but less than or equal to \$50,000 per year, the taxable value increase is capped at 30% over six years.
- If the eligible residence's household income is greater than \$50,000 but less than or equal to \$75,000 per year, the taxable value increase is capped at 36% over six years.

Study Committees

Finally, SB461 established the interim Property Tax Reappraisal Study Committee and the interim Tax Reform Study Committee. The Property Tax Reappraisal Study Committee was charged with examining the impacts that arise from reappraisal, studying options to address those impacts, and making recommendations to the Legislature for how best to mitigate the impacts of reappraisal in a final report to be issued no later than December 1, 2004.

The Tax Reform Study Committee was charged with examining all aspects of taxation in Montana and making recommendations for tax reform, also in a final report to be issued no later than December 1, 2004.



Property Tax

Timeline of Reappraisal

	First Reappraisal Cycle					Second Cycle					Third Cycle																	
	1971	1972	73	74	75	76	1977	1978	79	80	81	82	83	84	1985	1986	87	88	89	90	91	1992						
Base Year	1971							1972							1982													
Tax Rate	30%							12%							8.55%							3.86%						
Assessment Factor	40%																											
Effective Tax Rate	12%																											
	<p>1971 values carried forward to 1972.</p> <p>Values determined by the cost approach.</p> <p>1973 Legislature directs DOR to develop reappraisal plan.</p> <p>Reappraisal plan implemented in 1975. 20% of property revalued each year.</p> <p>Lawsuits prompt Governor in 1976 to return to 1974 values.</p> <p>1975 Legislature passes the Realty Transfer Act.</p> <p>The 1977 Legislature establishes the market value standard for determining values.</p> <p>New reappraisal cycle to begin in 1978.</p>							<p>1977 Legislature, anticipating a large increase in the statewide total market value due to reappraisal, requires the tax rate to be reduced to offset the increase. The tax rate is reduced from 12% to 8.55%. This reduced tax rate offsets an overall increase in market value of 47%.</p> <p>Originally scheduled for five years (1978 through 1982), the cycle is extended through 1985.</p> <p>The legislature, in anticipation of a large increase in the total statewide market value due to reappraisal, requires the tax rate to be reduced in 1986 to offset the total increase in market value.</p>							<p>Due to an increase in the total market value of class 4 property, the tax rate is reduced from 8.55% to 3.86%.</p> <p>The 1987 Legislature requires annual sales ratio studies for class 4 property. Annual adjustments, based on the sales ratio studies, are made to the market value of class 4 properties. Adjustments are made in 1988, 1989, 1990, 1991, and 1992.</p> <p>The Supreme Court rules the annual adjustments unconstitutional. The adjusted values are allowed to remain in effect.</p> <p>The 1990 Legislature extends the third reappraisal cycle an additional two years through 1992.</p> <p>The 1991 Legislature changed the reappraisal cycles from five years to three years.</p> <p>The 1992 Special Session changes the upcoming three-year cycle to a four-year cycle. Cycles will be three years following the transitional four-year cycle.</p>													



Property Tax

Fourth Cycle				Fifth Cycle					Sixth Cycle					Seventh Cycle							
1993	94	95	1996	1997	98	99	00	01	2002	2003	04	05	06	07	2008	2009	10	11	12	13	2014
1992				1996					2002					2008							
3.86%				3.84% 3.82% 3.71% 3.63% 3.55% 3.46%					3.40% 3.30% 3.22% 3.14% 3.07% 3.01%												
<p>Reappraisal increases total market value 7%.</p> <p>Because of the annual sales ratio adjustments to property, the sticker shock of the new reappraisal values was low. There was no reduction in the tax rate.</p> <p>New land values for agricultural land were established in 1994. This is the first change in ag land valuation since 1962. The change in values, both the increases and decreases, are phased in over a four-year period.</p>				<p>(The above tax rates are rounded)</p> <p>Reappraisal increases total market value 40%.</p> <p>The 1997 Legislature phases-in the change due to reappraisal, both increases and decreases, over a 50-year period. The tax rate was also to be incrementally reduced over the same period. This effectively froze taxable values at the 1996 levels.</p> <p>Supreme Court rules phasing property values down to a new, lower reappraisal value is unconstitutional.</p> <p>The 1999 Legislature passes SB184 with these features:</p> <ul style="list-style-type: none"> - decreases in value are 100% immediately phased-down. - increases are phased-up over a four-year period. - the tax rate is phased-down to 3.46% over four-years. - a percentage of market value is exempt from tax through a homestead and comstead exemption. 					<p>Reappraisal increases total market value 20.2%</p> <p>The 2003 Legislature passes SB461 with these features:</p> <ul style="list-style-type: none"> - Increase in market values phased over six years - Decrease in market value implemented immediately - the tax rate is phased-down over 6 years from 3.40% to 3.01% - The homestead exemption is phased up over 6 years from 31% to 34% - The comstead exemption is phased up over 6 years from 13% to 15% <p>An Extended Property Tax Assistance Program is established for residential property with a taxable value increase greater than 24% <i>and</i> a tax liability increase of greater than \$250</p>												
<p>1993</p> <p>94</p> <p>95</p> <p>1996</p>				<p>1997</p> <p>98</p> <p>99</p> <p>00</p> <p>01</p> <p>2002</p>					<p>2003</p> <p>04</p> <p>05</p> <p>06</p> <p>07</p> <p>2008</p>					<p>2009</p> <p>10</p> <p>11</p> <p>12</p> <p>13</p> <p>2014</p>							



Property Tax

2004 Classes of Property and Tax Year 2004 Tax Rates

Class 1	Net proceeds of mines and mining claims except coal and metal mines (MCA 15-6-131)	100% of annual net proceeds
Class 2	Gross proceeds of metal mines (MCA 15-6-132)	3% of annual gross proceeds
Class 3	Agricultural land (MCA 15-6-133)	3.30%
	Non-productive patented mining claims	3.30%
	Non-qualified agricultural land	23.10%
Class 4	Residential, commercial, and industrial land and improvements (MCA 15-6-134)	3.30%
	Mobile homes	3.30%
	Eligible golf courses	1.65%
Class 5	Air and water pollution control equipment (MCA 15-6-135)	3.00%
	Independent and rural electric and telephone cooperatives	3.00%
	Real and personal property of "New Industry"	3.00%
	Machinery and equipment used in electrolytic reduction facilities	3.00%
	Real and personal property of research and development firms	3.00%
	Real and personal property used in the production of gasohol	3.00%
Class 6	Repealed. Sec. 9, Ch. 267, L. 1993	
Class 7	Non-centrally assessed utilities (MCA 15-6-137)	8.00%
Class 8	Business equipment (MCA 15-6-138)	3.00%
	A business with equipment that has a total market value of less than \$5,000 is exempt from class 8 taxation	
Class 9	All property of pipelines and the non-electric generating property of electric utilities (MCA 15-6-141)	12.00%
Class 10	Forestland (MCA 15-6-143)	0.35%
Class 11	Repealed. Sec. 9, Ch. 267, L. 1993	
Class 12	All property of railroads and airlines (MCA 15-6-145)	3.81% for tax year 2004 (recalculated each year)
Class 13	All property of telecommunication utilities and the electric generating property of electric utilities (MCA 15-6-156)	6.00%



Impact of Triggering the Class 8 Rate Reduction

As provided for in Senate Bill 200 (1999), current law (15-6-138 MCA) contains a trigger mechanism that if hit will reduce the taxable valuation rate applied to Class 8 business equipment from 3% to 0% over a three-year period. At the time of publication, the earliest that the trigger could be hit is tax year 2007. If that were to occur, the Class 8 tax rate would be reduced from 3% to 2% in 2007; to 1% in 2008; and taxes on business equipment would be eliminated in tax year 2009. The following table shows the estimated revenue impacts, by taxing jurisdiction, if the trigger is hit in tax year 2007.

Fiscal Year	Estimated Reduction in Taxable Value			Estimated Reduction in Property Taxes					Total Reduction
	Trigger Not Hit	Trigger Hit	Difference	State General Fund	University System	Local Government	Local Schools	TIFDs	
2006	123,072,945	123,072,945	-	-	-	-	-	-	-
2007	126,651,968	110,323,300	(16,328,668)	(1,426,160)	(97,972)	(2,972,418)	(2,751,738)	(750,381)	(7,998,669)
2008	130,335,081	70,086,538	(60,248,543)	(5,261,930)	(361,491)	(10,966,970)	(10,152,755)	(2,770,090)	(29,513,236)
2009	134,125,310	27,416,263	(106,709,047)	(9,318,975)	(640,254)	(19,422,706)	(17,980,717)	(4,910,307)	(52,272,959)
2010	138,025,771	0	(138,025,771)	(12,053,035)	(828,155)	(25,121,061)	(23,256,013)	(6,356,482)	(67,614,746)

Property tax revenue would be reduced beginning in fiscal year 2007. The total reduction of \$8 million in fiscal 2007 reflects the amount of revenue associated with personal property that is not liened to real property, for which property taxes are paid in full in the spring of each year. Total revenues are reduced an estimated \$29,513,236 in fiscal year 2008; \$52,272,959 in fiscal year 2009; and \$67,614,746 in fiscal year 2010, the first full year of impact reflecting a 0% tax rate.

The share of these total revenue reductions accruing to broadly defined taxing units is also shown in the table. Revenues to the state general fund and the university system would be reduced by the amounts shown in the table. It is not known if the Legislature would reimburse local governments and schools for the revenue reductions shown. If not, local government and school district mill levies would likely “float” to recoup the reduction in revenue from other classes of property.

Railroads and Airlines

Because of the federal 4R’s Act, the taxable valuation rate applied to Class 12 railroad and airline property reflects the average rate applied to all commercial and industrial property, including Class 8 property. In tax year 2004, the Class 12 tax rate is 3.81%. Reducing the Class 8 tax rate would also act to reduce the Class 12 rate. All other things remaining constant, in tax year 2004 the Class 12 tax rate would be reduced to 3.56% if the Class 8 rate was reduced to 2%, and to 3.32% if the Class 8 rate was reduced to 1%. Once the Class 8 rate reaches 0%, however, the Class 12 rate would rise to 4.08%. This is because Class 8 property would be completely removed from the Class 12 tax rate calculation, and the taxable valuation rates of other classes of property included in the Class 12 composite rate calculation are generally higher than 3%.



Tax Increment Financing Districts

Reducing the Class 8 tax rate also impacts revenues accruing to tax increment financing districts (TIFDs) across the state. These impacts are also shown in the table on the previous page. By fiscal 2010, revenues to TIFDs would be reduced an estimated \$6.4 million. In many cases TIFD revenue is needed to service bonds that were issued when the TIFD was initially created. The Legislature would have to decide if TIFD districts would be reimbursed for the revenue reductions associated with eliminating property taxes on Class 8 business equipment. If TIFDs are not reimbursed, local governments that initially authorized the TIFDs may have to provide for a special mill levy to ensure that TIFDs do not default on their bond payments. This is particularly important for the TIFD at the AsiMi plant in Silver Bow County, the state's largest TIFD, where Class 8 business equipment comprises almost all of the total TIFD increment value.



History of Agricultural Land Taxation in Montana

As of July 1, 1973, the Department of Revenue was delegated the responsibility for classifying all agricultural lands. Previously, that was the duty of the county commissioners under Chapter 191, Laws of 1957. As with the previous law, the values determined by the department were to be based on the productive capacity of the land, i.e., the ability of the land to produce income from a cash crop (wheat, hay, forage for grazing, etc.).

Standardized agricultural land valuation schedules were developed in the early 1960s. The standardized values were based on a capitalization of net operating income (gross income less operating expenses). Data sources for income, expense and production information included the USDA Crop and Livestock Reporting Service, Montana Department of Agriculture Statistics, the Farm Services Administration, BIA, BLM and other government agencies.

The department updated and revised the agricultural land valuation schedules for the reappraisal cycle that concluded on December 31, 1985. Again, the primary source of the data was the various government agencies listed above. A concerted effort was made to include individual operations and agriculturally related associations to help refine the figures.

After developing the new valuation schedules, public comment was solicited through the administrative rules process. Agriculturalists expressed their lack of support of the new valuation schedules because the new schedules would have increased the valuation of some types of agricultural land. To address their concerns, former Governor Ted Schwinden suspended the rules hearing process. Governor Schwinden directed the department to assemble an advisory committee to review the data and procedures and make changes if necessary.

The advisory committee had difficulty arriving at a consensus on the agricultural land valuation schedules. The 1985 Legislature froze the agricultural land valuation schedules that were in effect, specified the approach for developing future agricultural land valuation schedules and required the formation of an agricultural advisory committee.

In September 1990, the Department of Revenue Agricultural Advisory Committee was appointed. The committee reviewed, evaluated and recommended changes to the valuation and taxation of agricultural land. It presented its recommendations at public meetings held throughout the state. The recommendations of that committee were presented in legislation that was passed by the 1993 Legislature as Senate Bill 168. It required specific methodology, formula, and data sources in the calculation of the new agricultural land valuation schedules. While the appraised value of agricultural land increased significantly, the statewide impact of the new schedules was taxable value neutral. There were shifts in value, however, within the various classes of agricultural land (i.e. grazing, non-irrigated farm land, continuously cropped hay land, non-irrigated continuously cropped farm land, and tillable irrigated land). The tax rate for agricultural land was reduced from 30% to 3.86%. That was the same tax rate used for residential and commercial property.

To mitigate the impact on agricultural taxpayers, the bill provided a phase-in of the change in taxable values over a four-year period. Both increases and decreases in value were phased in over the four-year period. Finally, Senate Bill 168 established another interim agricultural land advisory committee to review water costs and other issues applicable to the valuation and assessment of agricultural land. That committee



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was appointed in November 1993. It made recommendations to the Department of Revenue. Committee recommendations adopted by the 1995 Legislature in Senate Bill 198 included:

- Allowing a base water cost of \$ 5.50 per irrigated acre.
- Establishing an energy cost base year for irrigated land.
- Limiting allowable water costs to a maximum of \$35 per acre of irrigated land.
- Continuing the phase-in of the taxable value of agricultural land.

In May 1996, another agricultural land valuation advisory committee was appointed as required by law. The committee reaffirmed the specific methodology, formula and data source requirements in current law, updated those requirements using current data, and recommended new agricultural land valuation schedules to the department. In accordance with the provisions of SB184, passed by the 1999 Legislature, the new schedules were phased-in. For those agricultural land types that had a decrease in valuation, the decrease in the valuation was not phased-in but was realized immediately. For those agricultural land types that had an increase in valuation, the increase was phased-in over a four-year period, beginning in 1999.

Beginning in May of 2001, the fourth agricultural land valuation committee evaluated and proposed valuation schedules that were implemented on January 1, 2003 and will remain in effect until December 31, 2008. Due to the phase-in of property values, the 2003 agricultural valuation schedules will not be fully implemented until 2008. Any decrease in land valuation will be fully implemented in 2003, and these values will not change from 2004 through 2008.

In 2001, the legislature passed HB609. This bill allowed current and future agricultural advisory committees wider flexibility to recommend some methodology changes through Administrative Rule rather than requesting the changes directly through the legislature. The 2002 agricultural advisory committee chose to exercise this option in several areas as they made their final recommendations.

The committee recommended that the midpoint for the productivity range that represents continuously cropped hay land grade H1 change from 3.0 to 3.2 tons per acre.

The committee recommended six methodology changes in the valuation of irrigated land.

1. Elimination of irrigated rotations.
2. Increasing the base water cost from \$5.50 to \$10.00 per acre.
3. Changing the alternative minimum value for irrigated land from summer fallow land to 0.9 tons production of continuously cropped hay land.
4. Reducing the water cost categories from seven to five.
5. Eliminating the two lowest irrigated production grades.
6. Changing the midpoint for the production range that represents irrigated grade I-6 to 0.9 tons per acre.



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The committee recommended the creation of an interim committee that is composed of representatives from agricultural organizations in the state to study the irrigated land valuation system and the implementation of the irrigated land valuation system.

The committee endorsed changes to administrative rule 42.20.147 that will further define agricultural eligibility for landowners who produce and raise livestock. They are:

- The land must produce and the taxpayer must market, not less than \$1,500 in annual gross agricultural income.
- The land's carrying capacity must support not less than 30 animal unit months per year (AUM's/year).

Valuation Formula for Agricultural Land (*MCA 15-7-201*)

Statutory formula for determining productive capacity value:

The formula for valuation of agricultural land is: $V = I/R$ where:

- V** – is the value of each type of agricultural land.
- I** – is the net income of each type of agricultural land.
- R** – is the capitalization rate. That rate converts the net income estimate into an estimate of productive value

The following example shows how the capitalization rate is applied to the income of agricultural land to get a productive value per acre. If the capitalization rate decreases, the productive value and property tax on the land increases. If the capitalization rate increases, the productive value and property tax on the land decreases.

Income per acre	=	\$50
Capitalization rate	=	6.4%
Value	=	\$781.25 per acre
		(\$50 / 6.4% = \$781.25 per acre)



Classification of Agricultural Land

More than 50 million privately owned acres are classified as agricultural land in Montana.

Classification is the determination of the agricultural use and the productive capability of that use for each acre of taxable agricultural land.

The criteria for classifying property as agricultural are:

- Parcels of land 160 acres or more under one ownership are classified and taxed as agricultural land. These lands are taxed at 3.30% in tax year 2004.
- Parcels of land containing 20 acres or more but less than 160 acres under one ownership are classified and taxed as agricultural land if the land is used primarily for raising and marketing agricultural products. The agricultural use test presumes the land is agricultural if \$1,500 in annual gross income is produced and marketed from the land by the owner, or the owner's immediate family, agent, employee or lessee. The tax rate for these parcels is 3.30%. Parcels of land containing 20 acres or more but less than 160 acres, which do not qualify under these criteria, are considered non-qualified agricultural land. These non-qualifying parcels are valued as average (Grade 3) grazing land. The taxable value of the non-qualifying land is then computed by multiplying that value by seven times the tax rate for agricultural land. Since the current rate for agricultural land is 3.30%, the tax rate for non-qualified agricultural land is 23.10%.
- Parcels of land less than 20 acres under one ownership are taxed as agricultural land if the land produces and the owner markets \$1,500 in annual gross income from the raising of livestock, poultry, field crops, fruit, and other animal or vegetable matter for food or fiber.
- Land is not valued as agricultural if it is subdivided with stated restrictions prohibiting its use for agricultural purposes. The land may not be devoted to a residential, commercial or industrial purpose.

Agricultural Classes of Land

Grazing Land

Grazing land includes those lands, either native range or domestic range, which are used to support agricultural livestock. Grazing land is graded on the basis of the soil's capacity to produce palatable forage for livestock without causing injurious effect to the vegetative cover of the land. Carrying capacity is measured in Animal Unit Months per acre (AUM/AC) or acres per Animal Unit Month (AC/AUM). Grazing land which is irrigated a majority of the time and has a reliable source of water will be classified as irrigated land. Dryland alfalfa or grazing land, which is not irrigated or hayed a majority of the time, is classified as grazing.



Tillable Irrigated Land

Tillable irrigated land includes all hayland and cropland that is irrigated a majority of the time (2 out of 3 years, 3 out of 5 years, etc.). All agricultural land, including grazing land, in a specified irrigation district where the land is designated as irrigable, with shares of water appurtenant to such land, is classified as irrigated, regardless of whether the water is actually applied or not applied to the land.

Land that has water for irrigation most years is classified as irrigated if the water is used. Those lands with water available most years but where the water is not used are classified according to current use.

Land that is irrigated only during high water may be classified according to use, but it should carry a higher grade to reflect the occasional extra water and increased production.

Irrigated land schedules are based on tons of alfalfa per acre. Alfalfa is the predominant crop grown on irrigated fields. Adjustments can be made for other cash crops using a conversion guide. The number of frost-free days may influence the extent of crop sequence options available. However, available cropping options are not limited exclusively by frost-free days.

Continuously Cropped Non-Irrigated Hayland

These are lands on which the native vegetation, non-irrigated alfalfa or other domestic varieties, are cut for hay yearly or a majority of the time over a period of years. Hayland which is irrigated less than a majority of the time or that does not have a reliable source of water is classified as continuously cropped non-irrigated hayland. It should carry a higher grade to reflect the occasional irrigation.

Non-Irrigated Farmland: Summer Fallow and Continuously Cropped

This is the typical dryland farming found in the majority of Montana. Strip farming or “block farming” are the most common forms of non-irrigated farmland.

Summer fallow: Typically, crops are produced every other year or every third year and the land is left idle in the off years.

Continuously cropped lands: The lands are found primarily in northwestern Montana. Normally, crops are grown 3 out of 4 years and it must be an accepted practice for the area. Grading is based on bushels of wheat per acre. Conversions are made for barley production.



Forestland in Montana

How Forestland is Valued

The Montana Legislature passed the Forestlands Tax Act in 1991. This law requires the Department of Revenue to value forestland based on land productivity.

The legislature defined the productivity formula and each component of that formula. It also provided for specific forest valuation zones, with each zone designated to recognize the uniqueness of marketing areas, timber types, growth rates, access, operability, and other factors important to the valuation of the forestland in that geographic area.

The potential productivity system was supported by the forest products industry, the Montana Tree Farmer's Association and other forestry landowners.

How the Forestland Productivity Classification System Works

Forested land must be at least 15 contiguous acres or larger in size and in the same ownership to be classified as commercial forestland. Forested land less than 15 contiguous acres in size is classified as nonforestland.

Potential forest growth is estimated for each acre of forested land, including "clearcuts." That growth is measured in cubic feet per acre per year. The estimated potential forest growth is placed in one of four productivity classes.

Forested land which does not meet the minimum growth requirement is classified as noncommercial forestland. This minimum growth requirement is 25 cubic feet per acre per year at the peak biological age of a stand. Noncommercial forestland is not valued as forestland for property tax purposes. Nonforest and noncommercial forestland may be valued as tract land, agricultural land or "nonqualifying" agricultural land.

Montana Forestland Classifications

Class I	excellent productivity	(85+ cu.ft./ac.yr)
Class II	good productivity	(65 to 84.9 cu.ft./ac.yr.)
Class III	fair productivity	(45 to 64.9 cu.ft./ac.yr.)
Class IV	poor productivity	(25 to 44.9 cu.ft./ac.yr.)



Standing Timber Exemption

Standing timber is exempt from property taxation. Only the land, not the standing timber, is subject to property taxation. If a landowner deeds his timber to another party, the landowner, not the timber owner is responsible for the forestland property tax.

Property Tax Impacts on Timber Harvest

On any given commercial forestland site, a clear-cut would receive the same value as an old growth stand (standing timber is not taxed). Forest management practices will not influence the forest assessment. Knowledgeable forestland owners will realize that they can practice intensive forest management to optimize wood production and enhance other non-timber elements, without the penalty of higher forestland property taxes.

Productivity Formula

Appraised Value =		$\frac{\text{Net Forest Income} + \text{Net Grazing Income}}{\text{Capitalization Rate}}$
Net Forest Income	=	Gross Forest Income - Forest Costs
Net Grazing Income	=	Gross Grazing Income - Grazing Costs
Capitalization Rate	=	This rate is used to convert a net income stream into an estimate of present value

Source of Valuation Information used in Productivity Formula

Many people have been instrumental in compiling the information used to value forest land. The Montana Department of Revenue hired a nationally recognized forest economist from the University of Montana, School of Forestry, to develop the forest and average stumpage value in each valuation zone. The Department of Revenue compiled the forest costs and the capitalization rate.

Representatives from the forest products industry and Montana Tree Farmer's Association reviewed the data and provided their input.

How the Valuation System Works

Forestland appraisal uses five valuation schedules, or zones, in the state. The forestland classification system contains four productivity grades. Therefore, there are 20 different per acre forestland values in the state.

Each value in a schedule represents a range of productivity, income, costs, and interest rates. Income and expense data represent averages for a base period of time. The forestland schedules that were implemented in 2003 use data compiled from state fiscal years 1997-2001. The next appraisal cycle will be implemented in 2008.



Forestland Tax Rate

The legislature assigns all taxable property to individual tax classes. There are currently 12 property tax classes. Forestland is in property tax class 10. The legislature specifies the tax class percentages that are applied against the value of the property within each tax class to calculate the taxable value.

A parcel of land may have several classes of property. The most common property classes for rural land are forestland, agricultural land, "non-qualifying" agricultural land, and a one-acre homesite. Each property class has a different tax class percentage. The tax class percentages for 2004 are listed on a previous page of this report.

The forestland tax rate is 0.35% in tax year 2004. It requires \$10,000 in forestland appraised value to produce \$35 in taxable value.

Calculate The Tax on Forestland

Assume that in 2004 you own a 130-acre parcel of land in Missoula County. This county is located in forest valuation zone two. The parcel has 30 acres of forestland and 100 acres of non-forestland. The forestland has 20 acres of fair productivity and 10 acres of poor productivity. The 100 acres of non-forestland does not meet agricultural eligibility requirements and is classified as non-qualified agricultural land. In 2004, the fair forestland productivity (grade III) is valued at \$619.75 per acre. The poor forestland productivity (grade IV) is \$356.93. The statewide 2004 non-qualified agricultural value is \$41.97 per acre. For this tax calculation example, we assume the rural mill levy for 2004 is 420 mills.

2004 Forestland Tax Calculation

20 acres x \$619.75/acre	= \$12,395 (appraised value - forestland)
10 acres x \$356.93/acre	= \$ 3,569 (appraised value - forestland)
100 acres x \$41.97/acre	= \$ 4,197 (appraised value - non-qualified agricultural land)
Total Forestland Appraised Value	= \$15,964
Total Nonqualified Agricultural Appraised Value	= \$ 4,197
\$15,964 x 0.35% (tax class 10)	= \$ 56 (taxable value)
\$4,197 x 24.22% (tax class 3)	= \$970 (taxable value)
\$59 + \$965	= \$1,026 (total taxable value)
\$1,026 X .420 (mill levy)	= \$430.66 (tax)

Note: The decimal point in a mill levy is moved three places to the left to calculate the tax, so 420 mills equals .420.

Average Tax on Forestland in Montana

The weighted average forestland tax in tax year 2001 was \$0.79 per acre. The weighted average taxable value in tax year 2001 was \$1.71 per acre.

New Forestland Values

All forestland owners received a new assessment notice in the spring of 2003 showing the change in appraised and taxable that resulted from implementation of the new forestland valuation schedules. When there is a change in valuation or ownership, the Department of Revenue mails property assessment notices to the owner of record that reflect the value of the property as of January 1 of that year.



Residential Property Tax Relief Programs

There are five programs to help property owners with residential property taxes. They are the elderly homeowner/renter credit, the property tax assistance program, the extended property tax assistance program, the disabled American veterans (DAV) exemption, and the reverse annuity mortgage loan program. This report will discuss each of these programs and their current expenditure levels.

Montana's Elderly Homeowner/Renter Credit

In Montana, qualifying persons are eligible to receive relief from property taxes through the elderly homeowner/renter credit program (Sections 15-30-171 through 179, MCA). Individuals may qualify if they are homeowners who have paid property taxes on their dwelling, or if they are renters, in which case the credit is calculated based on a "rent equivalency" amount of property tax paid.

The form of the relief is a refundable credit against individual income tax liability. The refundable nature of the credit means that if the amount of the credit exceeds the taxpayer's income tax liability, then the amount of any excess is to be refunded to the claimant. Receiving a refund of the credit claimed does not require the filing of an income tax return; claimants may file a separate form 2EC claiming the credit even though no income tax return is filed.

History

Table 1 below provides a history of the number and type of forms used to claim the credit, and the total credit claimed, over tax years 1990 to 2003.

Table 1
Homeowner/Renter Credit History

CY	Filed With Tax Returns			Filed 2EC Only			All Returns			Growth Rate
	Number	Total	Average	Number	Total	Average	Number	Total	Average	
1990	8,258	1,992,956	241.34	7,231	1,539,634	212.92	15,489	3,532,590	228.07	
1991	9,768	2,436,829	249.47	7,526	1,654,836	219.88	17,294	4,091,665	236.59	15.83%
1992	10,316	2,692,694	261.02	7,788	1,830,120	234.99	18,104	4,522,814	249.82	10.54%
1993	10,860	2,990,307	275.35	8,173	2,077,872	254.24	19,033	5,068,179	266.28	12.06%
1994	12,784	3,616,785	282.91	8,487	2,202,628	259.53	21,271	5,819,413	273.58	14.82%
1995	13,589	5,277,519	388.37	8,139	2,693,878	330.98	21,728	7,971,397	366.87	36.98%
1996	13,715	5,444,804	397.00	8,272	2,755,602	333.12	21,987	8,200,406	372.97	2.87%
1997	11,849	5,247,856	442.89	8,298	3,370,720	406.21	20,147	8,618,576	427.78	5.10%
1998	11,849	5,408,152	456.42	8,332	3,408,190	409.05	20,181	8,816,342	436.86	2.29%
1999	12,305	5,192,588	421.99	9,151	3,683,172	402.49	21,456	8,875,760	413.67	0.67%
2000	11,903	5,060,344	425.13	8,981	3,677,127	409.43	20,884	8,737,471	418.38	-1.56%
2001	12,850	5,835,561	454.13	8,778	3,708,791	422.51	21,628	9,544,352	441.30	9.23%
2002	14,198	6,888,261	485.16	9,176	4,160,912	453.46	23,374	11,049,173	472.71	15.77%
2003	15,438	7,724,565	500.36	9,037	4,164,715	460.85	24,475	11,889,280	485.77	7.60%

Over this time period about 40% of the number and total amount of credits claimed was from claimants who filed just a form 2EC; taxpayers who also filed an income tax form claimed the other 60%.



The total amount of the credit claimed increased 36.98% in 1995 when the legislature increased the maximum credit that could be claimed from \$400 to \$1,000. The total amount of credit claimed was very stable at around \$8.8 million per year over 1997 to 2000, and then increased by more than 9% to \$9.5 million in tax year 2001. The total amount of credit claimed has since grown to nearly \$12 million in tax year 2003.

Eligibility

As its name implies, the credit currently is available only to elderly taxpayers. This and other specific eligibility requirements of the program are:

- the claimant must have reached age 62 or older during the claim period for which relief is sought;
- the claimant must have resided in Montana for at least 9 months of the claim period;
- the claimant must have occupied at least one dwelling in Montana as an owner, renter, or lessee for at least 6 months of the claim period; and
- the claimant must have less than \$45,000 of gross household income during the claim period.

In addition, only claimants with gross household incomes of \$35,000 or less are entitled to the full credit amount. Claimants with incomes between \$35,000 and \$45,000 are eligible to receive a reduced credit, with the percentage of the credit allowed phased out under the following schedule:

<u>Gross Household Income</u>	<u>Percent of Credit Allowed</u>
\$35,000 - \$37,500	40%
\$37,501 - \$40,000	30%
\$40,001 - \$42,500	20%
\$42,501 - \$44,999	10%
\$45,000 or more	0%

Further stipulations provide that a claim for relief is not allowed for any portion of property taxes billed or rent-equivalent taxes paid that is derived from a public rent or tax subsidy program. Also, except for a dwelling rented from a county or municipal housing authority, a claim is not allowed on rented lands or dwellings that are not subject to Montana property taxes during the claim period.

Program Definitions

The elderly homeowner/renter credit program is based on tax laws that provide a number of specific definitions under which the program operates. Developing a complete understanding of the program requires an understanding of the following definitional provisions:

Income. Income is defined as the taxpayer's total federal adjusted gross income (FAGI) without regard to any capital, net operating or other losses; and includes all forms of nontaxable income including nontaxable social security and other pension income, alimony, cash public assistance and other support money, all forms of nontaxable interest income, and nontaxable strike benefits.



Property Tax

Gross Household Income. Gross household income means all income received by all individuals of a household while they are members of the household. Eligibility for the credit is based on household income, not on the income of any single taxpayer within the household.

Household Income. Household income is equal to gross household income less a standard exclusion of \$6,300. The standard exclusion acts similarly to the standard deduction used for income tax purposes, sheltering a minimum amount of income from making participants otherwise ineligible for the program.

Property Tax Billed. Property tax billed includes not only taxes levied against the claimant's property through mill levies, but also any special assessments and fees (excluding penalties and interest) levied during the claim period.

Gross Rent. Gross rent means the total rent actually paid in cash or its equivalent during the claim period under an arm's length rental agreement.

Rent-Equivalent Tax Paid. Rent-equivalent tax paid means 15% of gross rent paid. Under this definition, renters are assumed to have paid property taxes equivalent to 15% of any gross rent paid during the claim period.

Calculation of Credit

The elderly homeowner/renter credit is equal to property taxes billed (or rent-equivalent tax paid) less a deduction determined by household income and a reduction multiplier as provided for in law. The deduction is equal to household income multiplied by the reduction multiplier as provided in the following schedule:

<u>Household Income</u>	<u>Deduction Amount</u>
\$ 0 - \$ 999	\$0
\$ 1,000 - \$ 1,999	\$0
\$ 2,000 - \$ 2,999	Household Income X 0.006
\$ 3,000 - \$ 3,999	Household Income X 0.016
\$ 4,000 - \$ 4,999	Household Income X 0.024
\$ 5,000 - \$ 5,999	Household Income X 0.028
\$ 6,000 - \$ 6,999	Household Income X 0.032
\$ 7,000 - \$ 7,999	Household Income X 0.035
\$ 8,000 - \$ 8,999	Household Income X 0.039
\$ 9,000 - \$ 9,999	Household Income X 0.042
\$10,000 - \$10,999	Household Income X 0.045
\$11,000 - \$11,999	Household Income X 0.048
\$12,000 and over	Household Income X 0.050



Property Tax

Once the claimant's total property tax, or rent-equivalent tax, is known, there are essentially six steps to determining the homeowner/renter credit:

1. Determine gross household income.
2. Subtract \$6,300 from gross household income to determine household income.
3. Based on household income, determine the deduction multiplier and multiply it by household income to determine the deduction amount.
4. Subtract the deduction amount from total property taxes paid to determine net credit before phase-out.
5. Apply the percentage allowable under the phase-out provisions of law (if necessary) to determine net credit after phase-out.
6. Limit the maximum credit allowed to \$1,000.

Tables 2 and 3 provide examples of how the credit is calculated for specific taxpayer circumstances.

In Table 2, property taxes are held constant as income increases. As Table 2 shows, the net credit allowed decreases from \$1,000 to \$0 as income increases from \$10,000 to \$35,000. This is because as incomes increase the deduction multiplier also increases, increasing the deduction amount until the credit reaches zero.

Calculation Of Property Tax Paid						
Assessed Value of Home	100,000	100,000	100,000	100,000	100,000	100,000
Homestead Exemption (31%)	31,000	31,000	31,000	31,000	31,000	31,000
Net Assessed Value	69,000	69,000	69,000	69,000	69,000	69,000
Taxable Valuation Rate	3.46%	3.46%	3.46%	3.46%	3.46%	3.46%
Taxable Value	2,387	2,387	2,387	2,387	2,387	2,387
Mill Levy (475 mills)	0.475	0.475	0.475	0.475	0.475	0.475
Property Tax	1,134	1,134	1,134	1,134	1,134	1,134
Special Assessments/Fees	200	200	200	200	200	200
Total Property Tax	1,334	1,334	1,334	1,334	1,334	1,334
Calculation of Homeowner/Renter Credit						
Gross Household Income	10,000	15,000	20,000	25,000	30,000	35,000
Standard Exclusion	(6,300)	(6,300)	(6,300)	(6,300)	(6,300)	(6,300)
Household Income	3,700	8,700	13,700	18,700	23,700	28,700
Deduction Multiplier	0.016	0.039	0.050	0.050	0.050	0.050
Deduction Amount	59	339	685	935	1,185	1,435
Property Tax Paid	1,334	1,334	1,334	1,334	1,334	1,334
Deduction Amount	59	339	685	935	1,185	1,435
Net Credit Allowed	<u>1,000</u>	<u>995</u>	<u>649</u>	<u>399</u>	<u>149</u>	<u>0</u>
Net Property Tax Paid	334	339	685	935	1,185	1,334
Percent Reduction in Tax	75%	75%	49%	30%	11%	0%

The credit acts to reduce the net property tax paid by the household with just \$10,000 of gross household income from \$1,334 to \$334, which represents a 75% reduction in the homeowner's property tax bill.



Property Tax

Property taxes are cut in half for the homeowner with gross household income of \$20,000 and the percentage reduction is zero at the gross household income level of \$35,000.

Table 3 repeats Table 2 except that property taxes are increasing while incomes are held constant at \$25,000. As Table 3 shows, the net credit allowed increases from \$0 to \$1,000 as property taxes increase from \$597 to \$2,468. This is because the deduction amount of \$935 exceeds the property taxes paid on homes with assessed values of \$35,000 and \$50,000; resulting in net credit of \$0 for these homeowners. Property taxes begin to exceed the deduction amount by \$116 when the assessed value of the home reaches \$75,000. The allowable credit continues to grow as assessed values increase above this level until the maximum credit of \$1,000 is reached.

For the homeowner with assessed value of \$35,000, there is no reduction in property tax. Once the assessed value reaches \$75,000 property taxes are reduced from \$1,051 to \$935, a reduction of 11%. At assessed value of \$150,000 property taxes are reduced from \$1,901 to \$935, a reduction of 51%. For the homeowner with assessed value of \$200,000 property taxes are reduced from \$2,468 to \$1,468, which represents a reduction of 41%. This percentage reduction is less than the percentage reduction for the homeowner with assessed value of \$150,000 because in the example where assessed value is \$200,000 the homeowner has reached the maximum credit allowed by law of \$1,000.

In general, the amount of homeowner/renter credit allowed depends on the relationship between household income and property taxes paid. If income is held constant, the amount of the homeowner/renter credit increases as property taxes increase; if property taxes are held constant, the credit decreases as incomes rise.

Table 3
Taxpayer Examples of Total Property Taxes Paid and Elderly Homeowner/Renter Credit
Constant Income, Increasing Property Tax; Tax Year 2004

Calculation Of Property Tax Paid						
Assessed Value of Home	35,000	50,000	75,000	100,000	150,000	200,000
Homestead Exemption (31%)	10,850	15,500	23,250	31,000	46,500	62,000
Net Assessed Value	24,150	34,500	51,750	69,000	103,500	138,000
Taxable Valuation Rate	3.46%	3.46%	3.46%	3.46%	3.46%	3.46%
Taxable Value	836	1,194	1,791	2,387	3,581	4,775
Mill Levy (475 mills)	0.475	0.475	0.475	0.475	0.475	0.475
Property Tax	397	567	851	1,134	1,701	2,268
Special Assessments/Fees	200	200	200	200	200	200
Total Property Tax	597	767	1,051	1,334	1,901	2,468
Calculation of Homeowner/Renter Credit						
Gross Household Income	25,000	25,000	25,000	25,000	25,000	25,000
Standard Exclusion	(6,300)	(6,300)	(6,300)	(6,300)	(6,300)	(6,300)
Household Income	18,700	18,700	18,700	18,700	18,700	18,700
Deduction Multiplier	0.05	0.05	0.05	0.05	0.05	0.05
Deduction Amount	935	935	935	935	935	935
Property Tax Paid	597	767	1,051	1,334	1,901	2,468
Deduction Amount	935	935	935	935	935	935
Net Credit Allowed	<u>0</u>	<u>0</u>	<u>116</u>	<u>399</u>	<u>966</u>	<u>1,000</u>
Net Property Tax Paid	597	767	935	935	935	1,468
Percent Reduction in Tax	0%	0%	11%	30%	51%	41%



Property Tax Assistance Program (PTAP)

The property tax assistance program (PTAP) is established in 15-6-134, MCA, to provide property tax relief to low income homeowners. The PTAP applies to residential real property and to mobile home owners. The taxpayers must reside in the residential dwelling for at least seven months during the year for which relief is claimed.

The program works by reducing the normal tax rate applied to the property. The reduction applies to the first \$100,000 of taxable market value after applying the 31.4% homestead exemption in 2004. Included in this value are the eligible improvements and up to five acres of appurtenant land. Improvements can include mobile homes and manufactured housing.

Income Eligibility and Tax Rate Reduction

The reduction in tax rate is based on the income of the individual. Depending on the married status and income of the homeowner, the tax rate is reduced to 20%, 50% or 70% of the normal rate. The base year (1995) income ranges are established in 15-6-134(2)(b), MCA and are updated each year for inflation. Table 4 shows the 2004 inflation adjusted income ranges and property tax rate reduction. To be eligible to receive property tax assistance, the income used in the calculation includes most normal sources of income. Those sources include wages, bonuses, capital gains, ordinary income, interest and

Single Person	Married Couple	% Multiplier	2004 Tax Rate	
			Class 4	PTAP
\$0 - \$7,068	\$0 - \$9,424	20% x	3.30% =	0.66%
\$ 7,069 - \$10,838	\$ 9,425 - \$16,492	50% x	3.30% =	1.65%
\$10,839 - \$17,670	\$16,493 - \$23,560	70% x	3.30% =	2.31%

dividends, business and partnership income, rents, royalties, pensions and annuities, alimony and public assistance, unemployment, and tax refunds.

Effect on Property Taxes

Property taxes are calculated in a multiple step process. The assessed value of a property is reduced by a "homestead" exemption established in 15-6-201, MCA. The homestead exemption on residential property is equal to 31.4% of its assessed value in 2004. After deducting the homestead amount, the net assessed value of the property is multiplied by a tax rate yielding the taxable value of the property. The tax rate in 2004 is 3.3%. The taxable value is then multiplied by the mill levy of the taxing jurisdiction where the property is located, yielding the property tax liability.

Under the PTAP, applying a reduced tax rate to the net assessed value of the property reduces the property tax liability. The example in Table 5 demonstrates the effect of the program on tax liability. For this example, market value includes the combined value of the land and improvements. The mill levy used in the example is an estimated 2004 statewide average mill levy. The PTAP tax rate is calculated by multiplying the Class 4 tax rate of 3.3% by the percent multiplier (PTAP factor) as shown in Table 4.



Property Tax

As is evident by this example, the tax liability increases as the income of the applicant approaches the threshold of \$23,560. It should be noted that even though the property tax portion of a tax bill is reduced through use of the PTAP, the homeowner is still responsible for full payment of any fees or special levies that are due on the property.

Table 5
Example of the Effect of the PTAP on Tax Liability (Tax Year 2004)

	Without PTAP	----- Property Tax Assistance Program ----- Married Couple		
		<u>\$8,000 income</u>	<u>\$15,000 income</u>	<u>\$20,000 income</u>
Assessed Value	\$100,000	\$100,000	\$100,000	\$100,000
Less Homestead Exemption	<u>31,400</u>	<u>31,400</u>	<u>31,400</u>	<u>31,400</u>
Net Assessed Value	\$68,600	\$68,600	\$68,600	\$68,600
Multiply by the Tax Rate	<u>x 3.3%</u>	<u>0.66%</u>	<u>1.65%</u>	<u>2.31%</u>
Taxable Value	2,264	453	1,132	1,585
Multiply by the Mill Levy	<u>x .500</u>	<u>x 500</u>	<u>x 500</u>	<u>x 500</u>
Tax Liability	<u>\$1,131.90</u>	<u>\$226.38</u>	<u>\$565.95</u>	<u>\$792.33</u>
Tax Savings from PTAP	\$0.00	\$905.52	\$565.95	\$339.57
% Reduction in Tax	0%	80%	50%	30%

Types of Property Affected

The department identifies the individual components of the property. Typically those components include land and improvements. For purposes of the PTAP, the land component includes all land in the applicant's name, up to the five-acre limit. Any land in excess of five acres is assessed and taxed at full value. Improvements include the residence and one attached or detached garage. Any additional improvements such as an additional garage or other buildings located on the property are assessed and taxed at full value. Mobile homes can be classified and assessed as either real or personal property. For purposes of the PTAP, they do not have to be classified as real property, that is, permanently affixed to the land with the land and the mobile home having the same owner. Personal property mobile homes also receive the 31% residential homestead exemption.

Because of the variable tax rates based on the income of the applicant, it is also necessary to create three separate categories for each component of the parcel. By creating these separate components and categories, the department can more readily apply the tax reduction in compliance with the law. It also allows the department to track and review the effects of the PTAP. Table 6 provides a brief description of each component of a property affected by the PTAP and its associated tax rate.



Table 6
Property Tax Assistance Class Codes and Descriptions

<u>Description</u>	<u>Tax Rate</u>
Property Tax Assistance, Land, 20% Bracket	0.660%
Property Tax Assistance, Land 50% Bracket	1.650%
Property Tax Assistance, Land 70% Bracket	2.310%
Property Tax Assistance, Improvements, 20% Bracket	0.660%
Property Tax Assistance, Improvements, 50% Bracket	1.650%
Property Tax Assistance, Improvements, 70% Bracket	2.310%
Property Tax Assistance, Mobile Home, 20% Bracket	0.660%
Property Tax Assistance, Mobile Home, 50% Bracket	1.650%
Property Tax Assistance, Mobile Home, 70% Bracket	2.310%

Statewide Effect on Taxable Value

Table 7 presents information on the statewide effect of the PTAP in tax year 2004. As can be expected, the change in taxable value for each component receiving the reduced tax rate corresponds to the allowable reduction in tax rate afforded by the PTAP.

On a statewide basis, properties that receive a PTAP reduction had their taxable value reduced by \$4.43 million in tax year 2004. This is a 42% decrease in taxable value. Of the total \$4.43 million taxable value reduction, property owners eligible for the 80% tax rate reduction received 23% of the taxable value reduction; property owners eligible for the 50% reduction received 37% of the reduction; and property owners eligible for the 30% reduction received 40% of the taxable value reduction.

Table 7
Statewide Affect on Taxable Value of the PTAP (Tax Year 2004)

<u>Description</u>	<u>2004 Assessed Value*</u>	<u>2004 PTAP Taxable Value</u>	<u>2004 Taxable Value w/o PTAP</u>	<u>Taxable Value Difference</u>	<u>Percent Change</u>
PTAP, Land, 20% Bracket	\$10,209,685	\$67,382	\$336,920	\$269,538	-80%
PTAP, Land 50% Bracket	24,806,776	409,345	\$818,624	\$409,279	-50%
PTAP, Land 70% Bracket	<u>41,996,273</u>	<u>970,134</u>	<u>1,385,877</u>	<u>415,743</u>	<u>-30%</u>
PTAP, Improvements, 20% Bracket	25,339,588	167,253	836,206	\$668,953	-80%
PTAP, Improvements, 50% Bracket	68,832,346	1,135,742	2,271,467	\$1,135,725	-50%
PTAP, Improvements, 70% Bracket	<u>128,208,980</u>	<u>2,961,610</u>	<u>4,230,896</u>	<u>1,269,286</u>	<u>-30%</u>
PTAP, Mobile Home, 20% Bracket	2,586,627	17,070	85,359	\$68,289	-80%
PTAP, Mobile Home, 50% Bracket	6,246,557	103,063	206,136	\$103,073	-50%
PTAP, Mobile Home, 70% Bracket	<u>9,530,623</u>	<u>220,156</u>	<u>314,511</u>	<u>94,355</u>	<u>-30%</u>
Statewide Total	<u>\$317,757,455</u>	<u>\$6,051,755</u>	<u>\$10,485,996</u>	<u>\$4,434,241</u>	<u>-42%</u>

* The value of the homestead exemption is deducted from the assessed value



Participation

Table 8 shows participation in the PTAP since 1999. The figures include all properties that received the PTAP reductions each year. Participation in the program has been generally declining for the past several years.

Application for the Program

To receive the benefit of this program, a person must apply to the department by March 15th of each year. In January of each year, the department mails a new application form to all homeowners who received the benefit in the prior year. In addition, notices are posted in newspapers and public service announcements are broadcast on local radio stations informing the public of the availability of the program and the need to apply for the benefit.

**Table 8
Number of Owners
Receiving the PTAP**

<u>Year</u>	<u>Participants</u>	<u>% change</u>
1999	10,642	
2000	10,023	-6.18%
2001	9,405	-6.57%
2002	8,900	-5.67%
2003	8,863	-0.42%
2004	9,074	2.33%



Extended Property Tax Assistance Program (EPTAP)

The 2003 Legislature, in Senate Bill 461, enacted the Extended Property Tax Assistance Program to provide property tax relief to qualifying homeowners beginning in tax year 2003. The benefits of the program are specific to residential properties that experienced extraordinary valuation increases due to the reappraisal. The Extended Property Tax Assistance Program allows additional property tax assistance for owners who meet certain property tax increases and income requirements.

Residential properties that have an increase in taxable value of at least 24%, and a tax liability increase of \$250 or more, are eligible for the additional tax assistance if the property owner's income is below \$75,000. Under the income requirements set in the bill, the following taxable value caps apply:

- If the eligible residence's household income is \$25,000 or less per year, the taxable value increase is capped at 24% over six years.
- If the eligible residence's household income is greater than \$25,000 but less than or equal to \$50,000 per year, the taxable value increase is capped at 30% over six years.
- If the eligible residence's household income is greater than \$50,000 but less than or equal to \$75,000 per year, the taxable value increase is capped at 36% over six years.

Property owners must apply and qualify annually for assistance. Only those properties that met the three criteria in 2003 were eligible to qualify for the program benefits in 2004. Any of these qualifying properties which have been sold since December 31, 2002 or have had new construction or remodeling which increased the reappraised value of the property by more than 25% over the 2003 value, are no longer eligible for the Extended Property Tax Assistance Program.

Table 9 provides an example of the impact of the Extended Property Tax Assistance Program. The top portion of the table shows a homestead owned by a taxpayer with a household income greater than \$75,000; therefore, this property was not eligible for the EPTAP benefit. From tax year 2002 to tax year 2008, the reappraisal value grew by 124%, taxable value and taxes grew by 86%, and tax liability in 2008 is \$2,223, assuming a total levy of 500 mills.

The lower portion of Table 9 shows the change in tax liability had the property owner qualified for the EPTA program. If the homeowner had qualified for the program each year and had household income of less than \$25,000, the increase in tax liability would be capped at 24% over the six-year reappraisal period, with a tax liability in 2008 of \$1,480. With household income between \$25,000 and \$50,000, the tax liability for the property owner under EPTAP would be \$1,552 in 2008; and with household income between \$50,000 and \$75,000, the tax liability for the property owner under EPTAP would be \$1,612.

Average Benefit

In 2003 the first year of the program, 10,046 eligible properties were identified statewide. Of those properties, the Department of Revenue received applications for consideration from 3,718 property owners. Of the 3,718 applications submitted, 1,975 properties received an EPTAP benefit.

For those who qualified under this program in tax year 2003, the average reduction in the tax rate was approximately 0.2%, reducing the tax rate from 3.40% to 3.20%. This translated into an average tax savings of \$75 in taxes.



Property Tax

For 2004, 8,832 eligible properties were identified. The number of applications returned for consideration was 2,076; and, the number of applications that were granted the EPTAP benefit was 1,343 (15%). The average benefit was a reduction in the tax rate from 3.30% to 2.97% and the average tax savings was \$115.

Table 9
Example of the Tax Liability for a Sample Property
Without and With Receiving A Benefit
Under the Extended Property Tax Assistance Program

Tax Liability Without EPTAP

<u>Sample Property</u>	<u>TY2002</u>	<u>TY 2008</u>	<u>Change</u>	<u>Percent Change</u>
Reappraisal Value	\$100,000	\$223,819	\$123,819	124.00%
Homestead Exemption Rate	31.0%	34.0%		
Taxable Market Value	\$69,000	\$147,720	\$78,720	114.00%
Tax Rate	<u>3.46%</u>	<u>3.01%</u>		
Taxable Value	\$2,387	\$4,446	\$2,059	86.00%
Mills	<u>0.500</u>	<u>0.500</u>		
Tax Liability	\$1,194	\$2,223	\$1,026	86.00%

Tax Liability With EPTAP

Household Income Test:	2008 Tax Liability		2008 Tax Liability
	<u>Without</u>	<u>EPTAP Tax</u>	<u>With</u>
	<u>EPTAP Benefit</u>	<u>Liability Cap</u>	<u>EPTAP Benefit</u>
- Income is \$25,000 or less	\$2,223	24%	\$1,480
- Income is > \$25,000 but <= \$50,000	\$2,223	30%	\$1,552
- Income is > \$50,000 but <= \$75,000	\$2,223	36%	\$1,612
- Income is greater than \$75,000	\$2,223	0%	\$2,223



Disabled American Veterans (DAV) Exemption

An additional property tax exemption is granted for the residence of a disabled or deceased veteran as defined in 15-6-211, MCA. A property owner who qualifies under the statute is entitled to a property tax rate reduction similar to the reduction granted under the PTAP program. However, the income limits are higher and the reduction is in place for as long as the property is the primary residence of the veteran.

Senate Bill 65 (SB65), passed by the 2003 Legislature, changed the language defining eligibility and also imposed an income test for veterans receiving a 100% property tax rate reduction. The new law was effective on January 1, 2004.

Eligibility Requirements As Outlined in Statute

If the veteran is living, the veteran:

- must have been honorably discharged from active service,
- must currently be rated 100% disabled or is paid at the 100% disabled rate by the United States Department of Veterans Affairs (VA), and;
- must own and occupy the dwelling as a primary residence.

In addition to veterans being eligible for the exemption, a veteran's surviving spouse can receive the exemption if the veteran was killed while on active duty or died as a result of a service-connected disability. To receive the exemption, the surviving spouse must meet eligibility requirements as outlined below.

- is the owner/occupant of the home,
- is unmarried,
- has obtained a letter from the VA indicating the veteran was 100% disabled at the time of death, died on active duty or as the result of a service-connected disability.

2004 Income for the Surviving Spouse

Single Person		% Multiplier		2004 Tax Rate Class 4	DAV Tax Rate
\$0 - \$26,037		0%	x	3.30% =	0.00%
26,038 - 29,162		20%	x	3.30% =	0.66%
29,163 - 32,286		30%	x	3.30% =	0.99%
32,287 - 35,411		50%	x	3.30% =	1.65%

Income Eligibility and Tax Rate Reduction

Per SB65, the reduction in tax rate is based on the income of the individual. Depending on the marital status and income of the homeowner, the tax rate is reduced to 0%, 20%, 30% or 50% of the normal tax rate. The income ranges are established in 15-6-211, MCA and are updated each year for inflation. The following table shows the 2004 inflation adjusted income ranges and property tax rate reduction.

Table 10
2004 Income Schedules for the Disable American Veteran Program

Single Person	Married Couple	Surviving Spouse	% Multiplier		2004 Tax Rate Class 4	DAV Tax Rate
\$0 - \$31,245	\$0 - \$37,494	\$0 - \$26,037	0%	x	3.30% =	0.00%
31,246 - 34,369	37,495 - 40,618	26,038 - 29,162	20%	x	3.30% =	0.66%
34,370 - 37,494	40,619 - 43,743	29,163 - 32,286	30%	x	3.30% =	0.99%
37,495 - 40,618	43,744 - 46,867	32,287 - 35,411	50%	x	3.30% =	1.65%



Property Tax

Application Requirements

For all veterans receiving the benefit of a reduced property tax rate, an annual application for the benefit is required. However, for those veterans that have been rated as permanently 100% disabled by the VA, a copy of the VA letter is kept on file by the department and the annual application is accepted and approved without exception. For those veterans who are temporarily rated or paid at “permanent” 100% disabled by the VA, an annual application and letter must be submitted to the department for review.

Each January, the department sends a new application to all taxpayers who received the DAV exemption the previous year. The application must be returned to the department by March 15th of each year.

Statewide Effect on Taxable Value

The property owners eligible and approved for the DAV are exempt from all or a reduced portion of their property taxes, depending on the income of the applicant. They must continue to pay any fees or special levies that are due on the property.

Table 11 shows the statewide effect on the taxable value of the properties receiving the DAV exemption. As the table shows, the statewide reduction in taxable value is approximately \$2,450,000.

<u>Description</u>	<u>2004 Assessed Value*</u>	<u>2004 DAV Taxable Value</u>	<u>2004 Taxable Value w/o DAV</u>
DAV Land	\$13,539,554	\$5,976	\$446,805
DAV Improvements	59,551,432	\$29,075	\$1,965,197
DAV Mobile Homes	2,220,661	\$50	\$73,282
Statewide Total	<u>\$75,311,647</u>	<u>\$35,101</u>	<u>\$2,485,284</u>

* The value of the homestead exemption is deducted from the assessed value

When the statewide average mill of 500 mills is applied to the potential taxable value of these properties, an estimated property tax savings of approximately \$1,225,000 is realized.

Program Participation

The fiscal note for SB65 estimated that an additional 430 veterans would become eligible for property tax benefits. This estimate was based on the language of the law allowing those “paid” at the 100% disabled rate to be eligible.

Table 12 shows the number of DAV properties that have received the benefit in the state over the past six years.

<u>Year</u>	<u>Participants</u>	<u>% change</u>
1999	841	
2000	926	9.18%
2001	960	3.54%
2002	1,002	4.19%
2003	1,081	7.31%
2004	1,339	19.27%



Reverse Annuity Mortgage Loan Program

The Montana Board of Housing (MBOH) in the Department of Commerce was authorized by legislation in the 1989 session to establish a Reverse Annuity Mortgage Loan Program (RAM). A reverse annuity mortgage is a loan that allows lower-income elderly Montana citizens to convert the equity in their homes into an additional monthly income source.

The homeowner may receive a loan in an amount up to 80% of the Federal Housing Administration's estimated value of the home. The loan amounts may range from a minimum of \$15,000 to a maximum of \$100,000.

In cooperation with the Office on Aging, the Montana Board of Housing has set aside funds to make reverse annuity mortgage loans. The purpose of the reverse annuity mortgage loan program is to enable senior Montana homeowners to provide more substantially for their own in-home support.

Eligible Property Property that is eligible for the loan is an owner-occupied single family dwelling, which means a one-to-four-family living unit. Mobile homes are excluded, although some exceptions may apply. The home must be located in Montana.

Eligible Applicants To be eligible, a homeowner must be 68 years or older, have an annual family income not exceeding the Montana Board of Housing revenue annuity mortgage loan income limits, own a home that is eligible and have completed the reverse annuity mortgage loan program counseling program. Some exceptions may be considered. The homeowner may continue to have full-time or part-time employment as long as he or she does not exceed the income limit at the time of the loan closing. If the homeowner is married, the spouse must also be 68 years old or older, must be a co-applicant on the loan application and be a joint owner of the property with a right of survivorship.

Effect of the Program The application process requires potential borrowers to first complete a reverse annuity mortgage counseling program. The loan application may be completed during the counseling program, with the assistance of the Montana Aging Services Network counselor.

The annual family income must not exceed the following: \$18,620 for a one person household; \$24,980 for a two person household and \$31,340 for a three or more person household.

Monthly payments are made to the homeowner for a ten-year period. The payments stop when the owner no longer occupies the property or when the loan is paid off. There are no prepayment penalties. Monthly payments received by the homeowner are non-taxable income.

The homeowner may choose to receive an amount up to \$10,000 for purposes such as: paying off liens (small mortgage balances, back taxes, etc.); repairs or improvements to the home; medical expenses; and paying outstanding bills. Some exceptions to the amount may be considered.

Generally, the loan will be repaid from the proceeds of the sale of the home upon the death of the last surviving borrower residing in the home or upon the permanent vacating of the home by the borrower(s). The home is typically construed being permanently vacated when the owner had not lived in the home for more than 180 consecutive days.

Program Participation The RAM program began in 1991. There were four loans approved in that first year. In fiscal year 2004, 15 loans were granted, 2 are pending and 4 have been paid off. A total of 84 loans have been approved since inception of the program.



Business Property Tax Incentives

Property tax incentives can generally be divided into two categories: property tax abatements and local option property tax exemptions.

- **Property tax abatements** result in a reduction in the taxable value of the property. This reduction is accomplished by directly reducing the taxable value of property or by applying a reduced tax rate to the property's assessed value.
- **Local option property tax exemptions** exclude part or all of the entire value of property from taxation. A type of property tax exemption is the suspension and cancellation of delinquent property taxes to facilitate the purchase and continued operation of a business.

Property Tax Abatements

- **New or Expanding Industries (Local Option)** If approved by the local governing body, property of certain new or expanding industries is eligible for reduced taxable valuation (up to 50% of their taxable value for the first five years) during the first nine years after construction or expansion. (MCA 15-24-14)
- **Remodeling/Expansion of Existing Buildings (Local Option)** If approved by the local governing body, remodeling, reconstruction or expansion of existing buildings or structures may qualify for a reduced tax rate for five years following construction. (MCA 15-24-15)
- **Expanding "Value-Added" Machinery and Equipment (State Determined, Local Option)** If approved by the local governing bodies, an existing value added industry that expands to include value-added equipment is entitled to receive a decrease in the tax rate on value-added machinery and equipment.
- **Electrical Generation and Transmission Facilities** An electrical generation facility and related delivery facilities constructed in the state after May 5, 2001 and before January 1, 2006 may be exempt from property taxation for a 10-year period beginning on the date that an owner or operator of the facility begins construction. In order to be exempt from property taxation, an owner and operator shall offer contracts to sell 50% of that facility's net generating output at a cost-based rate to customers for a 20-year period from the date of the facility's completion. If the facility is powered by oil or gas turbines the exemption is limited to a 5-year period. If it is determined that a facility is exempt from property taxation the owner or operator of the facility is subject to a local government and local school impact fees.

Local Option Property Tax Exemptions

- **Exemption for Business Incubators (Local Option)** If approved by the local governing body, a business incubator owned or leased and operated by a local economic development organization is eligible for an exemption from property taxes. (MCA 15-24-18)
- **Industrial Parks (Local Option)** If approved by the local governing body, an industrial park owned and operated by a local economic development organization or port authority is eligible for an exemption from property taxes. (MCA 15-24-19)
- **Suspension/Cancellation of Delinquent Taxes (Local Option)** If approved by the local governing body, delinquent property taxes on commercial property may be suspended to facilitate the purchase and continued operation of a business utilizing the commercial property. (MCA 15-24-17)



Business Property Tax Exemptions - Tests to Qualify

Type of Exemption	Test to Qualify for Exemption
Government (Federal, State, Local, School, etc)	Ownership
Irrigation Districts	Nonprofit Ownership
Religious	Ownership and Use
Municipal Organizations	Ownership
Agricultural and Horticultural	Exclusive Use
Public Libraries	Ownership
Educational	Exclusive Use
Rural Fire Districts, etc.	Ownership
Nonprofit Health Care Facilities	Exclusive Use and Nonprofit and Health Care License
Space Vehicles	Ownership and Use
Improvements Made to Remove Barriers to Disabled Persons.	Purpose and Use of Persons with Disabilities
100% Disabled Veteran Residence	Owned and Occupied and Meets Income Requirements
Personal Property of an Industrial Dairy	Ownership, Use, and Size of Dairy
Vehicle of Certain Health Care Professionals	Qualifying Under Law
Intangible Personal Property	Meeting Definition in Law
Low Income Housing	Meeting Criterion in Law
Cemeteries	Ownership, Use and Nonprofit
Institutions of Purely Public Charity	Ownership and Use
Property Leased from a Federal, State, or Local Government	Lease and Use By Institution of Purely Public Charity
Public Museums	Nonprofit and Use
Art Galleries	Nonprofit and Use
Zoos	Nonprofit and Use
Observatories	Nonprofit and Use
Household Goods and Furniture	Ownership and Use
Truck Canopy Cover or Topper	Less Than 300 Lbs and No Accommodations Attached
Bicycle	Ownership and Use
Corporation Organized to Furnish Potable Water to its Members (Other Than Ag Irrigation)	Nonprofit and Ownership
Right of Entry	None
Corporations Providing Care for the Developmentally Disabled, Mentally Ill, or Vocationally Handicapped	Ownership, Use and Nonprofit
Corporations Operating Facilities for the Care of the Retired, Aged, or Chronically Ill	Ownership, Use and Nonprofit
Farm Buildings	Value Less Than \$500
Agricultural Implements	Value Less Than \$100
Facilities Used for Training, Practice, or Competition in Int'l. Sports and Athletic Events	Nonprofit, Use and Ownership
Hand Held Tools	Use and Exempt First \$15,000 Market Value
Harness, Saddlery, and Tack	None
Title Plant	Ownership
Nonfossil Energy Generation of Low Emission Wood or Biomass Combustion Devices	Exempt for Ten Years Following Installation \$100,000 Exempt for Multifamily Residences \$20,000 Single Family Residence
Veteran's Clubhouses	Nonprofit, Use and Ownership
Freeport Merchandise and Business Inventory	Use
State Water Conservation Projects	Ownership and Use
Irrigation and Drainage Facilities	Use
Nonprocessed Agricultural Products	Ownership and Use
Beet Implements	Use
Community Services Buildings	Nonprofit, Use, Ownership and Land up to Three Acres
Down-hole Equipment in Oil and Gas Wells	None
Motion Picture and Television Commercial Property	Use and Can Not be in the State for More than 180 Consecutive Days



Property Tax

Taxes Levied on the Montana Property Tax Bill

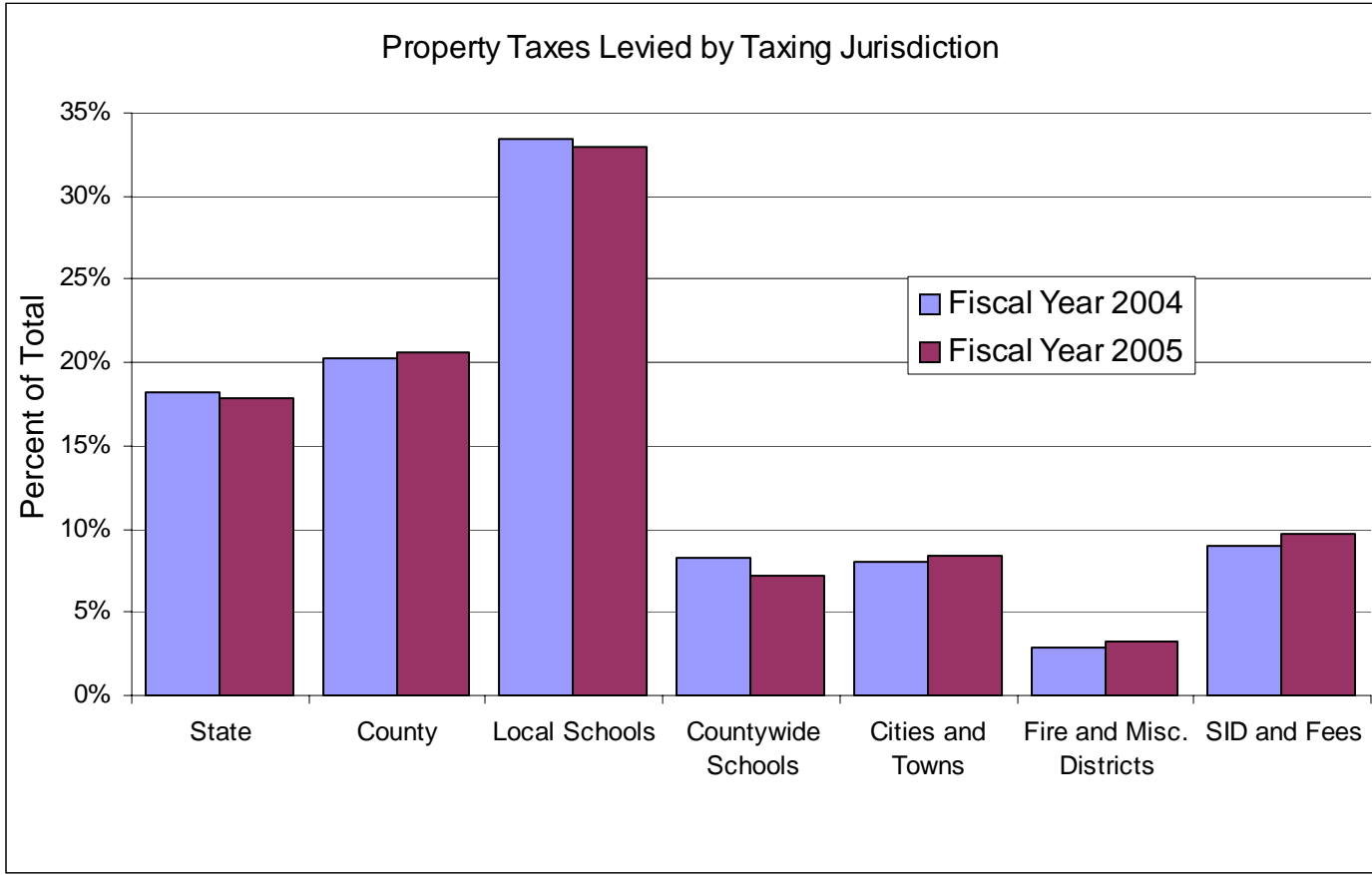
	Tax Year 2003 (Fiscal Year 2004)	Tax Year 2004 (Fiscal Year 2005)
----- Valuation -----		
Market Valuation	\$47,038,490,411	\$49,450,862,550
Taxable Valuation Statewide Total	\$1,733,674,415	\$1,779,929,986
Taxable Valuation in Cities / Towns	\$640,456,905	\$659,548,032
----- Taxes Levied -----		
State		
University	\$10,410,274	\$10,719,967
Vo-Tech (General Fund)	938,212	946,154
State General Fund	164,829,338	169,732,812
Subtotal State	<u>\$176,177,823</u>	<u>\$181,398,933</u>
County		
General	\$50,401,858	\$52,316,759
Road	22,328,326	24,069,267
Bridge	8,496,425	8,797,602
Poor	2,296,634	1,567,329
Bond Interest	155,761	124,614
County Fair	3,042,825	3,263,625
Library	7,593,266	7,764,692
Agricultural Extension	2,471,178	2,548,356
Planning	1,415,566	1,446,950
Health and Sanitation	4,064,193	4,448,572
Hospital	1,591,589	1,626,595
Airport	2,054,212	2,026,119
District Court	5,811,391	6,155,345
Weed Control	2,898,648	2,957,586
Senior Citizens	1,522,391	1,598,984
Public Safety	31,877,548	33,914,974
Other	47,812,039	54,027,422
Subtotal County	<u>\$195,833,855</u>	<u>\$208,654,790</u>
Local Schools		
Elementary	\$173,256,202	\$180,190,445
K-12 and High School	145,995,431	148,527,652
Jr. College	4,370,060	4,847,369
Subtotal Local Schools	<u>\$323,621,694</u>	<u>\$333,565,467</u>
Countywide Schools	\$80,443,339	\$75,399,174
Cities and Towns	\$78,282,448	\$84,464,121
Fire and Miscellaneous Districts	<u>\$28,354,743</u>	<u>\$32,217,555</u>
Total Property Tax	\$882,713,901	\$915,700,040
SID's and Fees	<u>\$86,593,666</u>	<u>\$98,787,612</u>
Total Property Taxes, SID's and Fees	<u>\$969,307,568</u>	<u>\$1,014,487,652</u>



Property Tax

Property Taxes Levied by Taxing Jurisdiction

Taxing Jurisdiction	----- Fiscal Year 2004 -----		----- Fiscal Year 2005 -----	
	Taxes Levied	% of Total	Taxes Levied	% of Total
State	\$176,177,823	18.2%	\$181,398,933	17.9%
County	195,833,855	20.2%	208,654,790	20.6%
Local Schools	323,621,694	33.4%	333,565,467	32.9%
Countywide Schools	80,443,339	8.3%	75,399,174	7.4%
Cities and Towns	78,282,448	8.1%	84,464,121	8.3%
Fire and Misc. Districts	28,354,743	2.9%	32,217,555	3.2%
SID and Fees	86,593,666	8.9%	98,787,612	9.7%
Total Property Taxes Levies	\$969,307,568	100%	\$1,014,487,652	100%





Property Tax

Property Taxes Levied - Tax Year 2003

County Name	State Assessed Mills and Revenues		County Assessed Mills and Revenue		Local Schools Mill and Revenue		Countywide Schools	
	Mill Levy	Revenue	Mill Levy	Revenue	Mill Levy	Revenue	Mill Levy	Revenue
Beaverhead	101.00	1,575,178	128.51	1,915,155	209.93	3,266,174	50.50	785,742
Big Horn	101.00	1,920,182	72.52	1,342,786	132.08	2,511,139	42.25	803,240
Blaine	101.00	1,225,407	159.39	1,889,628	117.12	1,417,344	47.00	568,783
Broadwater	101.00	947,391	125.35	1,144,593	127.24	1,191,564	63.18	591,638
Carbon	101.00	2,406,509	100.63	2,235,529	180.68	4,305,048	48.24	1,149,467
Carter	101.00	902,130	144.93	1,284,449	75.15	671,262	21.02	187,746
Cascade	102.50	11,089,552	131.44	12,771,276	215.03	23,168,143	44.61	4,806,828
Chouteau	101.00	1,993,193	119.91	2,307,174	163.45	3,225,077	51.20	1,010,320
Custer	101.00	1,409,133	168.05	2,183,237	285.08	3,977,377	45.98	641,542
Daniels	101.00	473,889	156.05	707,271	227.91	1,069,340	54.19	254,273
Dawson	101.00	1,478,764	177.46	2,456,769	291.33	4,238,436	51.96	755,949
Deer Lodge	101.00	917,542	231.22	2,101,136	235.47	2,139,121	97.94	889,756
Fallon	101.00	1,012,883	127.11	1,239,893	0.86	8,587	0.00	-
Fergus	101.00	2,131,144	111.47	2,233,859	200.58	4,231,353	55.21	1,164,650
Flathead	101.00	15,080,876	119.94	16,955,650	208.15	30,855,903	44.40	6,581,631
Gallatin	101.00	14,661,872	89.92	11,909,438	172.00	24,935,443	50.24	7,283,074
Garfield	101.00	470,567	193.64	892,298	126.52	589,470	47.31	220,406
Glacier	101.00	1,685,543	140.84	2,255,939	255.58	4,265,236	71.94	1,200,519
Golden Valley	101.00	490,384	75.66	360,105	180.55	876,611	42.01	203,981
Granite	101.00	848,128	134.45	1,100,638	160.34	1,345,703	37.68	316,249
Hill	101.00	2,674,014	138.93	3,433,384	183.98	4,866,966	52.69	1,393,750
Jefferson	101.00	1,838,778	105.98	1,899,034	185.24	3,370,988	44.32	806,603
Judith Basin	101.00	1,028,321	115.21	1,158,378	172.93	1,760,702	46.96	478,069
Lake	101.00	5,126,446	100.62	4,916,782	144.79	7,328,771	52.72	2,668,482
Lewis and Clark	102.50	8,763,387	162.47	12,967,617	238.67	20,376,827	50.30	4,294,201
Liberty	101.00	666,117	225.26	1,456,224	193.28	1,274,729	33.45	220,597
Lincoln	101.00	2,544,437	82.41	2,067,953	191.17	4,805,803	32.93	827,802
Madison	101.00	3,120,286	108.58	3,303,027	145.39	4,491,608	23.17	715,693
McCone	101.00	590,291	200.67	1,149,705	140.88	823,393	32.91	192,341
Meagher	101.00	736,027	131.15	932,045	181.72	1,324,277	37.38	272,374
Mineral	101.00	772,802	114.28	869,927	213.39	1,631,836	42.99	328,774
Missoula	102.50	16,408,789	139.05	20,837,927	225.52	36,100,328	51.16	8,189,041
Musselshell	101.00	631,332	166.80	981,648	215.40	1,345,791	64.22	401,229
Park	101.00	3,019,121	86.61	2,483,701	179.43	5,358,865	51.16	1,527,823
Petroleum	101.00	156,337	102.37	153,026	206.70	319,955	74.48	115,287
Phillips	101.00	1,372,662	77.66	1,017,975	161.41	2,192,909	33.64	456,991
Pondera	101.00	1,217,943	168.31	1,948,007	190.32	2,294,883	62.30	751,210
Powder River	101.00	402,352	250.25	965,283	140.63	560,237	57.04	227,219
Powell	101.00	1,116,785	109.98	1,171,140	197.10	2,179,428	55.47	613,371
Prairie	101.00	333,784	193.66	626,758	150.99	498,388	35.29	116,477
Ravalli	101.00	5,721,848	111.11	6,134,604	155.53	8,802,532	34.85	1,972,561
Richland	101.00	1,556,180	145.63	2,122,650	184.15	2,837,380	34.87	537,291
Roosevelt	101.00	2,457,099	118.96	2,819,983	158.28	3,846,298	63.04	1,531,807
Rosebud	101.00	8,563,950	30.28	1,890,243	74.39	6,308,040	21.64	1,835,100
Sanders	101.00	2,628,165	80.84	2,067,983	151.63	3,945,697	51.48	1,339,578
Sheridan	101.00	809,085	155.76	1,163,249	221.59	1,775,122	30.01	240,374
Silver Bow	102.50	6,557,257	209.82	13,390,466	203.10	12,973,883	41.07	2,623,280
Stillwater	101.00	3,069,518	106.49	3,057,474	138.83	4,219,369	38.43	1,168,014
Sweet Grass	101.00	1,316,829	141.59	1,770,756	125.19	1,630,524	42.44	552,803
Teton	101.00	1,405,831	128.57	1,721,342	216.81	3,001,861	59.26	820,480
Toole	101.00	1,356,709	131.87	1,670,604	184.27	2,475,227	33.08	444,422
Treasure	101.00	390,706	110.45	421,386	128.80	498,265	38.09	147,354
Valley	101.00	2,465,337	92.32	2,166,798	148.15	3,616,161	41.78	1,019,777
Wheatland	101.00	888,898	122.58	1,060,678	120.60	1,061,436	31.27	275,185
Wibaux	101.00	272,648	196.11	510,456	141.08	380,834	13.74	37,098
Yellowstone	102.50	21,477,489	115.38	20,238,825	216.19	45,054,050	57.03	11,885,085
Avg. Mill/Revenue	101.13	\$176,177,823	133.69	\$195,833,855	174.87	\$323,621,694	45.24	\$80,443,339



Property Tax

Property Taxes Levied - Tax Year 2003

County Name	Miscellaneous and Fire Districts		Average Rural Mill Levy and Revenue		Average City Mill Levy and Revenue		SID's and Fees	Grand Total All Taxes
	Mill Levy	Revenue	Mill Levy	Revenue	Mill Levy	Revenue	Revenue	Revenue
Beaverhead	8.29	129,027	493.54	7,671,277	101.40	426,319	828,956	8,926,552
Big Horn	5.03	95,552	349.56	6,672,899	138.36	317,426	740,400	7,730,725
Blaine	3.72	44,970	425.24	5,146,132	296.86	419,966	1,061,022	6,627,120
Broadwater	11.14	104,348	425.34	3,979,535	92.47	138,264	400,355	4,518,154
Carbon	10.49	249,952	434.14	10,346,505	127.79	766,355	202,510	11,315,370
Carter	0.51	4,598	343.11	3,050,185	298.59	51,690	84,457	3,186,332
Cascade	23.73	2,557,033	505.04	54,392,831	124.29	8,258,815	5,180,355	67,832,001
Chouteau	26.06	514,127	458.77	9,049,890	159.49	329,071	285,393	9,664,354
Custer	3.34	46,532	591.85	8,257,822	181.62	1,160,722	1,241,348	10,659,892
Daniels	31.70	148,748	565.15	2,653,520	168.53	126,466	254,631	3,034,617
Dawson	6.67	97,040	620.38	9,026,958	202.10	871,887	1,207,855	11,106,700
Deer Lodge	60.42	548,861	728.63	6,596,416	30.57	120,813	1,052,661	7,769,890
Fallon	5.79	58,098	231.16	2,319,461	223.20	255,761	216,108	2,791,330
Fergus	10.00	210,879	473.29	9,971,885	164.88	966,400	450,022	11,388,307
Flathead	12.91	1,913,258	470.18	71,387,317	120.59	5,487,931	8,779,147	85,654,396
Gallatin	22.08	3,200,638	427.93	61,990,465	143.14	9,240,338	2,140,590	73,371,393
Garfield	1.37	6,398	467.70	2,179,139	110.03	23,777	38,479	2,241,394
Glacier	5.50	91,787	569.29	9,499,024	143.19	383,679	626,609	10,509,312
Golden Valley	3.04	14,753	400.77	1,945,833	70.28	19,683	12,469	1,977,984
Granite	8.70	73,017	439.03	3,683,735	132.83	150,527	408,543	4,242,805
Hill	11.02	291,574	478.69	12,659,688	167.93	1,304,515	1,749,689	15,713,892
Jefferson	14.04	255,453	449.03	8,170,855	116.74	196,394	784,149	9,151,398
Judith Basin	4.73	48,170	439.66	4,473,640	89.01	42,049	26,541	4,542,231
Lake	11.90	602,448	407.86	20,642,929	105.97	884,149	4,120,793	25,647,871
Lewis And Clark	11.85	1,012,063	555.74	47,414,094	113.17	5,211,148	6,972,072	59,597,314
Liberty	9.61	63,372	558.07	3,681,038	110.48	75,851	148,840	3,905,730
Lincoln	17.17	431,594	424.61	10,677,588	111.15	454,189	1,643,416	12,775,193
Madison	33.72	1,041,842	411.92	12,672,456	94.48	266,124	954,186	13,892,766
McCone	2.64	15,457	474.19	2,771,186	222.82	126,873	29,090	2,927,149
Meagher	8.15	59,411	455.96	3,324,135	116.66	98,416	61,254	3,483,804
Mineral	16.13	123,348	489.03	3,726,687	122.65	141,443	76,106	3,944,236
Missoula	33.39	5,344,549	539.27	86,880,633	175.83	15,531,126	4,942,218	107,353,977
Musselshell	11.75	73,409	549.00	3,433,410	128.26	195,418	209,674	3,838,503
Park	11.27	336,510	426.14	12,726,021	159.56	1,392,321	1,585,126	15,703,469
Petroleum	7.54	11,664	488.19	756,269	158.27	14,666	61,564	832,500
Phillips	6.28	85,321	377.28	5,125,856	172.85	310,646	1,244,307	6,680,809
Pondera	10.52	126,813	525.70	6,338,856	128.27	336,091	625,195	7,300,142
Powder River	3.87	15,434	544.70	2,170,526	155.35	46,094	127,776	2,344,395
Powell	4.42	48,855	464.18	5,129,579	98.29	223,048	450,692	5,803,318
Prairie	3.96	13,076	481.36	1,588,483	172.22	62,492	428,772	2,079,746
Ravalli	23.10	1,307,254	423.17	23,938,799	114.02	1,006,430	1,465,417	26,410,645
Richland	2.01	30,898	459.66	7,084,399	140.72	551,502	1,939,256	9,575,158
Roosevelt	10.43	253,495	448.80	10,908,681	148.46	383,002	239,993	11,531,677
Rosebud	12.32	1,044,674	231.64	19,642,007	24.56	1,665,290	881,563	22,188,859
Sanders	18.66	485,677	402.50	10,467,100	143.66	372,475	1,159,612	11,999,187
Sheridan	15.39	123,280	513.42	4,111,110	191.79	330,037	159,866	4,601,013
Silver Bow	25.55	1,632,261	584.61	37,177,147	60.16	20,435	6,034,296	43,231,877
Stillwater	7.43	225,916	386.43	11,740,291	127.45	793,706	643,208	13,177,206
Sweet Grass	6.81	88,750	411.72	5,359,662	85.68	253,823	21,354	5,634,839
Teton	5.57	77,091	506.78	7,026,604	99.49	252,106	1,765,905	9,044,615
Toole	4.40	59,087	446.90	6,006,049	161.25	536,559	408,139	6,950,746
Treasure	3.03	11,716	379.86	1,469,426	219.59	40,098	162,888	1,672,412
Valley	5.77	140,786	385.46	9,408,859	217.49	692,543	1,719,087	11,820,489
Wheatland	1.03	9,081	374.45	3,295,279	137.13	114,051	31,635	3,440,965
Wibaux	11.41	30,797	456.40	1,231,833	127.68	41,079	13,473	1,286,384
Yellowstone	13.07	2,724,000	487.10	101,379,449	112.35	14,800,369	18,494,606	134,674,424
Avg. Mill/Revenue	11.79	\$28,354,743	461.78	\$804,431,454	115.95	\$78,282,448	\$86,593,666	\$969,307,568



Property Tax

Property Taxes Levied - Tax Year 2004

County Name	State Assessed Mills and Revenues		County Assessed Mills and Revenue		Local Schools Mill and Revenue		Countywide Schools	
	Mill Levy	Revenue	Mill Levy	Revenue	Mill Levy	Revenue	Mill Levy	Revenue
Beaverhead	101.00	1,583,586	133.07	2,005,605	222.76	3,489,578	47.68	746,904
Big Horn	101.00	1,931,569	77.04	1,437,656	131.98	2,524,110	31.54	603,244
Blaine	101.00	1,158,726	161.36	1,807,410	112.69	1,289,255	47.00	537,713
Broadwater	101.00	959,346	126.88	1,177,189	137.99	1,308,674	54.75	519,300
Carbon	101.00	2,480,568	109.99	2,490,211	196.27	4,820,361	43.34	1,064,387
Carter	101.00	1,037,265	153.42	1,568,464	74.08	760,767	16.98	174,406
Cascade	102.50	11,220,877	128.41	12,644,162	216.17	23,611,551	46.77	5,108,103
Chouteau	101.00	2,002,829	128.31	2,480,673	156.13	3,096,089	29.68	588,609
Custer	101.00	1,430,727	174.09	2,300,238	299.41	4,241,383	51.04	723,037
Daniels	101.00	474,561	154.68	708,110	229.14	1,076,641	60.95	286,378
Dawson	101.00	1,515,274	185.21	2,634,296	290.45	4,332,755	40.21	599,811
Deer Lodge	101.00	955,540	244.37	2,307,172	235.39	2,227,017	47.27	447,201
Fallon	101.00	1,191,829	129.33	1,498,188	0.00	-	0.00	-
Fergus	101.00	2,167,218	115.82	2,350,897	208.27	4,468,087	50.27	1,078,563
Flathead	101.00	16,616,244	126.96	19,724,006	208.50	34,113,748	42.95	7,027,968
Gallatin	101.00	15,706,411	90.85	12,484,515	170.53	26,491,999	42.65	6,626,359
Garfield	101.00	469,239	200.14	920,038	121.16	562,897	44.38	206,170
Glacier	101.00	1,716,130	147.96	2,415,591	241.00	4,094,918	47.87	813,379
Golden Valley	101.00	496,838	81.19	388,789	159.84	786,306	37.74	185,650
Granite	101.00	879,915	135.75	1,155,447	173.44	1,510,977	29.21	254,437
Hill	101.00	2,701,100	150.13	3,764,784	188.80	5,044,209	52.09	1,391,614
Jefferson	101.00	2,139,995	120.68	2,522,943	165.24	3,500,206	40.61	860,205
Judith Basin	101.00	1,027,518	119.33	1,198,758	170.49	1,734,422	45.18	459,674
Lake	101.00	5,274,884	105.02	5,292,557	145.84	7,611,210	40.03	2,089,142
Lewis And Clark	102.50	9,049,631	176.40	14,576,252	242.69	21,389,451	48.75	4,296,983
Liberty	101.00	679,004	196.75	1,313,852	154.98	1,041,883	27.77	186,678
Lincoln	101.00	2,565,150	94.73	2,390,642	188.47	4,785,066	28.35	719,864
Madison	101.00	3,433,857	118.28	3,968,383	138.33	4,703,041	24.94	848,055
McCone	101.00	588,081	207.36	1,178,054	146.68	854,056	35.31	205,581
Meagher	101.00	760,346	138.75	1,018,922	119.04	896,171	23.33	175,611
Mineral	101.00	814,264	121.11	973,207	224.95	1,812,178	30.86	248,622
Missoula	102.50	17,131,858	148.44	22,809,920	226.23	37,811,173	45.41	7,590,352
Musselshell	101.00	662,591	164.22	1,025,520	205.80	1,350,143	62.58	410,548
Park	101.00	3,067,174	97.24	2,837,296	176.87	5,367,782	50.46	1,531,470
Petroleum	101.00	157,020	106.04	160,798	209.52	325,728	77.61	120,653
Phillips	101.00	1,413,622	77.46	1,046,159	168.77	2,361,639	41.58	581,798
Pondera	101.00	1,218,037	168.73	1,957,118	192.30	2,318,943	53.66	647,062
Powder River	101.00	404,547	284.23	1,118,275	147.96	592,630	55.81	223,534
Powell	101.00	1,146,068	118.46	1,294,748	192.80	2,187,776	38.92	441,652
Prairie	101.00	336,274	222.84	724,647	143.50	477,300	37.86	125,914
Ravalli	101.00	5,966,595	114.71	6,608,218	160.96	9,504,021	36.85	2,175,990
Richland	101.00	1,635,015	149.37	2,278,647	171.70	2,779,449	17.47	282,739
Roosevelt	101.00	2,507,358	121.56	2,950,955	164.52	4,080,847	32.83	814,294
Rosebud	101.00	8,571,707	31.58	1,953,676	62.10	5,270,229	17.30	1,468,301
Sanders	101.00	2,769,399	82.87	2,237,632	145.70	3,995,029	44.00	1,206,433
Sheridan	101.00	825,341	182.21	1,396,438	199.80	1,632,702	44.06	360,037
Silver Bow	102.50	4,932,079	222.00	10,659,480	254.45	12,242,138	51.86	2,495,165
Stillwater	101.00	2,911,000	107.49	2,940,696	148.18	4,270,787	32.58	938,954
Sweet Grass	101.00	1,483,963	145.53	2,058,212	119.02	1,748,183	24.85	365,017
Teton	101.00	1,401,820	128.22	1,712,516	221.32	3,058,288	47.91	662,042
Toole	101.00	1,354,423	136.96	1,713,513	163.45	2,188,840	27.31	365,729
Treasure	101.00	397,174	114.58	445,297	123.17	484,350	33.32	131,032
Valley	101.00	2,498,189	94.64	2,255,019	152.54	3,772,960	36.66	906,863
Wheatland	101.00	909,148	125.92	1,116,048	117.39	1,056,698	26.79	241,147
Wibaux	101.00	308,391	188.18	568,191	104.44	318,905	14.78	45,114
Yellowstone	102.50	22,361,615	120.81	22,088,761	214.00	46,189,918	56.50	12,193,685
Avg. Mill/Revenue	101.13	\$181,398,933	139.42	\$208,654,790	172.45	\$333,565,467	39.62	\$75,399,174



Property Tax

Property Taxes Levied - Tax Year 2004

County Name	Miscellaneous and Fire Districts		Average Rural Mill Levy and Revenue		Average City Mill Levy and Revenue		SID's and Fees	Grand Total All Taxes
	Mill Levy	Revenue	Mill Levy	Revenue	Mill Levy	Revenue	Revenue	Revenue
Beaverhead	7.98	125,087	507.49	7,950,759	104.22	441,865	665,996	9,058,620
Big Horn	5.19	99,202	345.84	6,595,780	147.61	335,450	6,569,329	13,500,559
Blaine	3.55	40,597	422.51	4,833,702	298.66	431,743	1,269,639	6,535,083
Broadwater	11.02	104,508	429.05	4,069,018	92.34	139,021	474,583	4,682,621
Carbon	10.26	251,937	452.29	11,107,464	125.41	768,685	183,146	12,059,295
Carter	0.47	4,800	345.25	3,545,702	323.07	55,017	92,106	3,692,825
Cascade	23.01	2,513,787	504.12	55,098,480	131.34	8,850,360	5,261,583	69,210,423
Chouteau	27.69	549,058	439.59	8,717,258	165.96	345,440	292,241	9,354,939
Custer	3.34	47,294	617.17	8,742,679	184.46	1,202,083	1,322,276	11,267,038
Daniels	38.32	180,035	580.39	2,725,725	170.69	128,719	256,647	3,111,091
Dawson	6.83	101,881	615.69	9,184,017	211.69	913,935	1,282,106	11,380,058
Deer Lodge	51.71	489,256	677.23	6,426,186	30.26	122,305	1,052,112	7,600,603
Fallon	5.77	68,080	234.07	2,758,097	229.81	268,211	211,502	3,237,810
Fergus	10.32	221,489	479.46	10,286,254	176.80	1,047,351	491,314	11,824,920
Flathead	15.04	2,460,205	496.16	79,942,171	125.87	6,505,418	9,445,525	95,893,114
Gallatin	23.00	3,572,332	417.65	64,881,618	151.22	10,374,439	2,227,561	77,483,618
Garfield	1.42	6,584	466.07	2,164,928	117.82	25,456	59,023	2,249,406
Glacier	5.29	89,965	537.45	9,129,984	145.38	385,311	625,797	10,141,091
Golden Valley	3.04	14,962	380.66	1,872,544	72.19	20,964	11,533	1,905,042
Granite	8.70	75,813	444.85	3,876,589	134.31	160,140	428,516	4,465,245
Hill	13.62	364,009	496.56	13,265,717	172.79	1,363,056	2,020,193	16,648,966
Jefferson	13.21	279,734	439.27	9,303,084	116.87	205,558	808,488	10,317,129
Judith Basin	5.16	52,456	439.66	4,472,827	91.05	43,696	25,412	4,541,935
Lake	12.34	643,826	399.95	20,911,620	107.53	919,268	4,763,010	26,593,898
Lewis And Clark	11.01	970,181	571.25	50,282,497	123.03	5,776,192	7,484,633	63,543,322
Liberty	9.44	63,474	488.59	3,284,891	90.85	62,511	142,774	3,490,176
Lincoln	17.67	448,578	429.59	10,909,300	117.85	484,981	1,659,489	13,053,770
Madison	38.69	1,315,569	419.86	14,268,905	96.70	282,530	677,649	15,229,084
McCone	2.76	16,061	488.21	2,841,834	229.88	128,596	27,811	2,998,240
Meagher	8.24	62,006	387.12	2,913,056	117.47	106,774	77,958	3,097,788
Mineral	16.72	134,719	494.52	3,982,989	123.52	154,395	80,425	4,217,810
Missoula	36.47	6,094,676	547.08	91,437,979	182.26	16,644,483	5,150,985	113,233,447
Musselshell	11.55	75,739	537.25	3,524,542	129.30	184,109	241,279	3,949,930
Park	11.60	352,173	433.42	13,155,895	169.83	1,511,330	1,690,931	16,358,156
Petroleum	9.63	14,977	500.24	779,175	186.11	16,044	36,821	832,040
Phillips	6.43	90,016	392.65	5,493,235	146.08	269,391	1,245,418	7,008,044
Pondera	12.37	149,114	521.62	6,290,273	130.58	353,047	623,893	7,267,213
Powder River	4.25	17,017	588.20	2,356,002	156.90	47,489	151,506	2,554,997
Powell	4.82	54,739	451.46	5,124,982	100.18	233,955	469,891	5,828,828
Prairie	4.08	13,562	504.39	1,677,697	189.02	68,337	432,571	2,178,604
Ravalli	26.16	1,544,737	436.93	25,799,561	115.74	1,056,350	1,484,827	28,340,738
Richland	2.33	37,736	433.24	7,013,586	142.84	610,566	2,042,430	9,666,582
Roosevelt	10.69	265,205	428.10	10,618,660	157.71	395,728	949	11,015,337
Rosebud	24.11	2,046,530	227.54	19,310,443	26.37	1,786,657	974,769	22,071,869
Sanders	18.87	517,543	391.10	10,726,037	140.34	369,631	1,166,244	12,261,912
Sheridan	17.02	139,122	532.79	4,353,640	205.09	337,196	160,655	4,851,490
Silver Bow	32.86	1,581,165	662.41	31,910,027	58.90	20,771	6,113,398	38,044,196
Stillwater	12.66	364,919	396.42	11,426,356	132.33	770,561	656,049	12,852,966
Sweet Grass	6.47	94,998	391.50	5,750,373	100.19	313,787	23,021	6,087,181
Teton	5.57	76,963	499.10	6,911,629	101.71	257,003	1,646,438	8,815,069
Toole	6.03	80,811	426.10	5,703,317	164.30	544,113	40,817	6,288,247
Treasure	3.37	13,264	374.10	1,471,118	234.70	40,976	268,758	1,780,852
Valley	15.37	380,246	396.73	9,813,278	208.45	655,153	1,806,973	12,275,404
Wheatland	1.02	9,162	370.18	3,332,203	149.90	133,686	31,231	3,497,120
Wibaux	11.47	35,034	418.88	1,275,636	139.56	44,681	13,448	1,333,764
Yellowstone	<u>12.98</u>	<u>2,800,623</u>	<u>489.70</u>	<u>105,634,603</u>	<u>115.45</u>	<u>15,749,609</u>	<u>22,323,937</u>	<u>143,708,149</u>
Avg. Mill/Revenue	12.84	\$32,217,555	460.69	\$831,235,918	125.10	\$84,464,121	\$98,787,612	\$1,014,487,652



Property Tax

Property Taxes Paid by Property Class

Estimated Property Taxes Paid By Property Class Tax Year 2003 (Fiscal Year 2004)					
<u>Tax Class</u>	<u>Description</u>	<u>2003 Taxable Market Value</u>	<u>Taxes Paid By Tax Class</u>	<u>Percent of Total Taxes</u>	<u>Effective Tax Rate</u>
1	Mine Net Proceeds	\$7,808,005	\$2,882,114	0.3%	36.91%
2	Gross Proceeds Metal Mines	\$293,201,174	\$3,686,568	0.4%	7.25%
3	Agricultural Land	\$3,942,941,138	\$64,554,033	7.3%	3.23%
4 Res	Residential Improvements	\$17,064,630,080	\$305,812,160	34.6%	1.44%
4 Res	Residential Land	\$5,352,084,334	\$93,844,908	10.6%	1.54%
4 Res	Extended Property Tax Assistance	\$143,866,944	\$2,318,369	0.3%	1.61%
4 Com	Commercial Improvements	\$6,320,921,441	\$123,313,276	14.0%	1.13%
4 Com	Commercial Land	\$1,836,762,811	\$36,179,077	4.1%	1.57%
Sub 4	<i>Subtotal Class 4</i>	\$30,718,265,610	\$561,467,791	63.5%	1.37%
5	Pollution Control Equipment	\$1,090,984,237	\$14,449,933	1.6%	1.37%
7	Non-Centrally Assessed Public Util.	\$12,439,363	\$584,878	0.1%	4.70%
8	Business Personal Property	\$3,995,585,302	\$59,967,711	6.8%	1.47%
9	Non-Elect. Gen. Prop. Of Electrical Util.	\$1,767,716,825	\$102,011,881	11.5%	6.12%
10	Forest Land	\$1,939,802,129	\$3,153,644	0.4%	0.16%
12	Railroad and Airline Property	\$1,176,037,585	\$21,986,549	2.5%	2.12%
13	Telecommunication & Electric Property	\$2,093,709,043	\$48,765,253	5.5%	2.83%
Totals		\$47,038,490,411	\$883,510,356	100.0%	1.88%

Estimated Property Taxes Paid By Property Class Tax Year 2004 (Fiscal Year 2005)					
<u>Tax Class</u>	<u>Description</u>	<u>2004 Taxable Market Value</u>	<u>Taxes Paid By Tax Class</u>	<u>Percent of Total Taxes</u>	<u>Effective Tax Rate</u>
1	Mine Net Proceeds	\$8,032,414	\$3,022,810	0.3%	36.91%
2	Gross Proceeds Metal Mines	\$347,610,017	\$4,431,674	0.5%	7.25%
3	Agricultural Land	\$4,044,106,892	\$64,096,755	7.0%	3.23%
4 Res	Residential Improvements	\$18,213,683,578	\$319,636,369	35.0%	1.44%
4 Res	Residential Land	\$5,897,843,259	\$101,298,845	11.1%	1.54%
4 Res	Extended Property Tax Assistance	\$109,554,421	\$1,670,322	0.2%	1.61%
4 Com	Commercial Improvements	\$6,698,914,261	\$39,212,658	4.3%	1.13%
4 Com	Commercial Land	\$2,029,951,880	\$128,954,437	14.1%	1.57%
Sub 4	<i>Subtotal Class 4</i>	\$32,949,947,399	\$590,772,632	64.6%	1.37%
5	Pollution Control Equipment	\$1,134,276,891	\$14,944,788	1.6%	1.37%
7	Non-Centrally Assessed Public Util.	\$12,178,960	\$578,038	0.1%	4.70%
8	Business Personal Property	\$3,989,981,886	\$59,983,543	6.6%	1.47%
9	Non-Elect. Gen. Prop. Of Electrical Util.	\$1,833,334,211	\$105,185,373	11.5%	6.12%
10	Forest Land	\$1,940,263,273	\$3,153,869	0.3%	0.16%
12	Railroad and Airline Property	\$1,183,046,155	\$21,870,480	2.4%	2.12%
13	Telecommunication & Electric Property	\$2,008,084,452	\$46,076,982	5.0%	2.83%
Totals		\$49,450,862,550	\$914,116,943	100.0%	1.88%



Property Tax

Summary of Property Valuation and Taxes Levied

Tax Year 2004				Market and Taxable Values for Tax Year 2004			
				By Property Type			
Property Type	Class	2004 Tax Rate	2004 Total Assessed Value	2004 Total Taxable Value	Assessed Value Within Cities/Towns	Taxable Value Within Cities/Towns	
Residential Land							
Farmstead 1 Acre	4	3.30%	18,998,213	638,216	122,881	4,090	
Non-Qualified Ag Land	3	23.10%	32,546,553	7,518,897	257,265	59,432	
Non-Q Ag Land 1 Acre	4	3.30%	197,795,265	6,527,089	2,497,352	82,412	
City/town Lots Residential	4	3.30%	2,091,706,168	69,025,155	1,964,114,470	64,814,514	
Suburban Tracts Residential	4	3.30%	3,498,791,325	115,459,650	46,665,878	1,539,952	
Suburban Tracts - Low Income	4	varies	90,552,288	1,452,837	41,400,081	683,574	
- Subtotal			5,930,389,812	200,621,844	2,055,057,927	67,183,974	
- Subtotal Percent of Column Statewide Total			12.0%	11.3%	11.1%	10.2%	
- Subtotal Average Mill Levy							
Residential Improvements							
Impr. on Ag and Timber Land	4	3.30%	1,898,257,772	62,642,578	4,252,998	140,348	
Impr. on Disparately Owned Ag Land	4	3.30%	21,711,382	716,474	4,558,247	150,421	
Impr. on Rt of Way - Agricultural	4	3.30%	319,153	10,531	234,360	7,733	
Remodeled Ag/Timber Improvements	4	varies	0	0	0	0	
Impr. on Surban Tracts Residential	4	3.30%	8,055,554,558	265,833,326	90,172,179	2,975,667	
Impr. on City/Town Lots Residential	4	3.30%	7,404,661,511	244,353,913	6,865,584,832	226,564,347	
Impr. on Tracts and Lots - Low Income	4	varies	281,932,346	4,293,680	141,287,476	2,288,137	
Impr. on Rt of Way - Residential	4	3.30%	220,536	7,276	118,577	3,912	
Remodeled Residential Improvements	4	varies	697,278	22,372	0	0	
Mobile Homes	4	3.30%	529,744,574	17,481,083	136,082,718	4,490,396	
Mobile Homes - Low Income	4	varies	20,584,468	340,339	7,078,503	120,778	
Extended Property Tax Assistance Prog.	4	varies	109,554,421	3,258,302	36,473,147	1,096,589	
Penalty	4	3.30%	0	0	0	0	
- Subtotal			18,323,237,999	598,959,874	7,285,843,037	237,838,328	
- Subtotal Percent of Column Statewide Total			37.1%	33.7%	39.5%	36.1%	
- Subtotal Average Mill Levy							
Commercial Land							
Suburban Tracts Commercial	4	3.30%	484,290,627	15,981,573	33,887,784	1,118,295	
City/town Lots Commercial	4	3.30%	1,442,458,815	47,601,225	1,380,989,724	45,572,735	
Industrial Sites	4	3.30%	73,032,954	2,410,088	16,734,701	552,231	
New Industry Land	5	varies	0	0	0	0	
R & D Land	5	varies	0	0	0	0	
Qualified Golf Courses	4	1.65%	30,169,484	497,796	8,287,807	136,750	
Locally Assessed Co-op Land	5	3.00%	55,952	1,678	21,071	632	
Eligible Mining Claims	3	3.00%	716,483	23,657	19,988	659	
- Subtotal			2,030,724,315	66,516,017	1,439,941,075	47,381,302	
- Subtotal Percent of Column Statewide Total			4.1%	3.7%	7.8%	7.2%	
- Subtotal Average Mill Levy							
Commercial Improvements							
Impr. on Surban Tracts Commercial	4	3.30%	1,289,101,305	42,540,295	121,318,222	4,003,473	
Impr. on City/Town Lots Commercial	4	3.30%	4,528,628,581	149,444,665	4,227,762,995	139,516,106	
Impr. on Rt of Way - Commercial	4	3.30%	21,244,524	701,066	16,659,832	549,771	
Locally Assessed Co-op Improvements	5	3.00%	40,500	1,215	2,900	87	
Impr. on Hydraulic Power Works	4	3.30%	0	0	0	0	
Impr. on Qualified Golf Courses	4	varies	60,232,853	993,843	14,062,485	232,030	
Impr. on Industrial Sites	4	3.30%	678,243,319	22,382,089	119,868,107	3,955,659	
New Industrial Improvements	4	varies	98,505,941	1,882,087	46,050,746	887,807	
Impr. on New Industry Land	5	varies	0	0	0	0	
Remodeled Commercial Improvements	4	varies	22,607,644	484,089	14,993,425	263,604	
R & D Improvements	5	3.00%	0	0	0	0	
New and Expanding R & D Improvements	5	varies	240,200	3,603	0	0	
Remodeled R & D Improvements	5	varies	0	0	0	0	
Impr. for Pollution Control	5	3.00%	16,212,700	486,381	1,580,300	47,409	
Impr. Golf Course	4	1.65%	350,094	2,906	0	0	
- Subtotal			6,715,407,661	218,922,239	4,562,299,012	149,455,946	
- Subtotal Percent of Column Statewide Total			13.6%	12.3%	24.7%	22.7%	
- Subtotal Average Mill Levy							



Property Tax

Estimated Taxes Levied for Tax Year 2004							Total Estimated 2004 Taxes Levied	Effective Tax Rate	Average Mill Levy for Property Type
By Property Type									
2004 Taxes Levied by:									
University (6mills)	State General Fund (95 mills)	County	Misc. & Fire	County Wide Ret. / Trans.	Local Schools	Cities/ Towns			
3,829	60,753	79,946	8,915	25,993	112,200	539	292,177	1.54%	457.80
45,113	716,804	929,304	130,349	321,400	1,422,760	8,091	3,573,822	10.98%	475.31
39,163	622,532	747,290	130,949	276,348	1,250,590	7,738	3,074,609	1.55%	471.05
414,151	6,616,414	8,340,395	1,417,603	3,213,832	14,275,818	8,873,534	43,151,746	2.06%	625.16
692,758	11,009,001	13,185,484	2,326,853	4,812,281	21,771,487	189,151	53,987,016	1.54%	467.58
8,717	138,822	174,075	29,094	63,045	285,907	93,636	793,297	0.88%	546.03
1,203,731	19,164,327	23,456,495	4,043,764	8,712,899	39,118,762	9,172,689	104,872,667	1.77%	
11.3%	11.3%	11.3%	12.5%	11.6%	11.7%	10.9%	11.5%		
6.00	95.52	116.92	20.16	43.43	194.99	136.53	522.74		
375,855	5,963,988	7,600,842	938,901	2,577,916	11,107,544	19,328	28,584,374	1.51%	456.31
4,299	68,078	85,858	13,270	26,790	117,635	9,844	325,775	1.50%	454.69
63	1,001	1,194	246	472	1,969	843	5,788	1.81%	549.59
0	0	0	0	0	0	0	0	0.00%	0.00
1,595,000	25,367,414	30,552,503	5,291,619	11,378,602	51,070,412	390,283	125,645,832	1.56%	472.65
1,466,123	23,432,159	30,074,179	4,804,296	11,529,566	50,752,159	31,356,966	153,415,450	2.07%	627.84
25,762	410,529	536,973	83,054	191,685	858,381	312,921	2,419,305	0.86%	563.46
44	692	918	61	312	1,522	642	4,191	1.90%	575.96
134	2,159	4,957	735	1,160	5,693	0	14,838	2.13%	663.24
104,886	1,671,392	2,117,537	315,572	778,434	3,435,945	616,224	9,039,991	1.71%	517.13
2,042	32,551	41,287	6,295	14,903	67,365	16,384	180,827	0.88%	531.31
19,550	310,703	362,501	62,061	141,189	608,798	165,521	1,670,322	1.52%	512.64
0	0	0	0	0	0	0	0	0.00%	0.00
3,593,759	57,260,666	71,378,749	11,516,109	26,641,029	118,027,423	32,888,955	321,306,692	1.75%	
33.7%	33.7%	34.3%	35.5%	35.4%	35.4%	39.0%	35.1%		
6.00	95.60	119.17	19.23	44.48	197.05	138.28	536.44		
95,889	1,525,665	1,860,790	327,617	691,904	3,154,853	144,921	7,801,640	1.61%	488.16
285,607	4,565,271	5,596,966	1,002,108	2,244,053	9,866,393	6,393,957	29,954,357	2.08%	629.28
14,461	230,661	270,743	43,537	105,847	464,976	71,683	1,201,908	1.65%	498.70
0	0	0	0	0	0	0	0	0.00%	0.00
0	0	0	0	0	0	0	0	0.00%	0.00
2,987	47,562	55,085	9,496	22,751	100,319	16,555	254,754	0.84%	511.76
10	159	212	22	66	281	92	843	1.51%	502.54
142	2,270	4,281	573	1,138	5,378	57	13,839	1.93%	584.98
399,096	6,371,588	7,788,078	1,383,352	3,065,760	13,592,201	6,627,265	39,227,340	1.93%	
3.7%	3.7%	3.7%	4.3%	4.1%	4.1%	7.9%	4.3%		
6.00	95.79	117.09	20.80	46.09	204.34	139.87	589.74		
255,242	4,060,795	4,982,077	877,519	1,818,390	8,271,220	583,783	20,849,025	1.62%	490.10
896,668	14,337,429	18,333,012	3,140,325	7,014,533	31,249,716	19,838,106	94,809,790	2.09%	634.41
4,206	66,843	79,750	10,019	30,353	131,722	89,424	412,318	1.94%	588.13
7	115	145	15	48	201	15	547	1.35%	450.38
0	0	0	0	0	0	0	0	0.00%	0.00
5,963	95,004	116,973	18,616	45,255	201,731	28,397	511,940	0.85%	515.11
134,293	2,138,974	2,657,474	388,967	943,359	4,202,750	517,311	10,983,128	1.62%	490.71
11,293	180,506	240,559	30,379	90,898	401,210	118,257	1,073,102	1.09%	570.17
0	0	0	0	0	0	0	0	0.00%	0.00
2,905	46,565	83,322	11,065	23,409	111,412	34,993	313,670	1.39%	647.96
0	0	0	0	0	0	0	0	0.00%	0.00
22	342	434	54	155	751	0	1,758	0.73%	488.05
0	0	0	0	0	0	0	0	0.00%	0.00
2,918	46,639	67,327	10,021	23,096	99,824	4,066	253,891	1.57%	522.00
17	280	336	67	136	628	0	1,465	0.42%	504.21
1,313,533	20,973,495	26,561,409	4,487,047	9,989,632	44,671,166	21,214,352	129,210,634	1.92%	
12.3%	12.3%	12.7%	13.8%	13.3%	13.4%	25.2%	14.1%		
6.00	95.80	121.33	20.50	45.63	204.05	141.94	590.21		



Property Tax

Tax Year 2004

Market and Taxable Values for Tax Year 2004

By Property Type

Property Type	Class	2004 Tax Rate	2004 Total		Assessed	Taxable
			Assessed Value	Taxable Value	Value Within Cities/Towns	Value Within Cities/Towns
Personal Property						
Furniture and Fixtures	8	3.00%	821,617,098	24,648,625	614,140,538	18,424,320
Locally Assessed Co-op Pers. Prop.	5	3.00%	42,488	1,275	42,488	1,275
Machin. other than Farm, Min., Manuf.	8	3.00%	593,456,992	17,804,387	125,982,923	3,779,615
Repair Tools	8	3.00%	1,080,532	32,416	727,565	21,827
Manufacturing Machinery	8	3.00%	1,270,688,871	38,120,659	196,288,728	5,888,657
Mining Machinery	8	3.00%	6,758	203	2,217	67
Ski Lifts	8	3.00%	20,662,003	619,861	5,125	154
Supplies and Materials	8	3.00%	109,749,916	3,294,076	21,539,494	647,198
All Other Property	8	3.00%	-	-	-	-
Rural Telephone Property	7	8.00%	12,178,960	974,316	8,329,551	666,364
Air and H2O Pollution Control	5	3.00%	158,694,820	4,760,845	10,709,981	321,298
New & Expanding Ind- Air & H2O P C	5	2.00%	146,857	3,965	-	-
All Gasohol Related Property	5	3.00%	0	0	0	0
R & D Personal Property	5	3.00%	153,536	4,606	153,536	4,606
New & Expanding R & D Pers Prop	5	varies	0	0	0	0
Aluminum Electrolytic Equipment	5	3.00%	27,485,311	824,559	0	0
Malting Barley Processing Equipment	6	0.00%	0	0	0	0
Canola Seed Processing Equipment	6	0.00%	0	0	0	0
Cable TV Systems	8	3.00%	50,992,454	1,529,808	30,275,587	908,278
Theatre and Sound Equipment	8	3.00%	1,623,618	48,714	1,566,215	46,989
Radio and TV Broadcasting Equip.	8	3.00%	18,004,466	540,129	6,947,940	208,430
CB's and Mobile Phones	8	3.00%	2,713,768	81,470	700,999	21,050
Rental Equipment (Less Than \$5,000)	6	0.00%	-	-	-	-
Rental Equipment	8	3.00%	13,516,701	405,513	6,028,230	180,849
New & Expanding Ind- Mach & Eq	8	2.00%	187,599,207	3,166,810	24,332,538	499,760
New Industry - Personal Property	5	3.00%	0	0	0	0
Oil & Gas Field Equipment	8	3.00%	92,660,842	2,779,951	930,808	27,924
Oil & Gas Flow Lines	8	3.00%	32,529,046	975,918	63,044	1,891
Ag Implements	8	3.00%	732,918,037	21,987,601	4,520,141	135,608
Loc Assd Util Intra-Co Lines	8	3.00%	126,297	3,788	104,648	3,139
Value Added Machinery (15-24-2403)	8	3.00%	4,000	120	4,000	120
Failure to Report Penalty	6	0.00%	-	-	-	-
Exemption-1st \$100,000 NFEG	8	0.00%	0	0	0	0
Failure to Report Penalty	7	8.00%	0	0	0	0
Failure to Report Penalty	8	3.00%	21,553,740	646,608	7,990,115	239,688
Coal and Ore Haulers	8	3.00%	18,477,540	554,327	203,332	6,100
- Subtotal			4,188,683,858	123,810,550	1,061,589,743	32,035,207
- Subtotal Percent of Column Statewide Total			8.5%	7.0%	5.8%	4.9%
- Subtotal Average Mill Levy						
Proceeds						
Net Proceeds	1	100.00%	8,032,414	8,032,414	0	0
Gross Proceeds of Metal Mines	2	3.00%	347,610,017	10,428,301	38,674,686	1,160,240
Penalty	2	30.00%	0	0	0	0
- Subtotal			355,642,431	18,460,715	38,674,686	1,160,240
- Subtotal Percent of Column Statewide Total			0.7%	1.0%	0.2%	0.2%
- Subtotal Average Mill Levy						



Property Tax

Estimated Taxes Levied for Tax Year 2004 By Property Type

2004 Taxes Levied by:							Total Estimated 2004 Taxes Levied	Average Mill Levy or Property Type	
State University (6mills)	State General Fund (95 mills)	County	Misc. & Fire	County Wide Ret. / Trans.	Local Schools	Cities/ Towns			
147,892	2,363,181	3,003,902	491,582	1,147,811	5,115,786	2,603,043	14,873,196	1.81%	603.41
8	121	141	11	53	228	186	747	1.76%	586.21
106,826	1,699,281	1,983,515	304,654	722,274	3,205,573	522,601	8,544,723	1.44%	479.92
194	3,102	3,745	714	1,461	6,678	3,476	19,371	1.79%	597.59
228,724	3,653,374	4,901,569	732,190	1,701,914	7,443,493	776,277	19,437,542	1.53%	509.90
1	19	25	7	6	34	12	106	1.57%	522.49
3,719	58,911	71,822	18,982	19,013	98,279	20	270,746	1.31%	436.78
19,764	315,128	363,268	61,076	139,537	613,392	88,443	1,600,607	1.46%	485.90
-	-	-	-	-	-	-	0	0.00%	0.00
5,846	94,009	112,998	22,281	45,573	210,815	86,515	578,038	4.75%	593.28
28,565	458,006	534,320	80,022	243,102	981,490	39,672	2,365,176	1.49%	496.80
24	377	373	70	112	747	-	1,704	1.16%	429.65
0	0	0	0	0	0	0	0	0.00%	0.00
28	438	370	106	196	785	783	2,706	1.76%	587.53
0	0	0	0	0	0	0	0	0.00%	0.00
4,947	78,333	99,403	12,399	35,419	171,923	0	402,423	1.46%	488.05
0	0	0	0	0	0	0	0	0.00%	0.00
0	0	0	0	0	0	0	0	0.00%	0.00
9,179	146,293	195,590	26,915	67,808	312,652	130,411	888,848	1.74%	581.02
292	4,664	5,100	882	2,335	9,644	6,252	29,168	1.80%	598.76
3,241	51,932	70,267	12,466	25,914	115,791	30,386	309,997	1.72%	573.93
489	7,792	9,389	1,415	3,681	15,909	3,006	41,681	1.54%	511.61
-	-	-	-	-	-	-	0	0.00%	0.00
2,433	38,747	49,585	7,738	17,857	80,777	24,461	221,599	1.64%	546.47
19,001	303,539	372,112	53,030	152,233	659,182	66,318	1,625,415	0.87%	513.27
0	0	0	0	0	0	0	0	0.00%	0.00
16,680	264,177	386,988	21,441	58,034	326,395	4,927	1,078,642	1.16%	388.01
5,856	92,713	133,046	7,887	24,311	116,154	316	380,282	1.17%	389.67
131,926	2,090,950	2,928,173	268,816	880,872	3,808,637	16,240	10,125,613	1.38%	460.51
23	360	539	20	181	913	481	2,516	1.99%	664.33
1	11	10	3	5	20	20	71	1.76%	587.53
-	-	-	-	-	-	-	0	0.00%	0.00
0	0	0	0	0	0	0	0	0.00%	0.00
0	0	0	0	0	0	0	0	0.00%	0.00
3,880	61,786	78,934	11,377	28,721	125,513	32,996	343,206	1.59%	530.78
3,326	52,664	41,801	8,297	16,112	67,361	651	190,212	1.03%	343.14
742,863	11,839,907	15,346,982	2,144,382	5,334,536	23,488,172	4,437,496	63,334,337	1.51%	
7.0%	7.0%	7.4%	6.6%	7.1%	7.1%	5.3%	6.9%		
6.00	95.63	123.96	17.32	43.09	189.71	138.52	511.54		
48,194	763,079	1,096,295	103,201	178,526	833,514	0	3,022,810	37.63%	376.33
62,570	990,780	1,228,029	119,414	349,392	1,537,322	144,168	4,431,674	1.27%	424.97
0	0	0	0	0	0	0	0	0.00%	0.00
110,764	1,753,859	2,324,324	222,615	527,918	2,370,835	144,168	7,454,484	2.10%	
1.0%	1.0%	1.1%	0.7%	0.7%	0.7%	0.2%	0.8%		
6.00	95.00	125.91	12.06	28.60	128.43	124.26	403.80		



Property Tax

Tax Year 2004

Market and Taxable Values for Tax Year 2004 By Property Type

Property Type	Class	2004 Tax Rate	2004 Total		Assessed	Taxable
			Assessed Value	Taxable Value	Value Within Cities/Towns	Value Within Cities/Towns
Utilities Real						
Rural Co-op companies Real	5	3.00%	136,320,483	4,089,610	20,060,320	601,809
Indep. Tele. Companies Real	5	3.00%	1,309,150	39,275	215,387	6,462
Electric Companies Real	9	12.00%	29,072,172	3,488,661	3,803,960	456,476
Gas & Electric Companies Real	9	12.00%	168,429,666	20,211,561	37,139,010	4,456,681
Pipelines Real	9	12.00%	36,653,849	4,398,459	2,134,112	256,094
Telecomm. Companies Real	13	6.00%	42,573,566	2,554,419	26,843,077	1,610,587
Centrally Assessed New & Exp Situs	9	varies	540,496	58,374	540,496	58,374
Railroads Real	12		35,494,719	1,352,349	14,149,699	539,104
Airlines Real	12	3.81%	1,477,324	56,286	1,332,698	50,776
Electric Generation Real Property	13	6.00%	1,054,229,579	63,253,774	751,471,938	45,088,316
Cellular Telephone Real Prop	4	3.30%	0	0	0	0
- Subtotal			1,506,101,004	99,502,768	857,690,697	53,124,679
- Subtotal Percent of Column Statewide Total			3.0%	5.6%	4.7%	8.1%
- Subtotal Average Mill Levy						
Utilities Personal						
Rural Co-op Companies Pers Prop	5	3.00%	177,976,931	5,339,322	54,695,019	1,640,852
Indep Tele Companies Pers Prop	5	3.00%	6,528,156	195,846	776,755	23,302
Electric Companies Pers Prop	9	12.00%	13,285,642	1,594,277	11,486,951	1,378,434
Gas & Electric Companies Pers Prop	9	12.00%	467,052,646	56,046,316	212,293,340	25,475,197
Pipelines Pers Prop	9	12.00%	169,819,950	20,378,394	5,728,830	687,461
Telecomm Companies Pers Prop	13	6.00%	230,931,941	13,855,915	179,578,636	10,774,723
3rd yr N & E Gas & Electric Pers	9	10.00%	66,319	7,162	66,319	7,162
Railroads Pers Prop	12	3.81%	46,058,142	1,754,816	3,801,997	144,857
Airlines Pers Prop	12	3.81%	8,410,166	320,427	6,304,156	240,189
Electric Generation Personal Prop	13	6.00%	421,793,375	25,307,603	226,148,384	13,568,903
Cellular Telephone Personal Prop	8	3.00%	0	0	0	0
Centrally Assessed Pollution Control	5	3.00%	233,995,120	7,019,854	172,350,940	5,170,528
- Subtotal			1,775,918,388	131,819,932	873,231,327	59,111,608
- Subtotal Percent of Column Statewide Total			3.6%	7.4%	4.7%	9.0%
- Subtotal Average Mill Levy						
Utilities Mileage						
Rural Co-op Companies Mileage	5	3.00%	366,296,520	10,988,895	24,202,953	726,092
Indep Tele Companies Mileage	5	3.00%	8,778,167	263,344	93,292	2,799
Electric Companies Mileage	9	12.00%	196,047,864	23,525,743	1,120,456	134,453
Gas & Electric Companies Mileage	9	12.00%	236,874,723	28,424,975	6,483,507	778,022
Pipelines Mileage	9	12.00%	515,490,884	61,858,902	2,353,943	282,471
Telecomm Companies Mileage	13	6.00%	258,555,991	15,513,354	83,271,977	4,996,312
Centrally Assessed New & Exp. Mileage	9	varies	0	0	0	0
Railroads Mileage	12	3.81%	960,816,621	36,607,113	66,900,088	2,548,896
Airlines Flight Property Mileage	12	3.81%	130,789,183	4,983,070	68,767,110	2,620,027
- Subtotal			2,673,649,953	182,165,396	253,193,326	12,089,072
- Subtotal Percent of Column Statewide Total			5.4%	10.2%	1.4%	1.8%
- Subtotal Average Mill Levy						
Agricultural Land						
Tillable Irrigated	3	3.30%	529,610,126	17,477,051	1,059,526	34,962
Tillable Non-Irrigated	3	3.30%	1,951,150,724	64,387,734	597,452	19,714
Grazing Land	3	3.30%	1,330,058,695	43,893,685	2,355,187	77,722
Wild Hay	3	3.30%	200,024,311	6,600,799	593,892	19,590
Timber Land	10	0.35%	1,940,263,273	6,791,382	4,480,931	15,688
- Subtotal			5,951,107,129	139,150,651	9,086,988	167,676
- Subtotal Percent of Column Statewide Total			12.0%	7.8%	0.0%	0.03%
- Subtotal Average Mill Levy						
Statewide Total - All Property			49,450,862,550	1,779,929,986	18,436,607,818	659,548,032
Statewide Average Mill Levy						



Property Tax

Estimated Taxes Levied for Tax Year 2004								Total Estimated 2004 Taxes Levied	Average Mill Levy for Property Type
By Property Type									
2004 Taxes Levied by:									
University (6mills)	State General Fund (95 mills)	County	Misc. & Fire	County Wide Ret. / Trans.	Local Schools	Cities/ Towns	Effective Tax Rate		
24,538	388,980	485,870	63,230	162,836	800,178	92,334	2.017966	493.44	
236	3,751	4,572	559	1,742	7,416	1,033	1.47%	491.65	
20,932	334,072	310,090	59,317	149,397	570,629	11,345	5.01%	417.29	
121,269	1,935,084	2,596,503	387,154	905,622	3,997,603	545,015	6.23%	518.92	
26,391	418,060	508,521	55,048	168,078	769,990	51,986	5.45%	454.27	
15,327	244,576	338,213	48,917	119,959	536,145	229,537	3.60%	600.01	
350	5,546	10,308	399	2,347	16,955	12,545	8.96%	829.99	
8,114	129,172	172,769	19,681	65,462	279,905	92,340	2.16%	567.49	
338	5,429	6,321	1,093	2,877	12,144	6,213	2.33%	611.44	
379,523	6,022,646	2,885,439	1,442,979	1,540,205	5,995,131	1,011,821	1.83%	304.77	
0	0	0	0	0	0	0	0.00%	0.00	
597,017	9,487,315	7,318,606	2,078,376	3,118,527	12,986,095	2,054,170	2.50%		
5.6%	5.6%	3.5%	6.4%	4.1%	3.9%	2.4%	4.1%		
6.00	95.35	73.55	20.89	31.34	130.51	38.67	378.28		
32,036	508,625	665,445	76,205	222,377	1,005,107	229,808	2,739,602	1.54%	513.10
1,175	18,710	20,961	2,192	8,561	36,311	3,341	91,251	1.40%	465.93
9,566	151,523	186,970	22,438	67,578	321,742	182,959	942,776	7.10%	591.35
336,278	5,368,476	7,347,978	1,138,359	2,579,281	11,497,647	3,518,580	31,786,599	6.81%	567.15
122,270	1,938,612	2,436,009	192,683	703,154	3,187,372	138,500	8,718,601	5.13%	427.84
83,135	1,327,276	1,703,540	252,644	637,387	2,843,679	1,512,390	8,360,052	3.62%	603.36
43	680	1,265	49	288	2,080	1,539	5,944	8.96%	829.99
10,529	168,618	202,749	24,683	95,287	374,005	29,156	905,026	1.96%	515.74
1,923	30,848	36,817	6,341	15,999	68,570	29,387	189,885	2.26%	592.60
151,846	2,413,039	1,535,592	529,506	758,039	3,029,399	304,079	8,721,501	2.07%	344.62
0	0	0	0	0	0	0	0	0.00%	0.00
42,119	666,934	164,107	168,961	122,690	440,731	115,872	1,721,414	0.74%	245.22
790,920	12,593,343	14,301,431	2,414,060	5,210,641	22,806,645	6,065,611	64,182,651	3.61%	
7.4%	7.4%	6.9%	7.4%	6.9%	6.8%	7.2%	7.0%		
6.00	95.53	108.49	18.31	39.53	173.01	102.61	486.90		
65,933	1,046,171	1,393,678	152,179	443,770	1,992,669	111,915	5,206,316	1.42%	473.78
1,580	25,134	29,048	3,048	11,302	48,688	332	119,134	1.36%	452.39
141,154	2,242,450	2,551,020	303,964	903,858	3,848,718	14,149	10,005,312	5.10%	425.29
170,550	2,711,322	3,481,813	414,761	1,188,547	5,304,775	91,875	13,363,643	5.64%	470.14
371,153	5,881,756	7,274,076	653,639	2,221,103	9,926,900	43,315	26,371,942	5.12%	426.32
93,080	1,483,121	1,880,943	279,001	680,272	3,057,777	710,817	8,185,011	3.17%	527.61
0	0	0	0	0	0	0	0	0.00%	0.00
219,643	3,486,485	4,437,622	504,626	1,466,193	6,654,255	377,831	17,146,655	1.78%	468.40
29,898	478,866	594,679	104,257	243,894	1,060,796	314,665	2,827,056	2.16%	567.33
1,092,992	17,355,306	21,642,880	2,415,476	7,158,940	31,894,578	1,664,898	83,225,069	3.11%	
10.2%	10.2%	10.4%	7.5%	9.5%	9.6%	2.0%	9.1%		
6.00	95.27	118.81	13.26	39.30	175.09	137.72	456.87		
104,862	1,663,459	2,084,618	228,076	713,779	3,114,130	4,397	7,913,323	1.49%	452.78
386,326	6,122,235	8,773,289	826,126	2,570,238	11,299,946	3,262	29,981,423	1.54%	465.64
263,362	4,174,972	5,780,432	457,619	1,706,327	7,249,392	10,851	19,642,956	1.48%	447.51
39,605	628,274	814,430	78,469	270,857	1,136,719	3,039	2,971,393	1.49%	450.16
40,748	647,119	783,622	125,695	269,757	1,284,820	2,108	3,153,869	0.16%	464.39
834,904	13,236,059	18,236,392	1,715,986	5,530,958	24,085,006	23,658	63,662,963	1.07%	
7.8%	7.8%	8.8%	5.3%	7.3%	7.2%	0.0%	7.0%		
6.00	95.12	131.06	12.33	39.75	173.09	141.09	457.51		
10,679,580	170,035,864	208,355,347	32,421,167	75,290,839	333,040,884	84,293,263	914,116,943	1.85%	513.57
6.00	95.53	117.06	18.21	42.30	187.11	127.80	513.57		



Summary of Property Valuation and Taxes Levied

Summary of Property Valuation and Taxes Levied

The tables on the previous pages provide summary data regarding property valuation and estimated property taxes paid. The data is presented by property type.

Column Headings:

Property Type	A small description of the type of property included in the grouping.
Class	The legal property classification of the property type.
2004 Tax Rate	The tax rate applied to the taxable property of the property type in tax year 2004.

Market and Taxable Values for Tax Year 2004

The tax year 2004 assessed values are listed after application of the homestead and comstead exemptions to class 4 property. Taxable value is the assessed value times the tax rate.

Estimated Taxes Levied	An estimate of the property taxes paid by the property type to the listed taxing jurisdictions.
Effective Tax Rate	The percentage of the total taxes paid represents the total assessed value. $\text{Effective Tax Rate} = (\text{Total Taxes Paid} / \text{Total Taxable Value})$

Row Headings:

Subtotal Percent of the residential value.	Column Statewide	The value represents the subtotal percent of the statewide total for column data. For example, the total taxable value of improvements represents 33.7% of all taxable
Subtotal Average Mill Levy		The average mill levy applied to the taxable value of the property sub group. For example, the average mill levy applied to residential improvements is 536.44.

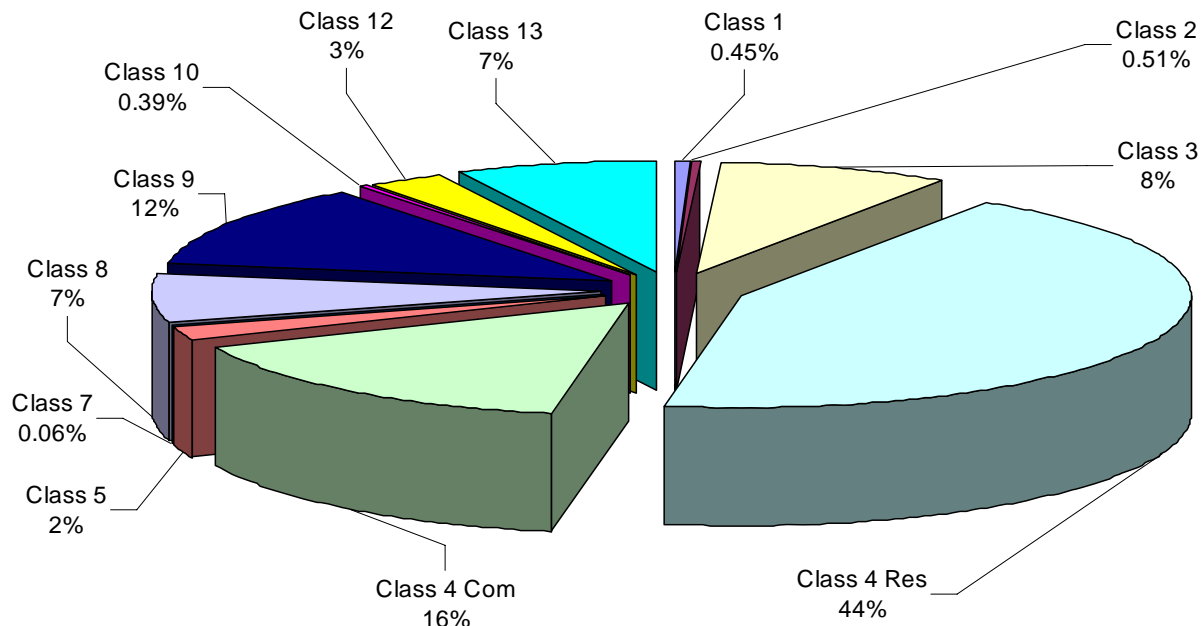


Property Tax

Market and Taxable Value of Property in Montana Tax Year 2003

Market and Taxable Value of Property in Montana Tax Year 2003			
<u>Tax Class</u>	<u>Description</u>	<u>Market Value</u>	<u>Taxable Value</u>
1	Mine Net Proceeds	\$ 7,808,005	\$ 7,808,005
2	Gross Proceeds Metal Mines	293,201,174	8,799,575
3	Agricultural Land	3,942,941,138	140,240,224
4 Res	Residential Improvements	17,064,630,080	575,232,171
4 Res	Residential Land	5,352,084,334	180,551,104
4 Res	Extended Property Tax Assistance	143,866,944	4,543,630
4 Com	Commercial Improvements	6,320,921,441	212,343,290
4 Com	Commercial Land	1,836,762,811	61,986,244
Sub 4	<i>Subtotal Class 4</i>	30,718,265,610	1,034,656,439
5	Pollution Control Equipment	1,090,984,237	32,725,014
7	Non-Centrally Assessed Public Utilities	12,439,363	995,149
8	Business Personal Property	3,995,585,302	118,296,988
9	Non-Elec. Gen. Prop. of Electrical Utilities	1,767,716,825	212,110,930
10	Forest Land	1,939,802,129	6,789,287
12	Railroad and Airline Property	1,176,037,585	45,630,257
13	Telecommunication & Electric Property	2,093,709,043	125,622,547
Totals		<u>\$ 47,038,490,411</u>	<u>\$ 1,733,674,415</u>

Percent of Statewide Taxable Value by Class Tax Year 2003



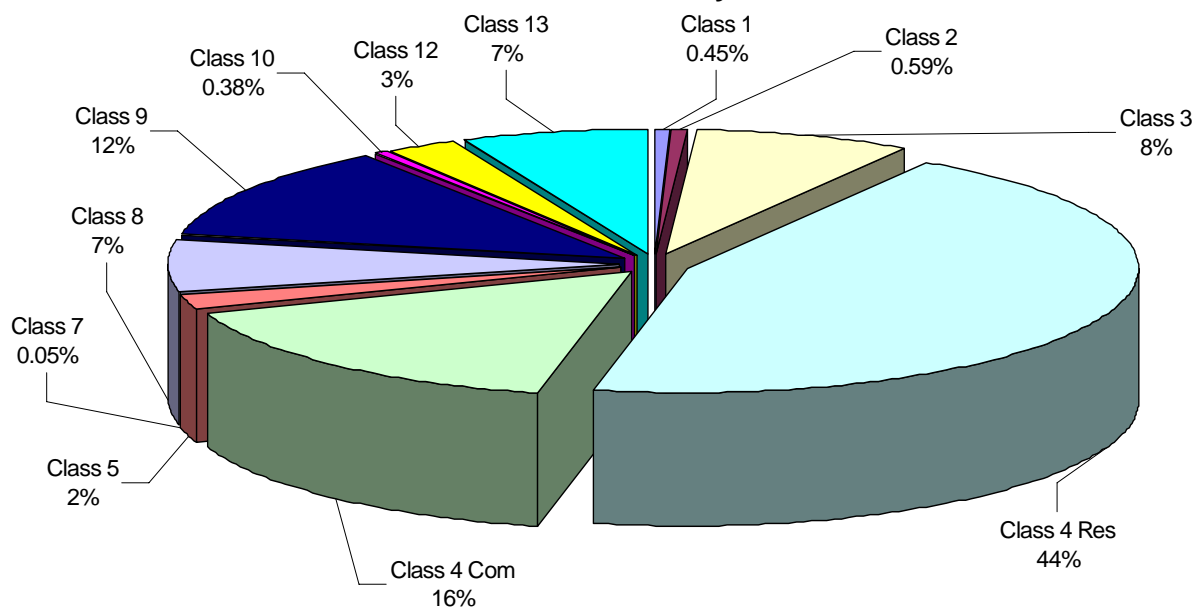


Property Tax

Market and Taxable Value of Property in Montana Tax Year 2004

Market and Taxable Value of Property in Montana Tax Year 2004			
<u>Tax Class</u>	<u>Description</u>	<u>Market Value</u>	<u>Taxable Value</u>
1	Mine Net Proceeds	\$ 8,032,414	\$ 8,032,414
2	Gross Proceeds Metal Mines	347,610,017	10,428,301
3	Agricultural Land	4,044,106,892	139,901,823
4 Res	Residential Improvements	18,213,683,578	595,701,572
4 Res	Residential Land	5,897,843,259	193,102,947
4 Res	Extended Property Tax Assistance	109,554,421	3,258,302
4 Com	Commercial Improvements	6,698,914,261	218,431,040
4 Com	Commercial Land	2,029,951,880	66,490,682
Sub 4	<i>Subtotal Class 4</i>	32,949,947,399	1,076,984,543
5	Pollution Control Equipment	1,134,276,891	34,024,273
7	Non-Centrally Assessed Public Utilities	12,178,960	974,316
8	Business Personal Property	3,989,981,886	117,240,984
9	Non-Elec. Gen. Prop. of Electrical Utilitie	1,833,334,211	219,992,824
10	Forest Land	1,940,263,273	6,791,382
12	Railroad and Airline Property	1,183,046,155	45,074,061
13	Telecommunication & Electric Property	2,008,084,452	120,485,065
Totals		\$ 49,450,862,550	\$ 1,779,929,986

Percent of Statewide Taxable Value by Class Tax Year 2004





Property Tax

Taxable Value of Incorporated Cities and Towns Tax Years 2003 and 2004

<u>City/Town</u>	<u>Tax Year 2003</u>	<u>Tax Year 2004</u>	<u>City/Town</u>	<u>Tax Year 2003</u>	<u>Tax Year 2004</u>
Alberton	\$308,568	\$353,110	Joliet	\$457,906	\$462,375
Anaconda	3,951,839	4,049,739	Jordan	216,092	215,177
Bainville	93,288	92,801	Judith Gap	97,320	101,744
Baker	1,077,935	1,092,110	Kalispell	26,072,002	27,773,721
Bearcreek	84,398	91,658	Kevin	78,771	82,671
Belgrade	6,571,319	6,793,763	Laurel	5,623,183	5,695,484
Belt	430,906	393,907	Lavina	132,169	139,955
Big Sandy	507,780	505,097	Lewistown	5,285,249	5,381,388
Big Timber	2,962,434	3,132,046	Libby	2,463,991	2,458,916
Billings	125,887,181	130,326,693	Lima	185,698	188,412
Boulder	737,512	753,780	Livingston	8,425,335	8,593,503
Bozeman	49,954,843	53,643,813	Lodge Grass	110,988	109,947
Bridger	617,637	644,753	Malta	1,555,585	1,577,862
Broadus	296,718	302,694	Manhattan	1,851,664	1,902,615
Broadview	223,943	218,386	Medicine Lake	117,766	116,468
Brockton	59,042	57,886	Melstone	90,981	92,970
Browning	395,205	389,703	Miles City	6,355,249	6,473,778
Cascade	653,422	638,769	Missoula	88,175,172	91,318,579
Chester	686,567	688,061	Moore	180,096	185,088
Chinook	947,328	980,082	Nashua	196,135	194,758
Choteau	1,368,466	1,390,790	Neihart	239,986	245,430
Circle	569,399	559,402	Opheim	71,270	76,399
Clyde Park	300,733	308,546	Outlook	41,395	41,417
Colstrip	66,446,217	66,410,348	Philipsburg	804,306	860,282
Columbia Falls	4,297,513	4,874,771	Pinesdale	222,961	229,001
Columbus	6,227,808	5,823,235	Plains	991,593	1,025,753
Conrad	2,132,575	2,098,568	Plentywood	1,490,304	1,410,487
Culbertson	428,782	422,530	Plevna	67,971	66,618
Cut Bank	2,284,270	2,260,657	Polson	6,241,303	6,435,615
Darby	707,088	751,589	Poplar	442,966	409,108
Deer Lodge	2,269,265	2,335,234	Red Lodge	4,573,953	4,667,761
Denton	215,560	220,064	Richey	125,317	127,215
Dillon	4,018,483	4,075,561	Ronan	1,613,101	1,608,943
Dodson	59,272	56,556	Roundup	1,432,645	1,491,997
Drummond	328,931	331,997	Ryegate	147,876	150,461
Dutton	278,849	243,339	Saco	182,307	206,073
East Helena	2,222,356	2,270,862	Scobey	708,455	712,139
Ekalaka	173,115	170,294	Shelby	2,972,690	2,936,183
Ennis	1,400,283	1,467,641	Sheridan	715,113	734,036
Eureka	923,298	936,626	Sidney	3,554,471	3,908,774
Fairfield	886,618	900,719	Stanford	316,899	319,872
Fairview	364,630	364,300	Stevensville	1,918,208	1,960,312
Flaxville	41,960	41,958	St. Ignatius	488,948	501,493
Forsyth	1,361,543	1,341,302	Sunburst	276,036	286,028
Fort Benton	1,362,764	1,386,892	Superior	844,691	897,207
Fort Peck	199,966	199,168	Terry	362,858	361,689
Froid	102,364	105,846	Thompson Falls	1,211,611	1,214,935
Fromberg	263,018	263,050	Three Forks	1,770,794	1,837,346
Geraldine	192,773	189,502	Townsend	1,495,156	1,505,901
Glasgow	2,716,849	2,673,415	Troy	698,986	721,348
Glendive	4,188,772	4,190,136	Twain Bridges	409,811	421,861
Grass Range	78,562	78,426	Valier	487,589	506,555
Great Falls	65,125,677	66,376,100	Virginia City	291,411	299,053
Hamilton	5,978,318	6,186,243	Walkerville	339,701	355,408
Hardin	2,183,216	2,166,007	West Yellowstone	4,404,299	4,425,810
Harlem	467,352	465,548	Westby	71,347	75,479
Harlowton	734,388	790,072	White Sulphur	843,576	871,259
Havre	7,615,243	7,737,467	Whitefish	15,137,941	16,483,334
Helena	43,823,175	44,672,270	Whitehall	944,830	957,324
Hingham	152,882	150,336	Wibaux	321,722	320,156
Hobson	155,493	160,025	Winifred	101,786	110,778
Hot Springs	389,552	391,386	Winnett	92,667	87,417
Hysam	182,602	174,593	Wolf Point	1,453,424	1,420,876
Ismay	35,795	35,266	Total	\$640,299,266	\$659,548,032



Property Tax

Statewide Property Values

	2003			2004		
	Acres	Assessed	Taxable	Acres	Assessed	Taxable
CLASS 1 Net Proceeds		\$7,808,005	\$7,808,005		\$8,032,414	\$8,032,414
CLASS 2 Gross Proceeds		\$293,201,174	\$8,799,575		\$347,610,017	\$10,428,301
CLASS 3 Agricultural Land:						
Tillable Irrigated (3.40%, 3.30%)	1,667,284	\$512,396,213	\$17,421,507	1,658,316	\$529,610,126	\$17,477,051
Tillable Non-Irrigated (3.40%, 3.30%)	12,255,388	\$1,906,415,980	\$64,818,540	12,244,039	\$1,951,150,724	\$64,387,734
Grazing (3.40%, 3.30%)	34,897,597	\$1,297,263,599	\$44,109,549	34,859,321	\$1,330,058,695	\$43,893,685
Wild Hay (3.40%, 3.30%)	847,064	\$196,098,696	\$6,667,357	845,120	\$200,024,311	\$6,600,799
Non-Qualified Ag Land (23.8%, 23.1%)	744,063	\$30,276,108	\$7,206,592	791,636	\$32,546,553	\$7,518,897
Eligible Mining Claims (3.40%, 3.30%)	9,707	\$490,542	\$16,679	14,110	\$716,483	\$23,657
Class 3 Subtotal	50,421,104	\$3,942,941,138	\$140,240,224	50,412,542	\$4,044,106,892	\$139,901,823
CLASS 4 Land and Improvements:						
Residential (3.40%, 3.30%)		\$21,529,136,992	\$731,983,667		\$23,188,015,883	\$765,214,208
Residential Low Income (varies)		\$344,763,663	\$5,643,249		\$373,181,912	\$5,768,889
Mobile Homes (3.40%, 3.30%)		\$524,598,155	\$17,836,129		\$529,744,574	\$17,481,083
Mobile Homes Low Income (varies)		\$18,202,432	\$319,774		\$20,584,468	\$340,339
Commercial (3.40%, 3.30%)		\$7,212,254,501	\$245,217,100		\$7,765,723,852	\$256,268,824
Industrial (3.40%, 3.30%)		\$735,786,398	\$25,016,733		\$751,276,273	\$24,792,177
New Manufacturing (varies)		\$103,360,490	\$2,223,482		\$98,505,941	\$1,882,087
Qualified Golf Courses (1.70, 1.65%)		\$85,176,207	\$1,444,420		\$90,752,431	\$1,494,545
Remodeled Commercial (varies)		\$21,106,656	\$427,799		\$22,607,644	\$484,089
Extended Prop Tax Relief Program (Res Only)		\$143,866,944	\$4,543,630		\$109,554,421	\$3,258,302
Class 4 Subtotal		\$30,718,252,438	\$1,034,655,983		\$32,949,947,399	\$1,076,984,543
CLASS 5						
Rural Electric and Telephone Co-Op (3%)		\$663,106,085	\$19,893,190		\$697,348,347	\$20,920,460
Qualified New Industrial (3%)		\$0	\$0		\$0	\$0
Pollution Control (3%)		\$399,284,051	\$11,977,400		\$409,049,497	\$12,271,045
Gasohol Related (3%)		\$0	\$0		\$0	\$0
Research and Development (0%-3%)		\$394,130	\$8,425		\$393,736	\$8,209
Aluminum Electrolytic Equipment (3%)		\$28,199,971	\$845,999		\$27,485,311	\$824,559
Class 5 Subtotal		\$1,090,984,237	\$32,725,014		\$1,134,276,891	\$34,024,273
CLASS 6						
Livestock (0%)		\$0	\$0		\$0	\$0
Lease and Rental Equipment (3%)		\$0	\$0		\$0	\$0
Canola Seed Processing Equipment (3%)		\$0	\$0		\$0	\$0
Class 6 Subtotal		\$0	\$0		\$0	\$0
CLASS 7						
Non-Centrally Assessed Public Util. (8%, 3%)		\$12,439,363	\$995,149		\$12,178,960	\$974,316
CLASS 8						
Machinery (3%)		\$2,117,693,934	\$61,958,188		\$2,051,751,828	\$59,092,059
Farm Implements (3%)		\$714,662,211	\$21,439,963		\$732,918,037	\$21,987,601
Furniture and Fixtures (3%)		\$812,548,049	\$24,376,644		\$821,617,098	\$24,648,625
Other Business Equipment		\$350,694,280	\$10,522,649		\$383,694,923	\$11,512,699
Class 8 Subtotal		\$3,995,598,474	\$118,297,444		\$3,989,981,886	\$117,240,984
CLASS 9						
Utilities (12%)		\$1,767,716,825	\$212,110,930		\$1,833,334,211	\$219,992,824
CLASS 10						
Timber Land (0.35%, 0.35%)	3,991,499	\$1,939,802,129	\$6,789,287	3,982,660	\$1,940,263,273	\$6,791,382
CLASS 12						
Railroads (3.88%, 3.81%)		\$1,049,607,236	\$40,724,760		\$1,042,369,482	\$39,714,278
Airlines (3.88%, 3.81%)		\$126,430,349	\$4,905,497		\$140,676,673	\$5,359,783
Class 12 Subtotal		\$1,176,037,585	\$45,630,257		\$1,183,046,155	\$45,074,061
CLASS 13						
Electrical Generation Property (6%)		\$1,475,829,564	\$88,549,779		\$1,476,022,954	\$88,561,377
Telecommunication Property (6%)		\$617,879,479	\$37,072,768		\$532,061,498	\$31,923,688
Class 13 Subtotal		\$2,093,709,043	\$125,622,547		\$2,008,084,452	\$120,485,065
Total		\$47,038,490,411	\$1,733,674,415		\$49,450,862,550	\$1,779,929,986



Property Tax

Beaverhead County

	2003			2004		
	Acres	Assessed	Taxable	Acres	Assessed	Taxable
CLASS 1 Net Proceeds		\$0	\$0		\$0	\$0
CLASS 2 Gross Proceeds		\$0	\$0		\$0	\$0
CLASS 3 Agricultural Land:						
Tillable Irrigated (3.40%, 3.30%)	126,674	\$31,076,043	\$1,056,594	126,502	\$32,013,945	\$1,056,461
Tillable Non-Irrigated (3.40%, 3.30%)	8,985	\$1,292,272	\$43,940	8,996	\$1,322,051	\$43,626
Grazing (3.40%, 3.30%)	888,798	\$44,658,681	\$1,518,471	888,320	\$45,789,028	\$1,511,057
Wild Hay (3.40%, 3.30%)	23,542	\$4,854,034	\$165,034	23,530	\$4,959,375	\$163,671
Non-Qualified Ag Land (23.8%, 23.1%)	14,761	\$600,894	\$143,025	14,965	\$624,547	\$144,279
Eligible Mining Claims (3.40%, 3.30%)	144	\$7,793	\$265	1,475	\$68,598	\$2,262
Class 3 Subtotal	1,062,904	\$82,489,717	\$2,927,329	1,063,788	\$84,777,544	\$2,921,356
CLASS 4 Land and Improvements:						
Residential (3.40%, 3.30%)		\$194,014,199	\$6,596,340		\$202,905,689	\$6,696,217
Residential Low Income (varies)		\$4,357,126	\$71,108		\$4,008,256	\$60,779
Mobile Homes (3.40%, 3.30%)		\$7,194,670	\$244,626		\$7,537,681	\$248,743
Mobile Homes Low Income (varies)		\$140,511	\$2,610		\$94,686	\$1,333
Commercial (3.40%, 3.30%)		\$60,033,207	\$2,041,127		\$62,451,397	\$2,060,898
Industrial (3.40%, 3.30%)		\$4,863,973	\$165,374		\$5,800,477	\$191,417
New Manufacturing (varies)		\$1,973,755	\$54,442		\$1,951,783	\$55,245
Qualified Golf Courses (1.70, 1.65%)		\$55,794	\$948		\$85,142	\$1,405
Remodeled Commercial (varies)		\$0	\$0		\$0	\$0
Extended Prop Tax Relief Program (Res Only)		\$634,352	\$19,887		\$503,252	\$13,692
Class 4 Subtotal		\$273,267,587	\$9,196,462		\$285,338,363	\$9,329,729
CLASS 5						
Rural Electric and Telephone Co-Op (3%)		\$14,434,837	\$433,046		\$13,922,526	\$417,677
Qualified New Industrial (3%)		\$0	\$0		\$0	\$0
Pollution Control (3%)		\$110,668	\$3,320		\$106,797	\$3,204
Gasohol Related (3%)		\$0	\$0		\$0	\$0
Research and Development (0%-3%)		\$0	\$0		\$0	\$0
Aluminum Electrolytic Equipment (3%)		\$0	\$0		\$0	\$0
Class 5 Subtotal		\$14,545,505	\$436,366		\$14,029,323	\$420,881
CLASS 6						
Livestock (0%)		\$0	\$0		\$0	\$0
Lease and Rental Equipment (3%)		\$0	\$0		\$0	\$0
Canola Seed Processing Equipment (3%)		\$0	\$0		\$0	\$0
Class 6 Subtotal		\$0	\$0		\$0	\$0
CLASS 7						
Non-Centrally Assessed Public Util. (8%, 3%)		\$0	\$0		\$0	\$0
CLASS 8						
Machinery (3%)		\$25,256,187	\$747,728		\$23,636,414	\$704,397
Farm Implements (3%)		\$12,588,935	\$377,668		\$13,073,458	\$392,211
Furniture and Fixtures (3%)		\$6,341,577	\$190,232		\$5,891,536	\$176,746
Other Business Equipment		\$1,915,444	\$57,482		\$2,014,027	\$60,442
Class 8 Subtotal		\$46,102,143	\$1,373,110		\$44,615,435	\$1,333,796
CLASS 9						
Utilities (12%)		\$9,377,054	\$1,125,246		\$9,784,834	\$1,174,179
CLASS 10						
Timber Land (0.35%, 0.35%)	26,040	\$8,432,821	\$29,505	26,009	\$8,792,919	\$30,798
CLASS 12						
Railroads (3.88%, 3.81%)		\$6,714,221	\$260,512		\$7,383,954	\$281,331
Airlines (3.88%, 3.81%)		\$0	\$0		\$1,132	\$43
Class 12 Subtotal		\$6,714,221	\$260,512		\$7,385,086	\$281,374
CLASS 13						
Electrical Generation Property (6%)		\$0	\$0		\$0	\$0
Telecommunication Property (6%)		\$3,246,186	\$194,771		\$2,913,938	\$174,836
Class 13 Subtotal		\$3,246,186	\$194,771		\$2,913,938	\$174,836
Total		\$444,175,234	\$15,543,301		\$457,637,442	\$15,666,949



Property Tax

Bighorn County

	2003			2004		
	Acres	Assessed	Taxable	Acres	Assessed	Taxable
CLASS 1 Net Proceeds		\$0	\$0		\$0	\$0
CLASS 2 Gross Proceeds		\$0	\$0		\$0	\$0
CLASS 3 Agricultural Land:						
Tillable Irrigated (3.40%, 3.30%)	43,851	\$19,354,033	\$658,024	44,021	\$19,989,488	\$659,663
Tillable Non-Irrigated (3.40%, 3.30%)	140,512	\$25,427,731	\$864,550	141,166	\$26,076,139	\$860,515
Grazing (3.40%, 3.30%)	1,328,475	\$54,894,967	\$1,866,659	1,336,776	\$56,399,561	\$1,861,288
Wild Hay (3.40%, 3.30%)	23,426	\$6,412,245	\$218,013	23,472	\$6,541,312	\$215,847
Non-Qualified Ag Land (23.8%, 23.1%)	7,472	\$299,139	\$71,199	7,598	\$312,740	\$72,249
Eligible Mining Claims (3.40%, 3.30%)	0	\$0	\$0	0	\$0	\$0
Class 3 Subtotal	1,543,737	\$106,388,115	\$3,678,445	1,553,034	\$109,319,240	\$3,669,562
CLASS 4 Land and Improvements:						
Residential (3.40%, 3.30%)		\$81,111,052	\$2,757,558		\$82,705,076	\$2,729,563
Residential Low Income (varies)		\$1,462,699	\$26,899		\$1,944,829	\$34,157
Mobile Homes (3.40%, 3.30%)		\$7,030,180	\$239,029		\$7,390,872	\$243,889
Mobile Homes Low Income (varies)		\$76,753	\$1,167		\$78,579	\$830
Commercial (3.40%, 3.30%)		\$25,898,244	\$880,533		\$26,389,437	\$870,873
Industrial (3.40%, 3.30%)		\$78,716,518	\$2,676,357		\$71,552,583	\$2,361,239
New Manufacturing (varies)		\$0	\$0		\$0	\$0
Qualified Golf Courses (1.70, 1.65%)		\$466,892	\$7,937		\$479,355	\$7,909
Remodeled Commercial (varies)		\$0	\$0		\$0	\$0
Extended Prop Tax Relief Program (Res Only)		\$0	\$0		\$0	\$0
Class 4 Subtotal		\$194,762,338	\$6,589,480		\$190,540,731	\$6,248,460
CLASS 5						
Rural Electric and Telephone Co-Op (3%)		\$18,387,939	\$551,640		\$19,389,995	\$581,703
Qualified New Industrial (3%)		\$0	\$0		\$0	\$0
Pollution Control (3%)		\$5,043,968	\$151,319		\$3,862,891	\$115,887
Gasohol Related (3%)		\$0	\$0		\$0	\$0
Research and Development (0%-3%)		\$0	\$0		\$0	\$0
Aluminum Electrolytic Equipment (3%)		\$0	\$0		\$0	\$0
Class 5 Subtotal		\$23,431,907	\$702,959		\$23,252,886	\$697,590
CLASS 6						
Livestock (0%)		\$0	\$0		\$0	\$0
Lease and Rental Equipment (3%)		\$0	\$0		\$0	\$0
Canola Seed Processing Equipment (3%)		\$0	\$0		\$0	\$0
Class 6 Subtotal		\$0	\$0		\$0	\$0
CLASS 7						
Non-Centrally Assessed Public Util. (8%, 3%)		\$0	\$0		\$0	\$0
CLASS 8						
Machinery (3%)		\$78,895,075	\$2,366,858		\$79,852,358	\$2,395,566
Farm Implements (3%)		\$17,657,269	\$529,723		\$17,620,920	\$528,628
Furniture and Fixtures (3%)		\$4,522,956	\$135,700		\$3,898,852	\$116,968
Other Business Equipment		\$13,202,189	\$396,079		\$12,661,009	\$379,845
Class 8 Subtotal		\$114,277,489	\$3,428,360		\$114,033,139	\$3,421,007
CLASS 9						
Utilities (12%)		\$29,937,991	\$3,592,558		\$33,323,230	\$3,998,785
CLASS 10						
Timber Land (0.35%, 0.35%)	76,383	\$14,025,505	\$49,090	76,483	\$14,334,204	\$50,198
CLASS 12						
Railroads (3.88%, 3.81%)		\$22,660,514	\$879,227		\$21,901,321	\$834,440
Airlines (3.88%, 3.81%)		\$0	\$0		\$0	\$0
Class 12 Subtotal		\$22,660,514	\$879,227		\$21,901,321	\$834,440
CLASS 13						
Electrical Generation Property (6%)		\$0	\$0		\$0	\$0
Telecommunication Property (6%)		\$2,824,822	\$169,488		\$2,529,745	\$151,783
Class 13 Subtotal		\$2,824,822	\$169,488		\$2,529,745	\$151,783
Total		\$508,308,681	\$19,089,607		\$509,234,496	\$19,071,825



Property Tax

Blaine County

	2003			2004		
	Acres	Assessed	Taxable	Acres	Assessed	Taxable
CLASS 1 Net Proceeds		\$0	\$0		\$0	\$0
CLASS 2 Gross Proceeds		\$0	\$0		\$0	\$0
CLASS 3 Agricultural Land:						
Tillable Irrigated (3.40%, 3.30%)	51,748	\$13,560,447	\$461,057	51,525	\$14,051,224	\$463,685
Tillable Non-Irrigated (3.40%, 3.30%)	353,768	\$50,184,570	\$1,706,268	353,880	\$51,431,028	\$1,697,263
Grazing (3.40%, 3.30%)	1,117,480	\$47,762,838	\$1,624,016	1,116,670	\$48,979,164	\$1,616,245
Wild Hay (3.40%, 3.30%)	23,336	\$6,948,486	\$236,250	23,329	\$7,112,287	\$234,698
Non-Qualified Ag Land (23.8%, 23.1%)	2,768	\$106,552	\$25,362	3,591	\$140,959	\$32,565
Eligible Mining Claims (3.40%, 3.30%)	0	\$0	\$0	0	\$0	\$0
Class 3 Subtotal	1,549,101	\$118,562,893	\$4,052,953	1,548,995	\$121,714,662	\$4,044,456
CLASS 4 Land and Improvements:						
Residential (3.40%, 3.30%)		\$55,369,637	\$1,882,542		\$58,971,950	\$1,946,315
Residential Low Income (varies)		\$652,804	\$12,416		\$940,789	\$16,147
Mobile Homes (3.40%, 3.30%)		\$2,365,149	\$80,410		\$2,543,062	\$83,919
Mobile Homes Low Income (varies)		\$43,512	\$932		\$48,930	\$962
Commercial (3.40%, 3.30%)		\$10,793,851	\$367,000		\$10,946,992	\$361,255
Industrial (3.40%, 3.30%)		\$1,289,780	\$43,854		\$1,282,186	\$42,313
New Manufacturing (varies)		\$1,822,154	\$30,977		\$1,929,301	\$31,833
Qualified Golf Courses (1.70, 1.65%)		\$364,324	\$6,193		\$389,937	\$6,435
Remodeled Commercial (varies)		\$0	\$0		\$0	\$0
Extended Prop Tax Relief Program (Res Only)		\$1,272,556	\$39,023		\$1,002,889	\$29,017
Class 4 Subtotal		\$73,973,767	\$2,463,347		\$78,056,036	\$2,518,196
CLASS 5						
Rural Electric and Telephone Co-Op (3%)		\$8,761,973	\$262,858		\$9,178,587	\$275,357
Qualified New Industrial (3%)		\$0	\$0		\$0	\$0
Pollution Control (3%)		\$0	\$0		\$0	\$0
Gasohol Related (3%)		\$0	\$0		\$0	\$0
Research and Development (0%-3%)		\$0	\$0		\$0	\$0
Aluminum Electrolytic Equipment (3%)		\$0	\$0		\$0	\$0
Class 5 Subtotal		\$8,761,973	\$262,858		\$9,178,587	\$275,357
CLASS 6						
Livestock (0%)		\$0	\$0		\$0	\$0
Lease and Rental Equipment (3%)		\$0	\$0		\$0	\$0
Canola Seed Processing Equipment (3%)		\$0	\$0		\$0	\$0
Class 6 Subtotal		\$0	\$0		\$0	\$0
CLASS 7						
Non-Centrally Assessed Public Util. (8%, 3%)		\$0	\$0		\$0	\$0
CLASS 8						
Machinery (3%)		\$6,366,587	\$191,025		\$5,367,056	\$161,035
Farm Implements (3%)		\$21,051,778	\$631,552		\$21,689,927	\$650,695
Furniture and Fixtures (3%)		\$1,486,983	\$44,611		\$1,362,605	\$40,876
Other Business Equipment		\$5,080,899	\$152,436		\$5,379,989	\$161,419
Class 8 Subtotal		\$33,986,247	\$1,019,624		\$33,799,577	\$1,014,025
CLASS 9						
Utilities (12%)		\$27,881,178	\$3,345,744		\$22,256,246	\$2,670,747
CLASS 10						
Timber Land (0.35%, 0.35%)	3,017	\$553,787	\$1,943	3,006	\$563,550	\$1,974
CLASS 12						
Railroads (3.88%, 3.81%)		\$21,827,267	\$846,899		\$20,927,842	\$797,353
Airlines (3.88%, 3.81%)		\$36,974	\$1,434		\$0	\$0
Class 12 Subtotal		\$21,864,241	\$848,333		\$20,927,842	\$797,353
CLASS 13						
Electrical Generation Property (6%)		\$0	\$0		\$0	\$0
Telecommunication Property (6%)		\$1,782,239	\$106,936		\$1,973,965	\$118,438
Class 13 Subtotal		\$1,782,239	\$106,936		\$1,973,965	\$118,438
Total		\$287,366,325	\$12,101,738		\$288,470,465	\$11,440,546



Property Tax

Broadwater County

	2003			2004		
	Acres	Assessed	Taxable	Acres	Assessed	Taxable
CLASS 1 Net Proceeds		\$112,798	\$112,798		\$110,061	\$110,061
CLASS 2 Gross Proceeds		\$0	\$0		\$0	\$0
CLASS 3 Agricultural Land:						
Tillable Irrigated (3.40%, 3.30%)	45,394	\$11,702,538	\$397,888	45,577	\$12,196,675	\$402,496
Tillable Non-Irrigated (3.40%, 3.30%)	65,829	\$9,193,022	\$312,590	65,659	\$9,393,382	\$309,982
Grazing (3.40%, 3.30%)	308,435	\$7,591,139	\$258,113	307,702	\$7,771,720	\$256,481
Wild Hay (3.40%, 3.30%)	7,134	\$1,701,532	\$57,858	6,894	\$1,703,556	\$56,218
Non-Qualified Ag Land (23.8%, 23.1%)	11,710	\$479,388	\$114,107	11,942	\$503,231	\$116,247
Eligible Mining Claims (3.40%, 3.30%)	0	\$0	\$0	0	\$0	\$0
Class 3 Subtotal	438,502	\$30,667,619	\$1,140,556	437,774	\$31,568,564	\$1,141,424
CLASS 4 Land and Improvements:						
Residential (3.40%, 3.30%)		\$81,099,283	\$2,757,206		\$88,307,194	\$2,914,256
Residential Low Income (varies)		\$2,574,174	\$42,569		\$2,219,130	\$33,613
Mobile Homes (3.40%, 3.30%)		\$8,650,815	\$294,118		\$8,250,667	\$272,278
Mobile Homes Low Income (varies)		\$354,755	\$4,426		\$515,651	\$7,653
Commercial (3.40%, 3.30%)		\$13,418,342	\$456,221		\$14,570,996	\$480,847
Industrial (3.40%, 3.30%)		\$3,597,419	\$122,313		\$3,519,864	\$116,156
New Manufacturing (varies)		\$873,567	\$14,851		\$870,554	\$14,364
Qualified Golf Courses (1.70, 1.65%)		\$0	\$0		\$0	\$0
Remodeled Commercial (varies)		\$0	\$0		\$0	\$0
Extended Prop Tax Relief Program (Res Only)		\$106,185	\$3,451		\$116,575	\$3,614
Class 4 Subtotal		\$110,674,540	\$3,695,155		\$118,370,631	\$3,842,781
CLASS 5						
Rural Electric and Telephone Co-Op (3%)		\$2,477,051	\$74,311		\$2,569,747	\$77,093
Qualified New Industrial (3%)		\$0	\$0		\$0	\$0
Pollution Control (3%)		\$346,194	\$10,386		\$346,437	\$10,394
Gasohol Related (3%)		\$0	\$0		\$0	\$0
Research and Development (0%-3%)		\$0	\$0		\$0	\$0
Aluminum Electrolytic Equipment (3%)		\$0	\$0		\$0	\$0
Class 5 Subtotal		\$2,823,245	\$84,697		\$2,916,184	\$87,487
CLASS 6						
Livestock (0%)		\$0	\$0		\$0	\$0
Lease and Rental Equipment (3%)		\$0	\$0		\$0	\$0
Canola Seed Processing Equipment (3%)		\$0	\$0		\$0	\$0
Class 6 Subtotal		\$0	\$0		\$0	\$0
CLASS 7						
Non-Centrally Assessed Public Util. (8%, 3%)		\$0	\$0		\$0	\$0
CLASS 8						
Machinery (3%)		\$14,701,975	\$441,064		\$12,591,668	\$377,762
Farm Implements (3%)		\$8,742,395	\$262,266		\$8,783,615	\$263,508
Furniture and Fixtures (3%)		\$2,144,290	\$64,335		\$2,041,885	\$61,261
Other Business Equipment		\$1,080,358	\$32,417		\$1,006,999	\$30,212
Class 8 Subtotal		\$26,669,018	\$800,082		\$24,424,167	\$732,743
CLASS 9						
Utilities (12%)		\$21,452,744	\$2,574,329		\$22,514,997	\$2,701,802
CLASS 10						
Timber Land (0.35%, 0.35%)	33,175	\$10,141,155	\$35,497	33,055	\$10,445,231	\$36,556
CLASS 12						
Railroads (3.88%, 3.81%)		\$13,600,770	\$527,710		\$13,622,656	\$519,024
Airlines (3.88%, 3.81%)		\$892	\$35		\$2,192	\$84
Class 12 Subtotal		\$13,601,662	\$527,745		\$13,624,848	\$519,108
CLASS 13						
Electrical Generation Property (6%)		\$0	\$0		\$0	\$0
Telecommunication Property (6%)		\$6,420,523	\$385,232		\$5,197,666	\$311,858
Class 13 Subtotal		\$6,420,523	\$385,232		\$5,197,666	\$311,858
Total		\$222,563,304	\$9,356,091		\$229,172,349	\$9,483,820



Property Tax

Carbon County

	2003			2004		
	Acres	Assessed	Taxable	Acres	Assessed	Taxable
CLASS 1 Net Proceeds		\$315,385	\$315,385		\$460,459	\$460,459
CLASS 2 Gross Proceeds		\$8,782	\$2,635		\$0	\$0
CLASS 3 Agricultural Land:						
Tillable Irrigated (3.40%, 3.30%)	69,825	\$29,821,923	\$1,013,948	69,439	\$30,249,137	\$998,227
Tillable Non-Irrigated (3.40%, 3.30%)	38,735	\$6,475,845	\$220,185	38,664	\$6,601,597	\$217,852
Grazing (3.40%, 3.30%)	525,139	\$22,838,520	\$776,579	523,632	\$23,343,733	\$770,349
Wild Hay (3.40%, 3.30%)	13,350	\$3,343,790	\$113,691	13,274	\$3,404,025	\$112,335
Non-Qualified Ag Land (23.8%, 23.1%)	18,332	\$749,829	\$178,485	20,021	\$839,888	\$194,020
Eligible Mining Claims (3.40%, 3.30%)	0	\$0	\$0	0	\$0	\$0
Class 3 Subtotal	665,381	\$63,229,907	\$2,302,888	665,029	\$64,438,380	\$2,292,783
CLASS 4 Land and Improvements:						
Residential (3.40%, 3.30%)		\$346,914,935	\$11,794,825		\$368,445,406	\$12,158,945
Residential Low Income (varies)		\$5,850,270	\$92,317		\$6,233,409	\$98,389
Mobile Homes (3.40%, 3.30%)		\$6,713,075	\$228,258		\$6,760,130	\$223,091
Mobile Homes Low Income (varies)		\$118,791	\$1,608		\$109,093	\$1,497
Commercial (3.40%, 3.30%)		\$50,857,080	\$1,729,136		\$52,878,937	\$1,745,004
Industrial (3.40%, 3.30%)		\$2,311,688	\$78,596		\$2,645,393	\$87,299
New Manufacturing (varies)		\$0	\$0		\$0	\$0
Qualified Golf Courses (1.70, 1.65%)		\$1,272,459	\$21,632		\$1,301,878	\$21,482
Remodeled Commercial (varies)		\$0	\$0		\$0	\$0
Extended Prop Tax Relief Program (Res Only)		\$854,991	\$27,259		\$614,617	\$19,037
Class 4 Subtotal		\$414,893,289	\$13,973,631		\$438,988,863	\$14,354,744
CLASS 5						
Rural Electric and Telephone Co-Op (3%)		\$7,118,432	\$213,550		\$7,747,514	\$232,426
Qualified New Industrial (3%)		\$0	\$0		\$0	\$0
Pollution Control (3%)		\$0	\$0		\$0	\$0
Gasohol Related (3%)		\$0	\$0		\$0	\$0
Research and Development (0%-3%)		\$0	\$0		\$0	\$0
Aluminum Electrolytic Equipment (3%)		\$0	\$0		\$0	\$0
Class 5 Subtotal		\$7,118,432	\$213,550		\$7,747,514	\$232,426
CLASS 6						
Livestock (0%)		\$0	\$0		\$0	\$0
Lease and Rental Equipment (3%)		\$0	\$0		\$0	\$0
Canola Seed Processing Equipment (3%)		\$0	\$0		\$0	\$0
Class 6 Subtotal		\$0	\$0		\$0	\$0
CLASS 7						
Non-Centrally Assessed Public Util. (8%, 3%)		\$0	\$0		\$0	\$0
CLASS 8						
Machinery (3%)		\$6,054,275	\$181,636		\$6,072,528	\$182,185
Farm Implements (3%)		\$12,005,191	\$360,158		\$12,376,128	\$371,286
Furniture and Fixtures (3%)		\$4,232,486	\$126,971		\$4,613,150	\$138,399
Other Business Equipment		\$2,913,409	\$87,420		\$3,052,768	\$91,592
Class 8 Subtotal		\$25,205,361	\$756,185		\$26,114,574	\$783,462
CLASS 9						
Utilities (12%)		\$44,433,926	\$5,332,068		\$46,835,359	\$5,620,246
CLASS 10						
Timber Land (0.35%, 0.35%)	11,392	\$2,393,890	\$8,377	11,389	\$2,448,813	\$8,581
CLASS 12						
Railroads (3.88%, 3.81%)		\$11,686,926	\$453,454		\$11,204,018	\$426,873
Airlines (3.88%, 3.81%)		\$0	\$0		\$0	\$0
Class 12 Subtotal		\$11,686,926	\$453,454		\$11,204,018	\$426,873
CLASS 13						
Electrical Generation Property (6%)		\$0	\$0		\$0	\$0
Telecommunication Property (6%)		\$7,901,118	\$474,072		\$6,307,633	\$378,458
Class 13 Subtotal		\$7,901,118	\$474,072		\$6,307,633	\$378,458
Total		\$577,187,016	\$23,832,245		\$604,545,613	\$24,558,032



Property Tax

Carter County

	2003			2004		
	Acres	Assessed	Taxable	Acres	Assessed	Taxable
CLASS 1 Net Proceeds		\$4,881,330	\$4,881,330		\$4,885,548	\$4,885,548
CLASS 2 Gross Proceeds		\$0	\$0		\$0	\$0
CLASS 3 Agricultural Land:						
Tillable Irrigated (3.40%, 3.30%)	0	\$0	\$0	0	\$0	\$0
Tillable Non-Irrigated (3.40%, 3.30%)	97,253	\$11,676,339	\$396,992	97,252	\$11,962,600	\$394,770
Grazing (3.40%, 3.30%)	1,228,867	\$46,337,321	\$1,575,577	1,228,965	\$47,549,672	\$1,569,060
Wild Hay (3.40%, 3.30%)	42,781	\$6,859,370	\$233,203	42,756	\$7,012,478	\$231,412
Non-Qualified Ag Land (23.8%, 23.1%)	1,045	\$42,760	\$10,175	1,152	\$48,345	\$11,167
Eligible Mining Claims (3.40%, 3.30%)	0	\$0	\$0	0	\$0	\$0
Class 3 Subtotal	1,369,945	\$64,915,790	\$2,215,947	1,370,125	\$66,573,095	\$2,206,409
CLASS 4 Land and Improvements:						
Residential (3.40%, 3.30%)		\$14,193,813	\$482,511		\$14,566,503	\$480,821
Residential Low Income (varies)		\$149,945	\$2,281		\$147,392	\$1,903
Mobile Homes (3.40%, 3.30%)		\$1,481,959	\$50,386		\$1,411,718	\$46,585
Mobile Homes Low Income (varies)		\$7,080	\$169		\$7,458	\$123
Commercial (3.40%, 3.30%)		\$1,641,818	\$55,826		\$1,642,544	\$54,206
Industrial (3.40%, 3.30%)		\$11,541	\$392		\$11,646	\$384
New Manufacturing (varies)		\$0	\$0		\$0	\$0
Qualified Golf Courses (1.70, 1.65%)		\$0	\$0		\$0	\$0
Remodeled Commercial (varies)		\$0	\$0		\$0	\$0
Extended Prop Tax Relief Program (Res Only)		\$24,634	\$778		\$27,933	\$824
Class 4 Subtotal		\$17,510,790	\$592,343		\$17,815,194	\$584,846
CLASS 5						
Rural Electric and Telephone Co-Op (3%)		\$2,831,704	\$84,949		\$2,853,065	\$85,594
Qualified New Industrial (3%)		\$0	\$0		\$0	\$0
Pollution Control (3%)		\$0	\$0		\$0	\$0
Gasohol Related (3%)		\$0	\$0		\$0	\$0
Research and Development (0%-3%)		\$0	\$0		\$0	\$0
Aluminum Electrolytic Equipment (3%)		\$0	\$0		\$0	\$0
Class 5 Subtotal		\$2,831,704	\$84,949		\$2,853,065	\$85,594
CLASS 6						
Livestock (0%)		\$0	\$0		\$0	\$0
Lease and Rental Equipment (3%)		\$0	\$0		\$0	\$0
Canola Seed Processing Equipment (3%)		\$0	\$0		\$0	\$0
Class 6 Subtotal		\$0	\$0		\$0	\$0
CLASS 7						
Non-Centrally Assessed Public Util. (8%, 3%)		\$0	\$0		\$0	\$0
CLASS 8						
Machinery (3%)		\$2,356,995	\$70,714		\$2,662,887	\$79,890
Farm Implements (3%)		\$11,517,338	\$345,521		\$12,040,789	\$361,224
Furniture and Fixtures (3%)		\$218,871	\$6,564		\$233,948	\$7,019
Other Business Equipment		\$232,190	\$6,966		\$130,683	\$3,921
Class 8 Subtotal		\$14,325,394	\$429,765		\$15,068,307	\$452,054
CLASS 9						
Utilities (12%)		\$5,595,814	\$671,498		\$17,009,506	\$2,041,140
CLASS 10						
Timber Land (0.35%, 0.35%)	21,602	\$4,007,288	\$14,024	21,602	\$4,090,114	\$14,332
CLASS 12						
Railroads (3.88%, 3.81%)		\$0	\$0		\$0	\$0
Airlines (3.88%, 3.81%)		\$0	\$0		\$0	\$0
Class 12 Subtotal		\$0	\$0		\$0	\$0
CLASS 13						
Electrical Generation Property (6%)		\$0	\$0		\$0	\$0
Telecommunication Property (6%)		\$270	\$16		\$263	\$16
Class 13 Subtotal		\$270	\$16		\$263	\$16
Total		\$114,068,380	\$8,889,872		\$128,295,092	\$10,269,939



Property Tax

Cascade County

	2003			2004		
	Acres	Assessed	Taxable	Acres	Assessed	Taxable
CLASS 1 Net Proceeds		\$0	\$0		\$0	\$0
CLASS 2 Gross Proceeds		\$0	\$0		\$0	\$0
CLASS 3 Agricultural Land:						
Tillable Irrigated (3.40%, 3.30%)	43,126	\$11,738,268	\$399,113	43,267	\$12,323,413	\$406,670
Tillable Non-Irrigated (3.40%, 3.30%)	352,304	\$68,063,501	\$2,314,176	351,299	\$69,549,768	\$2,295,120
Grazing (3.40%, 3.30%)	814,691	\$34,537,697	\$1,174,375	814,332	\$35,422,694	\$1,168,978
Wild Hay (3.40%, 3.30%)	57,253	\$15,514,519	\$527,495	57,398	\$15,904,708	\$524,846
Non-Qualified Ag Land (23.8%, 23.1%)	34,495	\$1,408,969	\$335,404	34,971	\$1,463,983	\$338,204
Eligible Mining Claims (3.40%, 3.30%)	304	\$16,463	\$559	320	\$17,807	\$589
Class 3 Subtotal	1,302,172	\$131,279,417	\$4,751,122	1,301,587	\$134,682,373	\$4,734,407
CLASS 4 Land and Improvements:						
Residential (3.40%, 3.30%)		\$1,472,308,329	\$50,058,050		\$1,540,208,014	\$50,827,232
Residential Low Income (varies)		\$27,806,356	\$424,065		\$31,325,141	\$423,735
Mobile Homes (3.40%, 3.30%)		\$29,771,656	\$1,011,933		\$28,720,376	\$947,426
Mobile Homes Low Income (varies)		\$1,663,482	\$29,592		\$2,096,886	\$32,641
Commercial (3.40%, 3.30%)		\$639,924,860	\$21,757,499		\$665,130,675	\$21,949,395
Industrial (3.40%, 3.30%)		\$33,532,547	\$1,140,103		\$36,675,602	\$1,210,288
New Manufacturing (varies)		\$9,358,940	\$211,513		\$9,283,440	\$230,954
Qualified Golf Courses (1.70, 1.65%)		\$3,123,646	\$50,115		\$3,142,332	\$48,978
Remodeled Commercial (varies)		\$729,399	\$8,848		\$754,155	\$12,442
Extended Prop Tax Relief Program (Res Only)		\$4,611,417	\$141,319		\$3,955,642	\$114,546
Class 4 Subtotal		\$2,222,830,632	\$74,833,037		\$2,321,292,263	\$75,797,637
CLASS 5						
Rural Electric and Telephone Co-Op (3%)		\$9,587,456	\$287,621		\$9,268,560	\$278,057
Qualified New Industrial (3%)		\$0	\$0		\$0	\$0
Pollution Control (3%)		\$5,327,480	\$159,824		\$4,757,163	\$142,715
Gasohol Related (3%)		\$0	\$0		\$0	\$0
Research and Development (0%-3%)		\$0	\$0		\$0	\$0
Aluminum Electrolytic Equipment (3%)		\$0	\$0		\$0	\$0
Class 5 Subtotal		\$14,914,936	\$447,445		\$14,025,723	\$420,772
CLASS 6						
Livestock (0%)		\$0	\$0		\$0	\$0
Lease and Rental Equipment (3%)		\$0	\$0		\$0	\$0
Canola Seed Processing Equipment (3%)		\$0	\$0		\$0	\$0
Class 6 Subtotal		\$0	\$0		\$0	\$0
CLASS 7						
Non-Centrally Assessed Public Util. (8%, 3%)		\$12,439,363	\$995,149		\$12,078,967	\$966,317
CLASS 8						
Machinery (3%)		\$76,920,541	\$2,092,050		\$81,639,839	\$2,297,697
Farm Implements (3%)		\$16,179,165	\$485,381		\$16,316,581	\$489,489
Furniture and Fixtures (3%)		\$84,612,142	\$2,538,388		\$82,890,653	\$2,486,714
Other Business Equipment		\$12,756,871	\$382,814		\$13,528,470	\$405,950
Class 8 Subtotal		\$190,468,719	\$5,498,633		\$194,375,543	\$5,679,850
CLASS 9						
Utilities (12%)		\$57,893,939	\$6,947,274		\$67,346,894	\$8,081,628
CLASS 10						
Timber Land (0.35%, 0.35%)	46,081	\$16,599,711	\$58,097	46,099	\$17,196,341	\$60,181
CLASS 12						
Railroads (3.88%, 3.81%)		\$36,167,852	\$1,403,312		\$34,715,049	\$1,322,644
Airlines (3.88%, 3.81%)		\$20,031,025	\$777,203		\$21,016,110	\$800,714
Class 12 Subtotal		\$56,198,877	\$2,180,515		\$55,731,159	\$2,123,358
CLASS 13						
Electrical Generation Property (6%)		\$154,317,223	\$9,259,034		\$152,342,991	\$9,140,580
Telecommunication Property (6%)		\$45,481,934	\$2,728,912		\$38,188,652	\$2,291,320
Class 13 Subtotal		\$199,799,157	\$11,987,946		\$190,531,643	\$11,431,900
Total		\$2,902,424,751	\$107,699,218		\$3,007,260,906	\$109,296,050



Property Tax

Choteau County

	2003			2004		
	Acres	Assessed	Taxable	Acres	Assessed	Taxable
CLASS 1 Net Proceeds		\$0	\$0		\$0	\$0
CLASS 2 Gross Proceeds		\$0	\$0		\$0	\$0
CLASS 3 Agricultural Land:						
Tillable Irrigated (3.40%, 3.30%)	7,807	\$1,775,799	\$60,374	7,771	\$1,837,053	\$60,619
Tillable Non-Irrigated (3.40%, 3.30%)	1,098,753	\$219,027,491	\$7,446,859	1,099,038	\$224,467,337	\$7,407,410
Grazing (3.40%, 3.30%)	915,035	\$35,940,676	\$1,222,139	914,770	\$36,870,708	\$1,216,839
Wild Hay (3.40%, 3.30%)	21,587	\$5,478,240	\$186,256	21,546	\$5,595,234	\$184,651
Non-Qualified Ag Land (23.8%, 23.1%)	3,792	\$154,246	\$36,716	3,607	\$149,561	\$34,551
Eligible Mining Claims (3.40%, 3.30%)	0	\$0	\$0	0	\$0	\$0
Class 3 Subtotal	2,046,973	\$262,376,452	\$8,952,344	2,046,731	\$268,919,893	\$8,904,070
CLASS 4 Land and Improvements:						
Residential (3.40%, 3.30%)		\$98,568,154	\$3,351,097		\$101,234,026	\$3,341,011
Residential Low Income (varies)		\$1,617,800	\$24,825		\$1,866,970	\$29,182
Mobile Homes (3.40%, 3.30%)		\$1,519,439	\$51,664		\$1,466,144	\$48,383
Mobile Homes Low Income (varies)		\$12,811	\$218		\$42,858	\$707
Commercial (3.40%, 3.30%)		\$10,230,553	\$347,839		\$10,475,022	\$345,672
Industrial (3.40%, 3.30%)		\$7,004,375	\$238,147		\$5,876,568	\$193,925
New Manufacturing (varies)		\$0	\$0		\$0	\$0
Qualified Golf Courses (1.70, 1.65%)		\$0	\$0		\$0	\$0
Remodeled Commercial (varies)		\$446,228	\$12,137		\$452,671	\$14,938
Extended Prop Tax Relief Program (Res Only)		\$88,237	\$2,753		\$102,011	\$2,875
Class 4 Subtotal		\$119,487,597	\$4,028,680		\$121,516,270	\$3,976,693
CLASS 5						
Rural Electric and Telephone Co-Op (3%)		\$9,860,968	\$295,830		\$10,780,891	\$323,424
Qualified New Industrial (3%)		\$0	\$0		\$0	\$0
Pollution Control (3%)		\$0	\$0		\$0	\$0
Gasohol Related (3%)		\$0	\$0		\$0	\$0
Research and Development (0%-3%)		\$0	\$0		\$0	\$0
Aluminum Electrolytic Equipment (3%)		\$0	\$0		\$0	\$0
Class 5 Subtotal		\$9,860,968	\$295,830		\$10,780,891	\$323,424
CLASS 6						
Livestock (0%)		\$0	\$0		\$0	\$0
Lease and Rental Equipment (3%)		\$0	\$0		\$0	\$0
Canola Seed Processing Equipment (3%)		\$0	\$0		\$0	\$0
Class 6 Subtotal		\$0	\$0		\$0	\$0
CLASS 7						
Non-Centrally Assessed Public Util. (8%, 3%)		\$0	\$0		\$0	\$0
CLASS 8						
Machinery (3%)		\$3,604,447	\$108,140		\$3,530,307	\$105,919
Farm Implements (3%)		\$42,990,226	\$1,289,713		\$42,730,211	\$1,281,905
Furniture and Fixtures (3%)		\$1,867,161	\$56,025		\$1,894,984	\$56,859
Other Business Equipment		\$1,510,621	\$45,334		\$1,848,032	\$55,437
Class 8 Subtotal		\$49,972,455	\$1,499,212		\$50,003,534	\$1,500,120
CLASS 9						
Utilities (12%)		\$36,101,217	\$4,332,144		\$37,472,908	\$4,496,750
CLASS 10						
Timber Land (0.35%, 0.35%)	13,949	\$3,078,460	\$10,777	13,933	\$3,145,794	\$11,022
CLASS 12						
Railroads (3.88%, 3.81%)		\$8,735,003	\$338,918		\$8,378,355	\$319,214
Airlines (3.88%, 3.81%)		\$0	\$0		\$0	\$0
Class 12 Subtotal		\$8,735,003	\$338,918		\$8,378,355	\$319,214
CLASS 13						
Electrical Generation Property (6%)		\$0	\$0		\$0	\$0
Telecommunication Property (6%)		\$4,476,531	\$268,590		\$4,981,831	\$298,910
Class 13 Subtotal		\$4,476,531	\$268,590		\$4,981,831	\$298,910
Total		\$494,088,683	\$19,726,495		\$505,199,476	\$19,830,203



Property Tax

Custer County

	2003			2004		
	Acres	Assessed	Taxable	Acres	Assessed	Taxable
CLASS 1 Net Proceeds		\$0	\$0		\$0	\$0
CLASS 2 Gross Proceeds		\$0	\$0		\$0	\$0
CLASS 3 Agricultural Land:						
Tillable Irrigated (3.40%, 3.30%)	26,342	\$11,204,919	\$380,969	26,306	\$11,584,859	\$382,305
Tillable Non-Irrigated (3.40%, 3.30%)	67,411	\$8,812,315	\$299,615	67,411	\$9,028,424	\$297,945
Grazing (3.40%, 3.30%)	1,682,945	\$50,606,635	\$1,720,619	1,682,629	\$51,913,735	\$1,713,201
Wild Hay (3.40%, 3.30%)	20,342	\$4,060,471	\$138,057	20,342	\$4,152,833	\$137,047
Non-Qualified Ag Land (23.8%, 23.1%)	16,034	\$655,708	\$156,044	16,158	\$677,724	\$156,623
Eligible Mining Claims (3.40%, 3.30%)	0	\$0	\$0	0	\$0	\$0
Class 3 Subtotal	1,813,074	\$75,340,048	\$2,695,304	1,812,846	\$77,357,575	\$2,687,121
CLASS 4 Land and Improvements:						
Residential (3.40%, 3.30%)		\$146,135,201	\$4,968,363		\$152,781,255	\$5,042,036
Residential Low Income (varies)		\$3,681,581	\$56,001		\$4,030,326	\$58,373
Mobile Homes (3.40%, 3.30%)		\$6,454,228	\$219,449		\$6,456,800	\$213,068
Mobile Homes Low Income (varies)		\$241,005	\$4,522		\$287,235	\$5,038
Commercial (3.40%, 3.30%)		\$56,273,229	\$1,913,275		\$59,199,335	\$1,953,586
Industrial (3.40%, 3.30%)		\$7,296,035	\$248,064		\$7,404,816	\$244,359
New Manufacturing (varies)		\$0	\$0		\$0	\$0
Qualified Golf Courses (1.70, 1.65%)		\$583,278	\$9,915		\$629,416	\$10,386
Remodeled Commercial (varies)		\$120,171	\$3,885		\$29,316	\$967
Extended Prop Tax Relief Program (Res Only)		\$298,962	\$9,695		\$135,055	\$4,075
Class 4 Subtotal		\$221,083,690	\$7,433,169		\$230,953,554	\$7,531,888
CLASS 5						
Rural Electric and Telephone Co-Op (3%)		\$7,667,967	\$230,041		\$8,639,133	\$259,171
Qualified New Industrial (3%)		\$0	\$0		\$0	\$0
Pollution Control (3%)		\$0	\$0		\$0	\$0
Gasohol Related (3%)		\$0	\$0		\$0	\$0
Research and Development (0%-3%)		\$0	\$0		\$0	\$0
Aluminum Electrolytic Equipment (3%)		\$0	\$0		\$0	\$0
Class 5 Subtotal		\$7,667,967	\$230,041		\$8,639,133	\$259,171
CLASS 6						
Livestock (0%)		\$0	\$0		\$0	\$0
Lease and Rental Equipment (3%)		\$0	\$0		\$0	\$0
Canola Seed Processing Equipment (3%)		\$0	\$0		\$0	\$0
Class 6 Subtotal		\$0	\$0		\$0	\$0
CLASS 7						
Non-Centrally Assessed Public Util. (8%, 3%)		\$0	\$0		\$0	\$0
CLASS 8						
Machinery (3%)		\$9,991,185	\$299,750		\$10,736,208	\$322,109
Farm Implements (3%)		\$10,065,881	\$301,980		\$10,183,680	\$305,514
Furniture and Fixtures (3%)		\$7,863,883	\$235,933		\$9,014,737	\$270,433
Other Business Equipment		\$1,114,724	\$33,461		\$2,473,500	\$74,224
Class 8 Subtotal		\$29,035,673	\$871,124		\$32,408,125	\$972,280
CLASS 9						
Utilities (12%)		\$11,993,742	\$1,439,248		\$12,766,081	\$1,531,927
CLASS 10						
Timber Land (0.35%, 0.35%)	37,664	\$7,008,254	\$24,525	37,664	\$7,158,127	\$25,074
CLASS 12						
Railroads (3.88%, 3.81%)		\$18,691,525	\$725,231		\$17,925,593	\$682,966
Airlines (3.88%, 3.81%)		\$246,626	\$9,569		\$241,011	\$9,183
Class 12 Subtotal		\$18,938,151	\$734,800		\$18,166,604	\$692,149
CLASS 13						
Electrical Generation Property (6%)		\$989,196	\$59,352		\$971,329	\$58,280
Telecommunication Property (6%)		\$7,750,631	\$465,038		\$6,798,649	\$407,919
Class 13 Subtotal		\$8,739,827	\$524,390		\$7,769,978	\$466,199
Total		\$379,807,352	\$13,952,601		\$395,219,177	\$14,165,809



Property Tax

Daniels County

	2003			2004		
	Acres	Assessed	Taxable	Acres	Assessed	Taxable
CLASS 1 Net Proceeds		\$0	\$0		\$0	\$0
CLASS 2 Gross Proceeds		\$0	\$0		\$0	\$0
CLASS 3 Agricultural Land:						
Tillable Irrigated (3.40%, 3.30%)	862	\$232,111	\$7,890	862	\$247,091	\$8,154
Tillable Non-Irrigated (3.40%, 3.30%)	441,305	\$56,896,002	\$1,934,469	441,790	\$58,354,612	\$1,925,708
Grazing (3.40%, 3.30%)	203,358	\$7,956,576	\$270,540	203,662	\$8,178,089	\$269,887
Wild Hay (3.40%, 3.30%)	4,095	\$651,901	\$22,165	4,095	\$666,749	\$22,008
Non-Qualified Ag Land (23.8%, 23.1%)	859	\$36,105	\$8,592	926	\$39,836	\$9,202
Eligible Mining Claims (3.40%, 3.30%)	0	\$0	\$0	0	\$0	\$0
Class 3 Subtotal	650,478	\$65,772,695	\$2,243,656	651,335	\$67,486,377	\$2,234,959
CLASS 4 Land and Improvements:						
Residential (3.40%, 3.30%)		\$26,944,573	\$915,991		\$28,217,769	\$931,326
Residential Low Income (varies)		\$440,336	\$8,457		\$356,260	\$6,087
Mobile Homes (3.40%, 3.30%)		\$439,175	\$14,932		\$435,930	\$14,383
Mobile Homes Low Income (varies)		\$4,231	\$29		\$4,524	\$30
Commercial (3.40%, 3.30%)		\$4,832,189	\$164,300		\$5,160,240	\$170,279
Industrial (3.40%, 3.30%)		\$1,723,370	\$58,597		\$1,745,083	\$57,592
New Manufacturing (varies)		\$0	\$0		\$0	\$0
Qualified Golf Courses (1.70, 1.65%)		\$62,210	\$1,058		\$63,588	\$1,049
Remodeled Commercial (varies)		\$0	\$0		\$0	\$0
Extended Prop Tax Relief Program (Res Only)		\$663,142	\$21,531		\$724,248	\$22,200
Class 4 Subtotal		\$35,109,226	\$1,184,895		\$36,707,642	\$1,202,946
CLASS 5						
Rural Electric and Telephone Co-Op (3%)		\$5,311,424	\$159,339		\$5,293,965	\$158,819
Qualified New Industrial (3%)		\$0	\$0		\$0	\$0
Pollution Control (3%)		\$0	\$0		\$0	\$0
Gasohol Related (3%)		\$0	\$0		\$0	\$0
Research and Development (0%-3%)		\$0	\$0		\$0	\$0
Aluminum Electrolytic Equipment (3%)		\$0	\$0		\$0	\$0
Class 5 Subtotal		\$5,311,424	\$159,339		\$5,293,965	\$158,819
CLASS 6						
Livestock (0%)		\$0	\$0		\$0	\$0
Lease and Rental Equipment (3%)		\$0	\$0		\$0	\$0
Canola Seed Processing Equipment (3%)		\$0	\$0		\$0	\$0
Class 6 Subtotal		\$0	\$0		\$0	\$0
CLASS 7						
Non-Centrally Assessed Public Util. (8%, 3%)		\$0	\$0		\$0	\$0
CLASS 8						
Machinery (3%)		\$2,019,893	\$60,593		\$2,091,832	\$62,757
Farm Implements (3%)		\$16,815,988	\$504,479		\$17,079,019	\$512,374
Furniture and Fixtures (3%)		\$557,687	\$16,734		\$545,422	\$16,364
Other Business Equipment		\$402,243	\$12,078		\$796,754	\$23,912
Class 8 Subtotal		\$19,795,811	\$593,884		\$20,513,027	\$615,407
CLASS 9						
Utilities (12%)		\$611,448	\$73,373		\$608,568	\$73,027
CLASS 10						
Timber Land (0.35%, 0.35%)	0	\$0	\$0	0	\$0	\$0
CLASS 12						
Railroads (3.88%, 3.81%)		\$5,285,127	\$205,064		\$5,162,502	\$196,691
Airlines (3.88%, 3.81%)		\$0	\$0		\$0	\$0
Class 12 Subtotal		\$5,285,127	\$205,064		\$5,162,502	\$196,691
CLASS 13						
Electrical Generation Property (6%)		\$0	\$0		\$0	\$0
Telecommunication Property (6%)		\$3,917,175	\$235,030		\$3,575,561	\$214,535
Class 13 Subtotal		\$3,917,175	\$235,030		\$3,575,561	\$214,535
Total		\$135,802,906	\$4,695,241		\$139,347,642	\$4,696,384



Property Tax

Dawson County

	2003			2004		
	Acres	Assessed	Taxable	Acres	Assessed	Taxable
CLASS 1 Net Proceeds		\$0	\$0		\$0	\$0
CLASS 2 Gross Proceeds		\$0	\$0		\$0	\$0
CLASS 3 Agricultural Land:						
Tillable Irrigated (3.40%, 3.30%)	19,145	\$7,961,083	\$270,676	19,145	\$8,118,874	\$267,926
Tillable Non-Irrigated (3.40%, 3.30%)	412,652	\$53,255,886	\$1,810,666	412,357	\$54,529,903	\$1,799,504
Grazing (3.40%, 3.30%)	896,565	\$31,105,695	\$1,057,622	896,728	\$31,931,851	\$1,053,791
Wild Hay (3.40%, 3.30%)	703	\$107,804	\$3,665	703	\$110,259	\$3,639
Non-Qualified Ag Land (23.8%, 23.1%)	3,251	\$132,712	\$31,588	3,406	\$142,554	\$32,932
Eligible Mining Claims (3.40%, 3.30%)	0	\$0	\$0	0	\$0	\$0
Class 3 Subtotal	1,332,316	\$92,563,180	\$3,174,217	1,332,338	\$94,833,441	\$3,157,792
CLASS 4 Land and Improvements:						
Residential (3.40%, 3.30%)		\$106,218,767	\$3,611,424		\$108,774,506	\$3,589,751
Residential Low Income (varies)		\$1,434,466	\$26,658		\$1,380,534	\$26,999
Mobile Homes (3.40%, 3.30%)		\$3,328,972	\$113,186		\$3,199,942	\$105,609
Mobile Homes Low Income (varies)		\$75,744	\$1,362		\$105,663	\$1,942
Commercial (3.40%, 3.30%)		\$26,963,561	\$916,766		\$26,684,855	\$880,600
Industrial (3.40%, 3.30%)		\$2,832,145	\$96,288		\$2,983,056	\$98,440
New Manufacturing (varies)		\$4,453,084	\$75,702		\$4,648,109	\$76,694
Qualified Golf Courses (1.70, 1.65%)		\$0	\$0		\$0	\$0
Remodeled Commercial (varies)		\$132,870	\$2,522		\$101,126	\$1,933
Extended Prop Tax Relief Program (Res Only)		\$0	\$0		\$0	\$0
Class 4 Subtotal		\$145,439,609	\$4,843,908		\$147,877,791	\$4,781,968
CLASS 5						
Rural Electric and Telephone Co-Op (3%)		\$15,556,106	\$466,683		\$15,832,678	\$474,981
Qualified New Industrial (3%)		\$0	\$0		\$0	\$0
Pollution Control (3%)		\$0	\$0		\$0	\$0
Gasohol Related (3%)		\$0	\$0		\$0	\$0
Research and Development (0%-3%)		\$0	\$0		\$0	\$0
Aluminum Electrolytic Equipment (3%)		\$0	\$0		\$0	\$0
Class 5 Subtotal		\$15,556,106	\$466,683		\$15,832,678	\$474,981
CLASS 6						
Livestock (0%)		\$0	\$0		\$0	\$0
Lease and Rental Equipment (3%)		\$0	\$0		\$0	\$0
Canola Seed Processing Equipment (3%)		\$0	\$0		\$0	\$0
Class 6 Subtotal		\$0	\$0		\$0	\$0
CLASS 7						
Non-Centrally Assessed Public Util. (8%, 3%)		\$0	\$0		\$0	\$0
CLASS 8						
Machinery (3%)		\$4,867,713	\$146,045		\$4,261,188	\$127,841
Farm Implements (3%)		\$18,271,459	\$548,148		\$18,414,220	\$552,432
Furniture and Fixtures (3%)		\$4,423,103	\$132,695		\$4,120,461	\$123,618
Other Business Equipment		\$4,335,655	\$130,082		\$4,515,111	\$135,468
Class 8 Subtotal		\$31,897,930	\$956,970		\$31,310,980	\$939,359
CLASS 9						
Utilities (12%)		\$23,199,557	\$2,768,862		\$26,355,513	\$3,155,382
CLASS 10						
Timber Land (0.35%, 0.35%)	0	\$0	\$0	0	\$0	\$0
CLASS 12						
Railroads (3.88%, 3.81%)		\$39,577,834	\$1,535,620		\$38,227,802	\$1,456,479
Airlines (3.88%, 3.81%)		\$132,855	\$5,155		\$124,353	\$4,738
Class 12 Subtotal		\$39,710,689	\$1,540,775		\$38,352,155	\$1,461,217
CLASS 13						
Electrical Generation Property (6%)		\$5,771,349	\$346,281		\$9,156,320	\$549,379
Telecommunication Property (6%)		\$7,550,960	\$453,057		\$6,608,571	\$396,516
Class 13 Subtotal		\$13,322,309	\$799,338		\$15,764,891	\$945,895
Total		\$361,689,380	\$14,550,753		\$370,327,449	\$14,916,594



Property Tax

Deer Lodge County

	2003			2004		
	Acres	Assessed	Taxable	Acres	Assessed	Taxable
CLASS 1 Net Proceeds		\$0	\$0		\$0	\$0
CLASS 2 Gross Proceeds		\$0	\$0		\$0	\$0
CLASS 3 Agricultural Land:						
Tillable Irrigated (3.40%, 3.30%)	8,320	\$2,792,895	\$94,958	8,320	\$2,970,912	\$98,036
Tillable Non-Irrigated (3.40%, 3.30%)	33	\$3,229	\$110	33	\$3,308	\$109
Grazing (3.40%, 3.30%)	141,613	\$4,905,287	\$166,788	141,347	\$5,042,489	\$166,417
Wild Hay (3.40%, 3.30%)	5,652	\$1,186,874	\$40,353	5,643	\$1,207,854	\$39,864
Non-Qualified Ag Land (23.8%, 23.1%)	23,170	\$925,332	\$220,242	23,204	\$955,484	\$220,727
Eligible Mining Claims (3.40%, 3.30%)	312	\$5,955	\$205	393	\$10,382	\$345
Class 3 Subtotal	179,101	\$9,819,572	\$522,656	178,940	\$10,190,429	\$525,498
CLASS 4 Land and Improvements:						
Residential (3.40%, 3.30%)		\$142,143,164	\$4,832,641		\$152,007,291	\$5,016,109
Residential Low Income (varies)		\$4,595,783	\$85,367		\$5,172,661	\$89,913
Mobile Homes (3.40%, 3.30%)		\$2,360,479	\$80,255		\$2,533,323	\$83,590
Mobile Homes Low Income (varies)		\$60,192	\$1,086		\$43,630	\$728
Commercial (3.40%, 3.30%)		\$31,053,998	\$1,055,813		\$32,741,168	\$1,080,445
Industrial (3.40%, 3.30%)		\$699,221	\$23,774		\$994,664	\$32,825
New Manufacturing (varies)		\$0	\$0		\$0	\$0
Qualified Golf Courses (1.70, 1.65%)		\$476,944	\$8,108		\$541,475	\$8,935
Remodeled Commercial (varies)		\$0	\$0		\$0	\$0
Extended Prop Tax Relief Program (Res Only)		\$1,553,739	\$47,873		\$912,504	\$26,493
Class 4 Subtotal		\$182,943,520	\$6,134,917		\$194,946,716	\$6,339,038
CLASS 5						
Rural Electric and Telephone Co-Op (3%)		\$499,227	\$14,977		\$486,739	\$14,603
Qualified New Industrial (3%)		\$0	\$0		\$0	\$0
Pollution Control (3%)		\$3,768,096	\$113,043		\$3,638,995	\$109,170
Gasohol Related (3%)		\$0	\$0		\$0	\$0
Research and Development (0%-3%)		\$0	\$0		\$0	\$0
Aluminum Electrolytic Equipment (3%)		\$0	\$0		\$0	\$0
Class 5 Subtotal		\$4,267,323	\$128,020		\$4,125,734	\$123,773
CLASS 6						
Livestock (0%)		\$0	\$0		\$0	\$0
Lease and Rental Equipment (3%)		\$0	\$0		\$0	\$0
Canola Seed Processing Equipment (3%)		\$0	\$0		\$0	\$0
Class 6 Subtotal		\$0	\$0		\$0	\$0
CLASS 7						
Non-Centrally Assessed Public Util. (8%, 3%)		\$0	\$0		\$0	\$0
CLASS 8						
Machinery (3%)		\$3,371,843	\$101,157		\$4,544,870	\$136,351
Farm Implements (3%)		\$700,105	\$21,003		\$762,342	\$22,871
Furniture and Fixtures (3%)		\$3,778,901	\$113,373		\$3,382,654	\$101,479
Other Business Equipment		\$890,649	\$26,728		\$996,230	\$29,904
Class 8 Subtotal		\$8,741,498	\$262,261		\$9,686,096	\$290,605
CLASS 9						
Utilities (12%)		\$13,516,402	\$1,621,969		\$14,514,728	\$1,741,770
CLASS 10						
Timber Land (0.35%, 0.35%)	55,072	\$21,396,816	\$74,881	54,891	\$22,289,458	\$78,028
CLASS 12						
Railroads (3.88%, 3.81%)		\$497,233	\$19,293		\$3,538,395	\$134,811
Airlines (3.88%, 3.81%)		\$3,570	\$139		\$768	\$29
Class 12 Subtotal		\$500,803	\$19,432		\$3,539,163	\$134,840
CLASS 13						
Electrical Generation Property (6%)		\$0	\$0		\$0	\$0
Telecommunication Property (6%)		\$4,816,603	\$288,995		\$4,255,196	\$255,313
Class 13 Subtotal		\$4,816,603	\$288,995		\$4,255,196	\$255,313
Total		\$246,002,537	\$9,053,131		\$263,547,520	\$9,488,865



Property Tax

Fallon County

	2003			2004		
	Acres	Assessed	Taxable	Acres	Assessed	Taxable
CLASS 1 Net Proceeds		\$0	\$0		\$0	\$0
CLASS 2 Gross Proceeds		\$0	\$0		\$0	\$0
CLASS 3 Agricultural Land:						
Tillable Irrigated (3.40%, 3.30%)	0	\$0	\$0	0	\$0	\$0
Tillable Non-Irrigated (3.40%, 3.30%)	152,989	\$17,587,402	\$597,989	152,910	\$18,011,685	\$594,379
Grazing (3.40%, 3.30%)	651,510	\$21,685,903	\$737,331	655,237	\$22,358,398	\$737,839
Wild Hay (3.40%, 3.30%)	26,440	\$3,461,019	\$117,681	26,440	\$3,539,645	\$116,804
Non-Qualified Ag Land (23.8%, 23.1%)	1,515	\$62,117	\$14,784	1,727	\$72,788	\$16,815
Eligible Mining Claims (3.40%, 3.30%)	0	\$0	\$0	0	\$0	\$0
Class 3 Subtotal	832,453	\$42,796,441	\$1,467,785	836,314	\$43,982,516	\$1,465,837
CLASS 4 Land and Improvements:						
Residential (3.40%, 3.30%)		\$28,622,844	\$973,178		\$29,790,661	\$983,196
Residential Low Income (varies)		\$361,570	\$7,836		\$325,627	\$5,608
Mobile Homes (3.40%, 3.30%)		\$2,664,382	\$90,584		\$2,892,080	\$95,452
Mobile Homes Low Income (varies)		\$5,339	\$116		\$2,009	\$42
Commercial (3.40%, 3.30%)		\$9,075,056	\$308,543		\$9,206,395	\$303,850
Industrial (3.40%, 3.30%)		\$1,458,358	\$49,585		\$1,503,847	\$49,627
New Manufacturing (varies)		\$0	\$0		\$0	\$0
Qualified Golf Courses (1.70, 1.65%)		\$0	\$0		\$0	\$0
Remodeled Commercial (varies)		\$0	\$0		\$0	\$0
Extended Prop Tax Relief Program (Res Only)		\$0	\$0		\$0	\$0
Class 4 Subtotal		\$42,187,549	\$1,429,842		\$43,720,619	\$1,437,775
CLASS 5						
Rural Electric and Telephone Co-Op (3%)		\$5,323,904	\$159,716		\$5,399,601	\$161,988
Qualified New Industrial (3%)		\$0	\$0		\$0	\$0
Pollution Control (3%)		\$0	\$0		\$0	\$0
Gasohol Related (3%)		\$0	\$0		\$0	\$0
Research and Development (0%-3%)		\$0	\$0		\$0	\$0
Aluminum Electrolytic Equipment (3%)		\$0	\$0		\$0	\$0
Class 5 Subtotal		\$5,323,904	\$159,716		\$5,399,601	\$161,988
CLASS 6						
Livestock (0%)		\$0	\$0		\$0	\$0
Lease and Rental Equipment (3%)		\$0	\$0		\$0	\$0
Canola Seed Processing Equipment (3%)		\$0	\$0		\$0	\$0
Class 6 Subtotal		\$0	\$0		\$0	\$0
CLASS 7						
Non-Centrally Assessed Public Util. (8%, 3%)		\$0	\$0		\$0	\$0
CLASS 8						
Machinery (3%)		\$7,917,412	\$237,528		\$9,492,823	\$284,786
Farm Implements (3%)		\$10,712,877	\$321,389		\$10,891,921	\$326,760
Furniture and Fixtures (3%)		\$1,318,451	\$39,556		\$1,308,157	\$39,248
Other Business Equipment		\$36,516,814	\$1,095,527		\$41,832,015	\$1,254,963
Class 8 Subtotal		\$56,465,554	\$1,694,000		\$63,524,916	\$1,905,757
CLASS 9						
Utilities (12%)		\$41,212,685	\$4,945,520		\$54,054,780	\$6,486,576
CLASS 10						
Timber Land (0.35%, 0.35%)	600	\$111,642	\$390	600	\$114,030	\$399
CLASS 12						
Railroads (3.88%, 3.81%)		\$8,676,414	\$336,645		\$8,316,978	\$316,877
Airlines (3.88%, 3.81%)		\$0	\$0		\$0	\$0
Class 12 Subtotal		\$8,676,414	\$336,645		\$8,316,978	\$316,877
CLASS 13						
Electrical Generation Property (6%)		\$0	\$0		\$0	\$0
Telecommunication Property (6%)		\$4,762	\$286		\$129,665	\$7,780
Class 13 Subtotal		\$4,762	\$286		\$129,665	\$7,780
Total		\$196,778,951	\$10,034,184		\$219,243,105	\$11,782,989



Property Tax

Fergus County

	2003			2004		
	Acres	Assessed	Taxable	Acres	Assessed	Taxable
CLASS 1 Net Proceeds		\$0	\$0		\$0	\$0
CLASS 2 Gross Proceeds		\$0	\$0		\$0	\$0
CLASS 3 Agricultural Land:						
Tillable Irrigated (3.40%, 3.30%)	8,776	\$2,609,549	\$88,721	8,633	\$2,570,940	\$84,842
Tillable Non-Irrigated (3.40%, 3.30%)	423,975	\$76,642,530	\$2,605,844	423,756	\$78,516,894	\$2,591,058
Grazing (3.40%, 3.30%)	1,403,368	\$56,531,940	\$1,922,305	1,401,638	\$57,984,455	\$1,913,542
Wild Hay (3.40%, 3.30%)	114,746	\$25,842,654	\$878,654	114,188	\$26,330,218	\$868,876
Non-Qualified Ag Land (23.8%, 23.1%)	13,086	\$535,010	\$127,343	16,077	\$673,784	\$155,663
Eligible Mining Claims (3.40%, 3.30%)	18	\$999	\$34	97	\$5,379	\$178
Class 3 Subtotal	1,963,970	\$162,162,682	\$5,622,901	1,964,388	\$166,081,670	\$5,614,159
CLASS 4 Land and Improvements:						
Residential (3.40%, 3.30%)		\$203,843,521	\$6,930,729		\$213,977,687	\$7,061,785
Residential Low Income (varies)		\$4,361,833	\$72,340		\$4,584,872	\$74,105
Mobile Homes (3.40%, 3.30%)		\$10,865,341	\$369,417		\$10,997,264	\$362,911
Mobile Homes Low Income (varies)		\$294,187	\$5,463		\$380,562	\$6,149
Commercial (3.40%, 3.30%)		\$44,431,372	\$1,510,685		\$47,057,601	\$1,552,888
Industrial (3.40%, 3.30%)		\$6,055,663	\$205,894		\$5,953,053	\$196,449
New Manufacturing (varies)		\$261,086	\$4,696		\$264,394	\$4,742
Qualified Golf Courses (1.70, 1.65%)		\$870,647	\$14,217		\$907,205	\$14,968
Remodeled Commercial (varies)		\$0	\$0		\$0	\$0
Extended Prop Tax Relief Program (Res Only)		\$1,442,679	\$44,536		\$992,257	\$29,178
Class 4 Subtotal		\$272,426,329	\$9,157,977		\$285,114,895	\$9,303,175
CLASS 5						
Rural Electric and Telephone Co-Op (3%)		\$12,158,840	\$364,769		\$12,206,461	\$366,195
Qualified New Industrial (3%)		\$0	\$0		\$0	\$0
Pollution Control (3%)		\$133,658	\$4,010		\$97,818	\$2,935
Gasohol Related (3%)		\$0	\$0		\$0	\$0
Research and Development (0%-3%)		\$0	\$0		\$0	\$0
Aluminum Electrolytic Equipment (3%)		\$0	\$0		\$0	\$0
Class 5 Subtotal		\$12,292,498	\$368,779		\$12,304,279	\$369,130
CLASS 6						
Livestock (0%)		\$0	\$0		\$0	\$0
Lease and Rental Equipment (3%)		\$0	\$0		\$0	\$0
Canola Seed Processing Equipment (3%)		\$0	\$0		\$0	\$0
Class 6 Subtotal		\$0	\$0		\$0	\$0
CLASS 7						
Non-Centrally Assessed Public Util. (8%, 3%)		\$0	\$0		\$0	\$0
CLASS 8						
Machinery (3%)		\$11,570,047	\$347,064		\$12,575,361	\$377,303
Farm Implements (3%)		\$27,609,017	\$828,280		\$28,059,784	\$841,798
Furniture and Fixtures (3%)		\$6,693,192	\$200,801		\$6,273,506	\$188,206
Other Business Equipment		\$1,167,162	\$35,053		\$2,191,480	\$65,782
Class 8 Subtotal		\$47,039,418	\$1,411,198		\$49,100,131	\$1,473,089
CLASS 9						
Utilities (12%)		\$31,061,116	\$3,727,333		\$32,978,233	\$3,957,391
CLASS 10						
Timber Land (0.35%, 0.35%)	124,749	\$23,814,508	\$83,335	124,599	\$24,317,674	\$85,159
CLASS 12						
Railroads (3.88%, 3.81%)		\$6,941,516	\$269,332		\$6,654,601	\$253,541
Airlines (3.88%, 3.81%)		\$225,354	\$8,743		\$205,503	\$7,830
Class 12 Subtotal		\$7,166,870	\$278,075		\$6,860,104	\$261,371
CLASS 13						
Electrical Generation Property (6%)		\$0	\$0		\$0	\$0
Telecommunication Property (6%)		\$6,996,153	\$419,768		\$6,509,202	\$390,550
Class 13 Subtotal		\$6,996,153	\$419,768		\$6,509,202	\$390,550
Total		\$562,959,574	\$21,069,366		\$583,266,188	\$21,454,024



Property Tax

Flathead County

	2003			2004		
	Acres	Assessed	Taxable	Acres	Assessed	Taxable
CLASS 1 Net Proceeds		\$0	\$0		\$0	\$0
CLASS 2 Gross Proceeds		\$0	\$0		\$0	\$0
CLASS 3 Agricultural Land:						
Tillable Irrigated (3.40%, 3.30%)	20,702	\$7,496,512	\$254,884	20,262	\$8,010,105	\$264,323
Tillable Non-Irrigated (3.40%, 3.30%)	36,932	\$16,786,101	\$570,725	35,612	\$16,645,021	\$549,291
Grazing (3.40%, 3.30%)	39,874	\$2,298,840	\$78,200	39,101	\$2,314,348	\$76,396
Wild Hay (3.40%, 3.30%)	13,273	\$4,222,790	\$143,570	12,883	\$4,154,892	\$137,123
Non-Qualified Ag Land (23.8%, 23.1%)	43,966	\$1,795,882	\$427,465	45,034	\$1,887,027	\$435,907
Eligible Mining Claims (3.40%, 3.30%)	0	\$0	\$0	0	\$0	\$0
Class 3 Subtotal	154,747	\$32,600,125	\$1,474,844	152,892	\$33,011,393	\$1,463,040
CLASS 4 Land and Improvements:						
Residential (3.40%, 3.30%)		\$2,829,513,714	\$96,203,200		\$3,118,192,285	\$102,900,922
Residential Low Income (varies)		\$36,023,855	\$600,132		\$39,854,923	\$631,054
Mobile Homes (3.40%, 3.30%)		\$55,888,622	\$1,900,232		\$56,330,232	\$1,858,827
Mobile Homes Low Income (varies)		\$1,702,969	\$30,460		\$1,949,990	\$33,029
Commercial (3.40%, 3.30%)		\$764,691,152	\$25,999,477		\$851,679,786	\$28,105,454
Industrial (3.40%, 3.30%)		\$85,728,581	\$2,914,772		\$89,278,409	\$2,946,192
New Manufacturing (varies)		\$10,228,118	\$209,412		\$9,534,477	\$190,219
Qualified Golf Courses (1.70, 1.65%)		\$20,516,294	\$348,778		\$21,528,977	\$355,230
Remodeled Commercial (varies)		\$725,062	\$21,585		\$847,208	\$22,743
Extended Prop Tax Relief Program (Res Only)		\$25,184,271	\$794,600		\$20,372,579	\$602,070
Class 4 Subtotal		\$3,830,202,638	\$129,022,648		\$4,209,568,866	\$137,645,740
CLASS 5						
Rural Electric and Telephone Co-Op (3%)		\$66,407,049	\$1,992,212		\$79,202,057	\$2,376,061
Qualified New Industrial (3%)		\$0	\$0		\$0	\$0
Pollution Control (3%)		\$10,532,430	\$315,972		\$9,862,466	\$295,875
Gasohol Related (3%)		\$0	\$0		\$0	\$0
Research and Development (0%-3%)		\$226,600	\$3,399		\$240,200	\$3,603
Aluminum Electrolytic Equipment (3%)		\$28,199,971	\$845,999		\$27,485,311	\$824,559
Class 5 Subtotal		\$105,366,050	\$3,157,582		\$116,790,034	\$3,500,098
CLASS 6						
Livestock (0%)		\$0	\$0		\$0	\$0
Lease and Rental Equipment (3%)		\$0	\$0		\$0	\$0
Canola Seed Processing Equipment (3%)		\$0	\$0		\$0	\$0
Class 6 Subtotal		\$0	\$0		\$0	\$0
CLASS 7						
Non-Centrally Assessed Public Util. (8%, 3%)		\$0	\$0		\$0	\$0
CLASS 8						
Machinery (3%)		\$175,622,516	\$4,420,921		\$171,632,158	\$4,374,491
Farm Implements (3%)		\$9,913,210	\$297,390		\$10,290,005	\$308,705
Furniture and Fixtures (3%)		\$88,004,957	\$2,640,183		\$86,399,108	\$2,591,990
Other Business Equipment		\$27,531,293	\$826,189		\$28,931,445	\$868,185
Class 8 Subtotal		\$301,071,976	\$8,184,683		\$297,252,716	\$8,143,371
CLASS 9						
Utilities (12%)		\$27,366,931	\$3,284,032		\$30,875,395	\$3,705,045
CLASS 10						
Timber Land (0.35%, 0.35%)	457,069	\$326,513,075	\$1,142,807	455,455	\$325,063,315	\$1,137,738
CLASS 12						
Railroads (3.88%, 3.81%)		\$47,052,984	\$1,825,656		\$45,203,280	\$1,722,245
Airlines (3.88%, 3.81%)		\$10,562,388	\$409,821		\$13,121,500	\$499,928
Class 12 Subtotal		\$57,615,372	\$2,235,477		\$58,324,780	\$2,222,173
CLASS 13						
Electrical Generation Property (6%)		\$5,142,270	\$308,537		\$5,267,249	\$316,035
Telecommunication Property (6%)		\$50,295,072	\$3,017,709		\$49,793,764	\$2,987,626
Class 13 Subtotal		\$55,437,342	\$3,326,246		\$55,061,013	\$3,303,661
Total		\$4,736,173,509	\$151,828,319		\$5,125,947,512	\$161,120,866



Property Tax

Gallatin County

	2003			2004		
	Acres	Assessed	Taxable	Acres	Assessed	Taxable
CLASS 1 Net Proceeds		\$317,946	\$317,946		\$300,000	\$300,000
CLASS 2 Gross Proceeds		\$0	\$0		\$0	\$0
CLASS 3 Agricultural Land:						
Tillable Irrigated (3.40%, 3.30%)	80,837	\$23,497,226	\$798,904	79,349	\$24,193,201	\$798,371
Tillable Non-Irrigated (3.40%, 3.30%)	97,073	\$20,340,713	\$691,608	96,467	\$20,720,208	\$683,763
Grazing (3.40%, 3.30%)	419,096	\$18,897,953	\$642,570	417,756	\$19,297,585	\$636,868
Wild Hay (3.40%, 3.30%)	15,887	\$5,018,981	\$170,653	15,771	\$5,161,568	\$170,323
Non-Qualified Ag Land (23.8%, 23.1%)	56,171	\$2,313,914	\$550,717	58,021	\$2,474,016	\$571,459
Eligible Mining Claims (3.40%, 3.30%)	0	\$0	\$0	0	\$0	\$0
Class 3 Subtotal	669,064	\$70,068,787	\$2,854,452	667,364	\$71,846,578	\$2,860,784
CLASS 4 Land and Improvements:						
Residential (3.40%, 3.30%)		\$2,499,913,524	\$84,996,929		\$2,777,049,244	\$91,642,897
Residential Low Income (varies)		\$12,236,348	\$167,211		\$13,722,876	\$185,826
Mobile Homes (3.40%, 3.30%)		\$38,502,764	\$1,309,105		\$41,471,271	\$1,368,573
Mobile Homes Low Income (varies)		\$588,373	\$9,909		\$640,526	\$9,310
Commercial (3.40%, 3.30%)		\$972,591,840	\$33,068,145		\$1,086,127,026	\$35,842,191
Industrial (3.40%, 3.30%)		\$24,711,445	\$840,191		\$26,305,663	\$868,086
New Manufacturing (varies)		\$5,896,225	\$131,173		\$4,694,545	\$99,817
Qualified Golf Courses (1.70, 1.65%)		\$12,911,368	\$219,492		\$13,847,828	\$228,490
Remodeled Commercial (varies)		\$0	\$0		\$0	\$0
Extended Prop Tax Relief Program (Res Only)		\$36,532,601	\$1,168,691		\$25,481,600	\$768,279
Class 4 Subtotal		\$3,603,884,488	\$121,910,846		\$3,989,340,579	\$131,013,469
CLASS 5						
Rural Electric and Telephone Co-Op (3%)		\$10,364,520	\$310,936		\$10,599,714	\$317,993
Qualified New Industrial (3%)		\$0	\$0		\$0	\$0
Pollution Control (3%)		\$1,749,615	\$52,489		\$1,551,702	\$46,551
Gasohol Related (3%)		\$0	\$0		\$0	\$0
Research and Development (0%-3%)		\$167,530	\$5,026		\$153,536	\$4,606
Aluminum Electrolytic Equipment (3%)		\$0	\$0		\$0	\$0
Class 5 Subtotal		\$12,281,665	\$368,451		\$12,304,952	\$369,150
CLASS 6						
Livestock (0%)		\$0	\$0		\$0	\$0
Lease and Rental Equipment (3%)		\$0	\$0		\$0	\$0
Canola Seed Processing Equipment (3%)		\$0	\$0		\$0	\$0
Class 6 Subtotal		\$0	\$0		\$0	\$0
CLASS 7						
Non-Centrally Assessed Public Util. (8%, 3%)		\$0	\$0		\$0	\$0
CLASS 8						
Machinery (3%)		\$101,996,083	\$2,932,159		\$100,500,733	\$2,914,806
Farm Implements (3%)		\$20,680,054	\$620,393		\$20,573,447	\$617,210
Furniture and Fixtures (3%)		\$77,082,765	\$2,312,517		\$83,546,148	\$2,506,419
Other Business Equipment		\$14,377,074	\$431,492		\$15,231,261	\$457,104
Class 8 Subtotal		\$214,135,976	\$6,296,561		\$219,851,589	\$6,495,539
CLASS 9						
Utilities (12%)		\$66,844,396	\$8,021,329		\$78,594,206	\$9,431,307
CLASS 10						
Timber Land (0.35%, 0.35%)	143,233	\$66,304,703	\$232,125	142,323	\$68,009,680	\$238,025
CLASS 12						
Railroads (3.88%, 3.81%)		\$26,474,917	\$1,027,225		\$27,385,826	\$1,043,399
Airlines (3.88%, 3.81%)		\$17,083,732	\$662,850		\$20,897,452	\$796,194
Class 12 Subtotal		\$43,558,649	\$1,690,075		\$48,283,278	\$1,839,593
CLASS 13						
Electrical Generation Property (6%)		\$3,457,119	\$207,427		\$3,404,138	\$204,248
Telecommunication Property (6%)		\$49,341,739	\$2,960,503		\$43,279,884	\$2,596,793
Class 13 Subtotal		\$52,798,858	\$3,167,930		\$46,684,022	\$2,801,041
Total		\$4,130,195,468	\$144,859,715		\$4,535,214,884	\$155,348,908



Property Tax

Garfield County

	2003			2004		
	Acres	Assessed	Taxable	Acres	Assessed	Taxable
CLASS 1 Net Proceeds		\$0	\$0		\$0	\$0
CLASS 2 Gross Proceeds		\$0	\$0		\$0	\$0
CLASS 3 Agricultural Land:						
Tillable Irrigated (3.40%, 3.30%)	540	\$114,185	\$3,881	540	\$119,093	\$3,929
Tillable Non-Irrigated (3.40%, 3.30%)	343,857	\$39,070,881	\$1,328,427	340,403	\$39,632,296	\$1,307,859
Grazing (3.40%, 3.30%)	1,769,128	\$58,312,222	\$1,982,672	1,757,468	\$59,989,382	\$1,979,684
Wild Hay (3.40%, 3.30%)	0	\$0	\$0	0	\$0	\$0
Non-Qualified Ag Land (23.8%, 23.1%)	3,863	\$158,344	\$37,679	4,090	\$171,864	\$39,700
Eligible Mining Claims (3.40%, 3.30%)	0	\$0	\$0	0	\$0	\$0
Class 3 Subtotal	2,117,388	\$97,655,632	\$3,352,659	2,102,500	\$99,912,635	\$3,331,172
CLASS 4 Land and Improvements:						
Residential (3.40%, 3.30%)		\$17,828,566	\$606,085		\$18,554,727	\$612,464
Residential Low Income (varies)		\$33,860	\$611		\$49,286	\$663
Mobile Homes (3.40%, 3.30%)		\$2,204,078	\$74,938		\$2,155,205	\$71,126
Mobile Homes Low Income (varies)		\$5,207	\$110		\$9,311	\$215
Commercial (3.40%, 3.30%)		\$1,987,535	\$67,577		\$2,027,633	\$66,910
Industrial (3.40%, 3.30%)		\$43,947	\$1,494		\$44,937	\$1,483
New Manufacturing (varies)		\$0	\$0		\$0	\$0
Qualified Golf Courses (1.70, 1.65%)		\$0	\$0		\$0	\$0
Remodeled Commercial (varies)		\$0	\$0		\$0	\$0
Extended Prop Tax Relief Program (Res Only)		\$0	\$0		\$0	\$0
Class 4 Subtotal		\$22,103,193	\$750,815		\$22,841,099	\$752,861
CLASS 5						
Rural Electric and Telephone Co-Op (3%)		\$6,227,627	\$186,829		\$6,265,738	\$187,971
Qualified New Industrial (3%)		\$0	\$0		\$0	\$0
Pollution Control (3%)		\$0	\$0		\$0	\$0
Gasohol Related (3%)		\$0	\$0		\$0	\$0
Research and Development (0%-3%)		\$0	\$0		\$0	\$0
Aluminum Electrolytic Equipment (3%)		\$0	\$0		\$0	\$0
Class 5 Subtotal		\$6,227,627	\$186,829		\$6,265,738	\$187,971
CLASS 6						
Livestock (0%)		\$0	\$0		\$0	\$0
Lease and Rental Equipment (3%)		\$0	\$0		\$0	\$0
Canola Seed Processing Equipment (3%)		\$0	\$0		\$0	\$0
Class 6 Subtotal		\$0	\$0		\$0	\$0
CLASS 7						
Non-Centrally Assessed Public Util. (8%, 3%)		\$0	\$0		\$0	\$0
CLASS 8						
Machinery (3%)		\$933,369	\$28,012		\$906,617	\$27,206
Farm Implements (3%)		\$10,477,690	\$314,329		\$10,632,712	\$318,978
Furniture and Fixtures (3%)		\$441,257	\$13,236		\$465,886	\$13,980
Other Business Equipment		\$437,809	\$13,135		\$420,111	\$12,604
Class 8 Subtotal		\$12,290,125	\$368,712		\$12,425,326	\$372,768
CLASS 9						
Utilities (12%)		\$0	\$0		\$0	\$0
CLASS 10						
Timber Land (0.35%, 0.35%)	477	\$84,842	\$297	456	\$86,660	\$304
CLASS 12						
Railroads (3.88%, 3.81%)		\$0	\$0		\$0	\$0
Airlines (3.88%, 3.81%)		\$0	\$0		\$0	\$0
Class 12 Subtotal		\$0	\$0		\$0	\$0
CLASS 13						
Electrical Generation Property (6%)		\$0	\$0		\$0	\$0
Telecommunication Property (6%)		\$0	\$0		\$0	\$0
Class 13 Subtotal		\$0	\$0		\$0	\$0
Total		\$138,361,419	\$4,659,312		\$141,531,458	\$4,645,076



Property Tax

Glacier County

	2003			2004		
	Acres	Assessed	Taxable	Acres	Assessed	Taxable
CLASS 1 Net Proceeds		\$0	\$0		\$0	\$0
CLASS 2 Gross Proceeds		\$0	\$0		\$0	\$0
CLASS 3 Agricultural Land:						
Tillable Irrigated (3.40%, 3.30%)	8,521	\$2,399,995	\$81,588	7,945	\$2,397,008	\$79,102
Tillable Non-Irrigated (3.40%, 3.30%)	294,749	\$50,709,439	\$1,724,135	294,960	\$51,885,041	\$1,712,201
Grazing (3.40%, 3.30%)	484,294	\$19,436,376	\$661,163	466,235	\$19,681,081	\$649,584
Wild Hay (3.40%, 3.30%)	12,791	\$2,209,025	\$75,123	12,557	\$2,231,315	\$73,653
Non-Qualified Ag Land (23.8%, 23.1%)	9,159	\$269,696	\$64,193	28,390	\$557,811	\$128,882
Eligible Mining Claims (3.40%, 3.30%)	0	\$0	\$0	0	\$0	\$0
Class 3 Subtotal	809,514	\$75,024,531	\$2,606,202	810,087	\$76,752,256	\$2,643,422
CLASS 4 Land and Improvements:						
Residential (3.40%, 3.30%)		\$88,460,143	\$3,007,820		\$90,580,634	\$2,989,068
Residential Low Income (varies)		\$1,639,871	\$31,659		\$1,816,218	\$30,439
Mobile Homes (3.40%, 3.30%)		\$3,403,067	\$115,717		\$3,361,277	\$110,917
Mobile Homes Low Income (varies)		\$101,350	\$487		\$53,728	\$884
Commercial (3.40%, 3.30%)		\$41,292,744	\$1,403,947		\$42,242,491	\$1,394,002
Industrial (3.40%, 3.30%)		\$4,904,257	\$166,745		\$4,307,826	\$142,161
New Manufacturing (varies)		\$0	\$0		\$0	\$0
Qualified Golf Courses (1.70, 1.65%)		\$458,230	\$7,790		\$475,883	\$7,852
Remodeled Commercial (varies)		\$0	\$0		\$0	\$0
Extended Prop Tax Relief Program (Res Only)		\$53,920	\$1,428		\$100,233	\$2,734
Class 4 Subtotal		\$140,313,582	\$4,735,593		\$142,938,290	\$4,678,057
CLASS 5						
Rural Electric and Telephone Co-Op (3%)		\$27,295,093	\$818,852		\$28,986,149	\$869,586
Qualified New Industrial (3%)		\$0	\$0		\$0	\$0
Pollution Control (3%)		\$0	\$0		\$0	\$0
Gasohol Related (3%)		\$0	\$0		\$0	\$0
Research and Development (0%-3%)		\$0	\$0		\$0	\$0
Aluminum Electrolytic Equipment (3%)		\$0	\$0		\$0	\$0
Class 5 Subtotal		\$27,295,093	\$818,852		\$28,986,149	\$869,586
CLASS 6						
Livestock (0%)		\$0	\$0		\$0	\$0
Lease and Rental Equipment (3%)		\$0	\$0		\$0	\$0
Canola Seed Processing Equipment (3%)		\$0	\$0		\$0	\$0
Class 6 Subtotal		\$0	\$0		\$0	\$0
CLASS 7						
Non-Centrally Assessed Public Util. (8%, 3%)		\$0	\$0		\$99,993	\$7,999
CLASS 8						
Machinery (3%)		\$3,305,959	\$99,180		\$3,106,164	\$93,188
Farm Implements (3%)		\$13,501,504	\$405,057		\$13,548,016	\$406,440
Furniture and Fixtures (3%)		\$6,558,465	\$196,754		\$6,870,293	\$206,110
Other Business Equipment		\$3,929,265	\$117,906		\$4,878,627	\$146,379
Class 8 Subtotal		\$27,295,193	\$818,897		\$28,403,100	\$852,117
CLASS 9						
Utilities (12%)		\$52,606,449	\$6,312,772		\$55,596,107	\$6,671,533
CLASS 10						
Timber Land (0.35%, 0.35%)	2,408	\$1,171,071	\$4,107	2,408	\$1,209,253	\$4,239
CLASS 12						
Railroads (3.88%, 3.81%)		\$26,986,846	\$1,047,088		\$25,891,321	\$986,460
Airlines (3.88%, 3.81%)		\$320,345	\$12,429		\$364	\$14
Class 12 Subtotal		\$27,307,191	\$1,059,517		\$25,891,685	\$986,474
CLASS 13						
Electrical Generation Property (6%)		\$0	\$0		\$0	\$0
Telecommunication Property (6%)		\$5,495,700	\$329,743		\$4,567,440	\$274,047
Class 13 Subtotal		\$5,495,700	\$329,743		\$4,567,440	\$274,047
Total		\$356,508,810	\$16,685,683		\$364,444,273	\$16,987,474



Property Tax

Golden Valley County

	2003			2004		
	Acres	Assessed	Taxable	Acres	Assessed	Taxable
CLASS 1 Net Proceeds		\$0	\$0		\$0	\$0
CLASS 2 Gross Proceeds		\$0	\$0		\$0	\$0
CLASS 3 Agricultural Land:						
Tillable Irrigated (3.40%, 3.30%)	9,659	\$2,558,762	\$87,002	9,624	\$2,665,986	\$87,987
Tillable Non-Irrigated (3.40%, 3.30%)	99,609	\$14,293,419	\$485,976	99,597	\$14,645,080	\$483,289
Grazing (3.40%, 3.30%)	532,724	\$16,442,100	\$559,062	532,824	\$16,872,489	\$556,836
Wild Hay (3.40%, 3.30%)	11,568	\$2,120,035	\$72,085	11,568	\$2,168,334	\$71,562
Non-Qualified Ag Land (23.8%, 23.1%)	2,442	\$99,870	\$23,772	2,390	\$99,911	\$23,082
Eligible Mining Claims (3.40%, 3.30%)	0	\$0	\$0	0	\$0	\$0
Class 3 Subtotal	656,002	\$35,514,186	\$1,227,897	656,002	\$36,451,800	\$1,222,756
CLASS 4 Land and Improvements:						
Residential (3.40%, 3.30%)		\$15,907,084	\$540,796		\$16,644,619	\$549,347
Residential Low Income (varies)		\$436,862	\$6,596		\$495,977	\$7,475
Mobile Homes (3.40%, 3.30%)		\$415,008	\$14,112		\$493,952	\$16,302
Mobile Homes Low Income (varies)		\$0	\$0		\$0	\$0
Commercial (3.40%, 3.30%)		\$1,010,561	\$34,359		\$1,040,923	\$34,350
Industrial (3.40%, 3.30%)		\$682,335	\$23,200		\$699,053	\$23,069
New Manufacturing (varies)		\$0	\$0		\$0	\$0
Qualified Golf Courses (1.70, 1.65%)		\$0	\$0		\$0	\$0
Remodeled Commercial (varies)		\$0	\$0		\$0	\$0
Extended Prop Tax Relief Program (Res Only)		\$26,738	\$821		\$0	\$0
Class 4 Subtotal		\$18,478,588	\$619,884		\$19,374,524	\$630,543
CLASS 5						
Rural Electric and Telephone Co-Op (3%)		\$3,001,735	\$90,050		\$2,932,980	\$87,990
Qualified New Industrial (3%)		\$0	\$0		\$0	\$0
Pollution Control (3%)		\$0	\$0		\$0	\$0
Gasohol Related (3%)		\$0	\$0		\$0	\$0
Research and Development (0%-3%)		\$0	\$0		\$0	\$0
Aluminum Electrolytic Equipment (3%)		\$0	\$0		\$0	\$0
Class 5 Subtotal		\$3,001,735	\$90,050		\$2,932,980	\$87,990
CLASS 6						
Livestock (0%)		\$0	\$0		\$0	\$0
Lease and Rental Equipment (3%)		\$0	\$0		\$0	\$0
Canola Seed Processing Equipment (3%)		\$0	\$0		\$0	\$0
Class 6 Subtotal		\$0	\$0		\$0	\$0
CLASS 7						
Non-Centrally Assessed Public Util. (8%, 3%)		\$0	\$0		\$0	\$0
CLASS 8						
Machinery (3%)		\$441,509	\$13,245		\$584,519	\$17,533
Farm Implements (3%)		\$3,400,432	\$102,017		\$3,733,351	\$112,001
Furniture and Fixtures (3%)		\$248,941	\$7,469		\$275,579	\$8,269
Other Business Equipment		\$94,503	\$2,836		\$93,993	\$2,822
Class 8 Subtotal		\$4,185,385	\$125,567		\$4,687,442	\$140,625
CLASS 9						
Utilities (12%)		\$20,160,795	\$2,419,294		\$21,039,947	\$2,524,794
CLASS 10						
Timber Land (0.35%, 0.35%)	11,255	\$2,133,881	\$7,468	11,255	\$2,180,258	\$7,633
CLASS 12						
Railroads (3.88%, 3.81%)		\$8,188,103	\$317,697		\$7,848,885	\$299,042
Airlines (3.88%, 3.81%)		\$0	\$0		\$1,269	\$48
Class 12 Subtotal		\$8,188,103	\$317,697		\$7,850,154	\$299,090
CLASS 13						
Electrical Generation Property (6%)		\$0	\$0		\$0	\$0
Telecommunication Property (6%)		\$790,452	\$47,427		\$95,921	\$5,755
Class 13 Subtotal		\$790,452	\$47,427		\$95,921	\$5,755
Total		\$92,453,125	\$4,855,284		\$94,613,026	\$4,919,186



Property Tax

Granite County

	2003			2004		
	Acres	Assessed	Taxable	Acres	Assessed	Taxable
CLASS 1 Net Proceeds		\$0	\$0		\$0	\$0
CLASS 2 Gross Proceeds		\$0	\$0		\$0	\$0
CLASS 3 Agricultural Land:						
Tillable Irrigated (3.40%, 3.30%)	25,061	\$7,973,132	\$271,091	25,087	\$8,359,739	\$275,861
Tillable Non-Irrigated (3.40%, 3.30%)	966	\$174,901	\$5,946	966	\$179,190	\$5,913
Grazing (3.40%, 3.30%)	191,253	\$7,417,178	\$252,200	190,424	\$7,568,489	\$249,746
Wild Hay (3.40%, 3.30%)	8,636	\$3,067,166	\$104,280	8,631	\$3,143,797	\$103,743
Non-Qualified Ag Land (23.8%, 23.1%)	8,992	\$367,612	\$87,500	9,648	\$405,243	\$93,613
Eligible Mining Claims (3.40%, 3.30%)	7	\$2,508	\$85	22	\$3,923	\$130
Class 3 Subtotal	234,916	\$19,002,497	\$721,102	234,777	\$19,660,381	\$729,006
CLASS 4 Land and Improvements:						
Residential (3.40%, 3.30%)		\$89,436,844	\$3,040,843		\$98,906,760	\$3,263,960
Residential Low Income (varies)		\$1,792,057	\$27,368		\$1,809,088	\$30,230
Mobile Homes (3.40%, 3.30%)		\$2,717,867	\$92,406		\$2,783,798	\$91,866
Mobile Homes Low Income (varies)		\$42,870	\$875		\$77,434	\$957
Commercial (3.40%, 3.30%)		\$10,446,937	\$355,191		\$11,423,160	\$376,959
Industrial (3.40%, 3.30%)		\$2,211,296	\$75,183		\$2,664,174	\$87,918
New Manufacturing (varies)		\$227,735	\$3,871		\$0	\$0
Qualified Golf Courses (1.70, 1.65%)		\$0	\$0		\$0	\$0
Remodeled Commercial (varies)		\$0	\$0		\$0	\$0
Extended Prop Tax Relief Program (Res Only)		\$348,483	\$9,501		\$273,611	\$7,129
Class 4 Subtotal		\$107,224,089	\$3,605,238		\$117,938,025	\$3,859,019
CLASS 5						
Rural Electric and Telephone Co-Op (3%)		\$4,591,274	\$137,739		\$6,731,147	\$201,933
Qualified New Industrial (3%)		\$0	\$0		\$0	\$0
Pollution Control (3%)		\$0	\$0		\$0	\$0
Gasohol Related (3%)		\$0	\$0		\$0	\$0
Research and Development (0%-3%)		\$0	\$0		\$0	\$0
Aluminum Electrolytic Equipment (3%)		\$0	\$0		\$0	\$0
Class 5 Subtotal		\$4,591,274	\$137,739		\$6,731,147	\$201,933
CLASS 6						
Livestock (0%)		\$0	\$0		\$0	\$0
Lease and Rental Equipment (3%)		\$0	\$0		\$0	\$0
Canola Seed Processing Equipment (3%)		\$0	\$0		\$0	\$0
Class 6 Subtotal		\$0	\$0		\$0	\$0
CLASS 7						
Non-Centrally Assessed Public Util. (8%, 3%)		\$0	\$0		\$0	\$0
CLASS 8						
Machinery (3%)		\$8,613,986	\$257,984		\$8,562,977	\$256,908
Farm Implements (3%)		\$2,920,717	\$87,618		\$2,973,423	\$89,204
Furniture and Fixtures (3%)		\$1,633,788	\$49,015		\$1,448,283	\$43,447
Other Business Equipment		\$1,434,406	\$43,040		\$1,261,315	\$37,845
Class 8 Subtotal		\$14,602,897	\$437,657		\$14,245,998	\$427,404
CLASS 9						
Utilities (12%)		\$20,556,473	\$2,466,776		\$20,864,887	\$2,503,784
CLASS 10						
Timber Land (0.35%, 0.35%)	135,683	\$70,748,292	\$247,625	135,826	\$70,881,351	\$248,089
CLASS 12						
Railroads (3.88%, 3.81%)		\$16,939,886	\$657,269		\$17,426,915	\$663,966
Airlines (3.88%, 3.81%)		\$0	\$0		\$0	\$0
Class 12 Subtotal		\$16,939,886	\$657,269		\$17,426,915	\$663,966
CLASS 13						
Electrical Generation Property (6%)		\$0	\$0		\$0	\$0
Telecommunication Property (6%)		\$1,954,867	\$117,292		\$1,354,273	\$81,257
Class 13 Subtotal		\$1,954,867	\$117,292		\$1,354,273	\$81,257
Total		\$255,620,275	\$8,390,698		\$269,102,977	\$8,714,458



Property Tax

Hill County

	2003			2004		
	Acres	Assessed	Taxable	Acres	Assessed	Taxable
CLASS 1 Net Proceeds		\$0	\$0		\$0	\$0
CLASS 2 Gross Proceeds		\$0	\$0		\$0	\$0
CLASS 3 Agricultural Land:						
Tillable Irrigated (3.40%, 3.30%)	1,865	\$393,003	\$13,363	1,865	\$411,898	\$13,592
Tillable Non-Irrigated (3.40%, 3.30%)	1,126,900	\$160,893,179	\$5,470,444	1,126,744	\$164,830,906	\$5,439,306
Grazing (3.40%, 3.30%)	402,163	\$14,821,440	\$504,001	401,892	\$15,197,095	\$501,567
Wild Hay (3.40%, 3.30%)	4,009	\$766,078	\$26,046	4,003	\$781,931	\$25,798
Non-Qualified Ag Land (23.8%, 23.1%)	5,247	\$214,724	\$51,103	5,610	\$235,529	\$54,406
Eligible Mining Claims (3.40%, 3.30%)	0	\$0	\$0	0	\$0	\$0
Class 3 Subtotal	1,540,184	\$177,088,424	\$6,064,957	1,540,114	\$181,457,359	\$6,034,669
CLASS 4 Land and Improvements:						
Residential (3.40%, 3.30%)		\$227,748,898	\$7,743,527		\$233,935,251	\$7,720,064
Residential Low Income (varies)		\$4,248,731	\$77,744		\$4,089,576	\$71,953
Mobile Homes (3.40%, 3.30%)		\$6,500,767	\$221,035		\$6,573,964	\$216,958
Mobile Homes Low Income (varies)		\$175,611	\$2,637		\$199,016	\$2,830
Commercial (3.40%, 3.30%)		\$73,334,789	\$2,493,380		\$78,112,947	\$2,577,729
Industrial (3.40%, 3.30%)		\$10,834,101	\$368,361		\$9,613,599	\$317,250
New Manufacturing (varies)		\$1,540,087	\$27,021		\$1,908,181	\$34,596
Qualified Golf Courses (1.70, 1.65%)		\$504,376	\$8,574		\$508,115	\$8,383
Remodeled Commercial (varies)		\$2,769,450	\$94,086		\$22,497	\$440
Extended Prop Tax Relief Program (Res Only)		\$443,718	\$14,373		\$348,795	\$11,032
Class 4 Subtotal		\$328,100,528	\$11,050,738		\$335,311,941	\$10,961,235
CLASS 5						
Rural Electric and Telephone Co-Op (3%)		\$22,690,981	\$680,732		\$22,955,691	\$688,673
Qualified New Industrial (3%)		\$0	\$0		\$0	\$0
Pollution Control (3%)		\$0	\$0		\$0	\$0
Gasohol Related (3%)		\$0	\$0		\$0	\$0
Research and Development (0%-3%)		\$0	\$0		\$0	\$0
Aluminum Electrolytic Equipment (3%)		\$0	\$0		\$0	\$0
Class 5 Subtotal		\$22,690,981	\$680,732		\$22,955,691	\$688,673
CLASS 6						
Livestock (0%)		\$0	\$0		\$0	\$0
Lease and Rental Equipment (3%)		\$0	\$0		\$0	\$0
Canola Seed Processing Equipment (3%)		\$0	\$0		\$0	\$0
Class 6 Subtotal		\$0	\$0		\$0	\$0
CLASS 7						
Non-Centrally Assessed Public Util. (8%, 3%)		\$0	\$0		\$0	\$0
CLASS 8						
Machinery (3%)		\$8,228,477	\$246,853		\$9,879,383	\$296,396
Farm Implements (3%)		\$36,754,818	\$1,102,635		\$37,679,331	\$1,130,388
Furniture and Fixtures (3%)		\$8,519,704	\$255,597		\$8,766,179	\$263,001
Other Business Equipment		\$6,200,866	\$186,064		\$7,181,232	\$215,489
Class 8 Subtotal		\$59,703,865	\$1,791,149		\$63,506,125	\$1,905,274
CLASS 9						
Utilities (12%)		\$35,084,507	\$4,210,139		\$38,274,197	\$4,592,906
CLASS 10						
Timber Land (0.35%, 0.35%)	6,174	\$1,169,694	\$4,094	6,174	\$1,194,998	\$4,183
CLASS 12						
Railroads (3.88%, 3.81%)		\$60,133,311	\$2,333,171		\$58,602,870	\$2,232,770
Airlines (3.88%, 3.81%)		\$516,530	\$20,041		\$443,588	\$16,901
Class 12 Subtotal		\$60,649,841	\$2,353,212		\$59,046,458	\$2,249,671
CLASS 13						
Electrical Generation Property (6%)		\$0	\$0		\$0	\$0
Telecommunication Property (6%)		\$4,858,443	\$291,508		\$4,643,288	\$278,598
Class 13 Subtotal		\$4,858,443	\$291,508		\$4,643,288	\$278,598
Total		\$689,346,283	\$26,446,529		\$706,390,057	\$26,715,209



Property Tax

Jefferson County

	2003			2004		
	Acres	Assessed	Taxable	Acres	Assessed	Taxable
CLASS 1 Net Proceeds		\$0	\$0		\$0	\$0
CLASS 2 Gross Proceeds		\$39,499,294	\$1,184,979		\$116,812,930	\$3,504,388
CLASS 3 Agricultural Land:						
Tillable Irrigated (3.40%, 3.30%)	19,269	\$4,767,849	\$162,106	19,151	\$4,988,308	\$164,608
Tillable Non-Irrigated (3.40%, 3.30%)	24,676	\$3,213,206	\$109,243	24,776	\$3,306,837	\$109,133
Grazing (3.40%, 3.30%)	320,688	\$9,422,616	\$320,413	318,691	\$9,522,065	\$314,338
Wild Hay (3.40%, 3.30%)	5,130	\$1,224,528	\$41,634	5,130	\$1,252,203	\$41,319
Non-Qualified Ag Land (23.8%, 23.1%)	31,730	\$1,298,807	\$309,182	32,616	\$1,369,598	\$316,423
Eligible Mining Claims (3.40%, 3.30%)	66	\$3,604	\$123	3,119	\$157,146	\$5,192
Class 3 Subtotal	401,559	\$19,930,610	\$942,701	403,482	\$20,596,157	\$951,013
CLASS 4 Land and Improvements:						
Residential (3.40%, 3.30%)		\$257,288,936	\$8,747,748		\$276,734,250	\$9,132,298
Residential Low Income (varies)		\$3,377,584	\$45,218		\$3,914,860	\$43,684
Mobile Homes (3.40%, 3.30%)		\$5,222,039	\$177,545		\$5,162,687	\$170,367
Mobile Homes Low Income (varies)		\$223,392	\$4,085		\$218,458	\$3,584
Commercial (3.40%, 3.30%)		\$21,578,032	\$733,661		\$23,021,864	\$759,707
Industrial (3.40%, 3.30%)		\$16,826,989	\$572,119		\$17,802,158	\$587,478
New Manufacturing (varies)		\$336,731	\$5,724		\$338,560	\$6,703
Qualified Golf Courses (1.70, 1.65%)		\$0	\$0		\$0	\$0
Remodeled Commercial (varies)		\$0	\$0		\$0	\$0
Extended Prop Tax Relief Program (Res Only)		\$152,021	\$4,599		\$69,116	\$1,783
Class 4 Subtotal		\$305,005,724	\$10,290,699		\$327,261,953	\$10,705,604
CLASS 5						
Rural Electric and Telephone Co-Op (3%)		\$1,720,923	\$51,628		\$1,690,287	\$50,707
Qualified New Industrial (3%)		\$0	\$0		\$0	\$0
Pollution Control (3%)		\$6,039,389	\$181,182		\$5,570,898	\$167,127
Gasohol Related (3%)		\$0	\$0		\$0	\$0
Research and Development (0%-3%)		\$0	\$0		\$0	\$0
Aluminum Electrolytic Equipment (3%)		\$0	\$0		\$0	\$0
Class 5 Subtotal		\$7,760,312	\$232,810		\$7,261,185	\$217,834
CLASS 6						
Livestock (0%)		\$0	\$0		\$0	\$0
Lease and Rental Equipment (3%)		\$0	\$0		\$0	\$0
Canola Seed Processing Equipment (3%)		\$0	\$0		\$0	\$0
Class 6 Subtotal		\$0	\$0		\$0	\$0
CLASS 7						
Non-Centrally Assessed Public Util. (8%, 3%)		\$0	\$0		\$0	\$0
CLASS 8						
Machinery (3%)		\$31,001,105	\$928,097		\$37,197,996	\$1,114,602
Farm Implements (3%)		\$3,510,973	\$105,331		\$3,792,699	\$113,787
Furniture and Fixtures (3%)		\$4,153,192	\$124,596		\$4,168,314	\$125,050
Other Business Equipment		\$10,221,710	\$306,658		\$8,703,698	\$261,119
Class 8 Subtotal		\$48,886,980	\$1,464,682		\$53,862,707	\$1,614,558
CLASS 9						
Utilities (12%)		\$26,474,457	\$3,176,939		\$27,553,790	\$3,306,456
CLASS 10						
Timber Land (0.35%, 0.35%)	41,149	\$11,609,456	\$40,639	41,351	\$12,180,437	\$42,673
CLASS 12						
Railroads (3.88%, 3.81%)		\$12,621,919	\$489,729		\$12,989,794	\$494,911
Airlines (3.88%, 3.81%)		\$0	\$0		\$1,304	\$50
Class 12 Subtotal		\$12,621,919	\$489,729		\$12,991,098	\$494,961
CLASS 13						
Electrical Generation Property (6%)		\$0	\$0		\$0	\$0
Telecommunication Property (6%)		\$6,222,110	\$373,330		\$5,682,122	\$340,928
Class 13 Subtotal		\$6,222,110	\$373,330		\$5,682,122	\$340,928
Total		\$478,010,862	\$18,196,508		\$584,202,379	\$21,178,415



Property Tax

Judith Basin County

	2003			2004		
	Acres	Assessed	Taxable	Acres	Assessed	Taxable
CLASS 1 Net Proceeds		\$0	\$0		\$0	\$0
CLASS 2 Gross Proceeds		\$0	\$0		\$0	\$0
CLASS 3 Agricultural Land:						
Tillable Irrigated (3.40%, 3.30%)	3,268	\$1,346,553	\$45,786	3,143	\$1,376,731	\$45,433
Tillable Non-Irrigated (3.40%, 3.30%)	200,159	\$36,270,299	\$1,233,237	200,065	\$37,185,291	\$1,227,108
Grazing (3.40%, 3.30%)	501,170	\$29,950,939	\$1,018,364	500,190	\$30,627,364	\$1,010,693
Wild Hay (3.40%, 3.30%)	53,763	\$15,492,405	\$526,724	53,640	\$15,814,390	\$521,865
Non-Qualified Ag Land (23.8%, 23.1%)	1,941	\$79,517	\$18,925	2,039	\$85,578	\$19,771
Eligible Mining Claims (3.40%, 3.30%)	0	\$0	\$0	0	\$0	\$0
Class 3 Subtotal	760,302	\$83,139,713	\$2,843,036	759,078	\$85,089,354	\$2,824,870
CLASS 4 Land and Improvements:						
Residential (3.40%, 3.30%)		\$41,420,493	\$1,408,225		\$43,987,437	\$1,451,738
Residential Low Income (varies)		\$422,602	\$5,873		\$465,394	\$6,785
Mobile Homes (3.40%, 3.30%)		\$1,598,749	\$54,358		\$1,630,912	\$53,813
Mobile Homes Low Income (varies)		\$74,356	\$1,582		\$98,872	\$1,511
Commercial (3.40%, 3.30%)		\$4,173,107	\$141,891		\$4,081,413	\$134,684
Industrial (3.40%, 3.30%)		\$3,847,111	\$130,802		\$3,958,262	\$130,625
New Manufacturing (varies)		\$0	\$0		\$0	\$0
Qualified Golf Courses (1.70, 1.65%)		\$0	\$0		\$0	\$0
Remodeled Commercial (varies)		\$0	\$0		\$0	\$0
Extended Prop Tax Relief Program (Res Only)		\$49,025	\$1,554		\$55,196	\$1,634
Class 4 Subtotal		\$51,585,443	\$1,744,285		\$54,277,486	\$1,780,790
CLASS 5						
Rural Electric and Telephone Co-Op (3%)		\$2,649,186	\$79,477		\$2,540,744	\$76,222
Qualified New Industrial (3%)		\$0	\$0		\$0	\$0
Pollution Control (3%)		\$0	\$0		\$0	\$0
Gasohol Related (3%)		\$0	\$0		\$0	\$0
Research and Development (0%-3%)		\$0	\$0		\$0	\$0
Aluminum Electrolytic Equipment (3%)		\$0	\$0		\$0	\$0
Class 5 Subtotal		\$2,649,186	\$79,477		\$2,540,744	\$76,222
CLASS 6						
Livestock (0%)		\$0	\$0		\$0	\$0
Lease and Rental Equipment (3%)		\$0	\$0		\$0	\$0
Canola Seed Processing Equipment (3%)		\$0	\$0		\$0	\$0
Class 6 Subtotal		\$0	\$0		\$0	\$0
CLASS 7						
Non-Centrally Assessed Public Util. (8%, 3%)		\$0	\$0		\$0	\$0
CLASS 8						
Machinery (3%)		\$2,137,010	\$64,102		\$1,549,977	\$46,499
Farm Implements (3%)		\$14,191,829	\$425,753		\$15,125,693	\$453,765
Furniture and Fixtures (3%)		\$649,869	\$19,493		\$543,313	\$16,297
Other Business Equipment		\$338,534	\$10,160		\$336,867	\$10,108
Class 8 Subtotal		\$17,317,242	\$519,508		\$17,555,850	\$526,669
CLASS 9						
Utilities (12%)		\$33,034,362	\$3,964,122		\$33,998,234	\$4,079,788
CLASS 10						
Timber Land (0.35%, 0.35%)	16,321	\$3,010,021	\$10,544	16,253	\$3,057,287	\$10,717
CLASS 12						
Railroads (3.88%, 3.81%)		\$19,007,981	\$737,510		\$18,221,143	\$694,226
Airlines (3.88%, 3.81%)		\$0	\$0		\$0	\$0
Class 12 Subtotal		\$19,007,981	\$737,510		\$18,221,143	\$694,226
CLASS 13						
Electrical Generation Property (6%)		\$0	\$0		\$0	\$0
Telecommunication Property (6%)		\$4,612,158	\$276,729		\$3,002,126	\$180,128
Class 13 Subtotal		\$4,612,158	\$276,729		\$3,002,126	\$180,128
Total		\$214,356,106	\$10,175,211		\$217,742,224	\$10,173,410



Property Tax

Lake County

	2003			2004		
	Acres	Assessed	Taxable	Acres	Assessed	Taxable
CLASS 1 Net Proceeds		\$0	\$0		\$0	\$0
CLASS 2 Gross Proceeds		\$0	\$0		\$0	\$0
CLASS 3 Agricultural Land:						
Tillable Irrigated (3.40%, 3.30%)	87,503	\$22,005,435	\$748,179	85,838	\$22,976,394	\$758,234
Tillable Non-Irrigated (3.40%, 3.30%)	11,892	\$3,659,776	\$124,444	11,654	\$3,657,041	\$120,681
Grazing (3.40%, 3.30%)	148,010	\$7,429,643	\$252,576	145,638	\$7,440,192	\$245,531
Wild Hay (3.40%, 3.30%)	9,635	\$2,143,817	\$72,894	9,659	\$2,199,827	\$72,590
Non-Qualified Ag Land (23.8%, 23.1%)	27,793	\$1,130,593	\$269,120	29,347	\$1,225,743	\$283,164
Eligible Mining Claims (3.40%, 3.30%)	0	\$0	\$0	0	\$0	\$0
Class 3 Subtotal	284,833	\$36,369,264	\$1,467,213	282,135	\$37,499,197	\$1,480,200
CLASS 4 Land and Improvements:						
Residential (3.40%, 3.30%)		\$1,060,205,890	\$36,046,626		\$1,146,271,695	\$37,827,358
Residential Low Income (varies)		\$15,514,315	\$274,661		\$15,826,268	\$262,841
Mobile Homes (3.40%, 3.30%)		\$17,573,005	\$597,495		\$17,016,695	\$561,555
Mobile Homes Low Income (varies)		\$999,526	\$18,886		\$1,059,863	\$18,405
Commercial (3.40%, 3.30%)		\$119,247,229	\$4,054,398		\$125,576,502	\$4,144,004
Industrial (3.40%, 3.30%)		\$16,127,738	\$548,342		\$17,766,524	\$586,296
New Manufacturing (varies)		\$955,128	\$27,615		\$179,381	\$4,144
Qualified Golf Courses (1.70, 1.65%)		\$1,046,551	\$17,792		\$1,275,131	\$21,039
Remodeled Commercial (varies)		\$163	\$0		\$0	\$0
Extended Prop Tax Relief Program (Res Only)		\$23,195,119	\$737,974		\$17,320,757	\$522,637
Class 4 Subtotal		\$1,254,864,664	\$42,323,789		\$1,342,292,816	\$43,948,279
CLASS 5						
Rural Electric and Telephone Co-Op (3%)		\$14,174,621	\$425,240		\$14,883,577	\$446,506
Qualified New Industrial (3%)		\$0	\$0		\$0	\$0
Pollution Control (3%)		\$246,266	\$7,388		\$192,662	\$5,780
Gasohol Related (3%)		\$0	\$0		\$0	\$0
Research and Development (0%-3%)		\$0	\$0		\$0	\$0
Aluminum Electrolytic Equipment (3%)		\$0	\$0		\$0	\$0
Class 5 Subtotal		\$14,420,887	\$432,628		\$15,076,239	\$452,286
CLASS 6						
Livestock (0%)		\$0	\$0		\$0	\$0
Lease and Rental Equipment (3%)		\$0	\$0		\$0	\$0
Canola Seed Processing Equipment (3%)		\$0	\$0		\$0	\$0
Class 6 Subtotal		\$0	\$0		\$0	\$0
CLASS 7						
Non-Centrally Assessed Public Util. (8%, 3%)		\$0	\$0		\$0	\$0
CLASS 8						
Machinery (3%)		\$50,917,623	\$1,465,453		\$48,310,080	\$1,412,113
Farm Implements (3%)		\$9,892,072	\$296,764		\$10,084,180	\$302,519
Furniture and Fixtures (3%)		\$13,247,549	\$397,428		\$12,804,369	\$384,133
Other Business Equipment		\$3,828,764	\$114,898		\$3,987,443	\$119,665
Class 8 Subtotal		\$77,886,008	\$2,274,543		\$75,186,072	\$2,218,430
CLASS 9						
Utilities (12%)		\$2,352,340	\$282,282		\$2,264,516	\$271,741
CLASS 10						
Timber Land (0.35%, 0.35%)	99,835	\$72,107,308	\$252,382	99,573	\$71,862,345	\$251,523
CLASS 12						
Railroads (3.88%, 3.81%)		\$12,991,661	\$504,078		\$13,512,425	\$514,823
Airlines (3.88%, 3.81%)		\$0	\$0		\$2,653	\$101
Class 12 Subtotal		\$12,991,661	\$504,078		\$13,515,078	\$514,924
CLASS 13						
Electrical Generation Property (6%)		\$41,115,935	\$2,466,957		\$42,325,015	\$2,539,501
Telecommunication Property (6%)		\$10,156,097	\$609,366		\$10,154,839	\$609,291
Class 13 Subtotal		\$51,272,032	\$3,076,323		\$52,479,854	\$3,148,792
Total		\$1,522,264,164	\$50,613,238		\$1,610,176,117	\$52,286,175



Property Tax

Lewis and Clark County

	2003			2004		
	Acres	Assessed	Taxable	Acres	Assessed	Taxable
CLASS 1 Net Proceeds		\$0	\$0		\$0	\$0
CLASS 2 Gross Proceeds		\$0	\$0		\$0	\$0
CLASS 3 Agricultural Land:						
Tillable Irrigated (3.40%, 3.30%)	40,154	\$8,811,230	\$299,583	40,021	\$9,108,726	\$300,583
Tillable Non-Irrigated (3.40%, 3.30%)	25,884	\$4,072,563	\$138,465	25,868	\$4,169,028	\$137,588
Grazing (3.40%, 3.30%)	645,795	\$26,760,910	\$909,932	645,265	\$27,494,074	\$907,368
Wild Hay (3.40%, 3.30%)	15,184	\$3,797,069	\$129,097	15,204	\$3,889,355	\$128,340
Non-Qualified Ag Land (23.8%, 23.1%)	53,159	\$2,174,215	\$517,506	53,263	\$2,233,986	\$516,093
Eligible Mining Claims (3.40%, 3.30%)	440	\$23,689	\$807	445	\$24,461	\$806
Class 3 Subtotal	780,617	\$45,639,676	\$1,995,390	780,065	\$46,919,630	\$1,990,778
CLASS 4 Land and Improvements:						
Residential (3.40%, 3.30%)		\$1,277,151,348	\$43,423,136		\$1,366,951,602	\$45,109,570
Residential Low Income (varies)		\$16,170,634	\$201,658		\$17,627,825	\$206,287
Mobile Homes (3.40%, 3.30%)		\$37,834,283	\$1,286,341		\$37,835,741	\$1,248,589
Mobile Homes Low Income (varies)		\$1,244,777	\$19,700		\$1,437,839	\$23,741
Commercial (3.40%, 3.30%)		\$541,482,545	\$18,410,429		\$574,082,989	\$18,944,719
Industrial (3.40%, 3.30%)		\$11,483,667	\$390,446		\$12,551,390	\$414,198
New Manufacturing (varies)		\$2,393,792	\$43,083		\$2,424,102	\$44,646
Qualified Golf Courses (1.70, 1.65%)		\$2,958,969	\$50,301		\$3,725,807	\$61,475
Remodeled Commercial (varies)		\$4,384,147	\$64,165		\$5,430,517	\$97,006
Extended Prop Tax Relief Program (Res Only)		\$7,061,527	\$218,966		\$5,903,741	\$170,212
Class 4 Subtotal		\$1,902,165,689	\$64,108,225		\$2,027,971,553	\$66,320,443
CLASS 5						
Rural Electric and Telephone Co-Op (3%)		\$5,105,330	\$153,161		\$1,780,854	\$53,428
Qualified New Industrial (3%)		\$0	\$0		\$0	\$0
Pollution Control (3%)		\$4,475,919	\$134,277		\$4,292,820	\$128,784
Gasohol Related (3%)		\$0	\$0		\$0	\$0
Research and Development (0%-3%)		\$0	\$0		\$0	\$0
Aluminum Electrolytic Equipment (3%)		\$0	\$0		\$0	\$0
Class 5 Subtotal		\$9,581,249	\$287,438		\$6,073,674	\$182,212
CLASS 6						
Livestock (0%)		\$0	\$0		\$0	\$0
Lease and Rental Equipment (3%)		\$0	\$0		\$0	\$0
Canola Seed Processing Equipment (3%)		\$0	\$0		\$0	\$0
Class 6 Subtotal		\$0	\$0		\$0	\$0
CLASS 7						
Non-Centrally Assessed Public Util. (8%, 3%)		\$0	\$0		\$0	\$0
CLASS 8						
Machinery (3%)		\$38,216,329	\$1,097,348		\$39,298,969	\$1,134,129
Farm Implements (3%)		\$5,517,368	\$165,528		\$5,918,902	\$177,572
Furniture and Fixtures (3%)		\$65,523,554	\$1,965,715		\$68,411,460	\$2,052,365
Other Business Equipment		\$9,349,358	\$280,552		\$7,598,581	\$228,046
Class 8 Subtotal		\$118,606,609	\$3,509,143		\$121,227,912	\$3,592,112
CLASS 9						
Utilities (12%)		\$67,079,864	\$8,049,586		\$75,268,087	\$9,032,171
CLASS 10						
Timber Land (0.35%, 0.35%)	172,595	\$60,001,728	\$209,997	172,463	\$63,286,013	\$221,546
CLASS 12						
Railroads (3.88%, 3.81%)		\$24,551,357	\$952,595		\$24,373,468	\$928,630
Airlines (3.88%, 3.81%)		\$7,781,645	\$301,928		\$9,775,844	\$372,459
Class 12 Subtotal		\$32,333,002	\$1,254,523		\$34,149,312	\$1,301,089
CLASS 13						
Electrical Generation Property (6%)		\$38,854,242	\$2,331,256		\$40,370,819	\$2,422,248
Telecommunication Property (6%)		\$59,523,486	\$3,571,409		\$49,311,818	\$2,958,711
Class 13 Subtotal		\$98,377,728	\$5,902,665		\$89,682,637	\$5,380,959
Total		\$2,333,785,545	\$85,316,967		\$2,464,578,818	\$88,021,310



Property Tax

Liberty County

	2003			2004		
	Acres	Assessed	Taxable	Acres	Assessed	Taxable
CLASS 1 Net Proceeds		\$0	\$0		\$0	\$0
CLASS 2 Gross Proceeds		\$0	\$0		\$0	\$0
CLASS 3 Agricultural Land:						
Tillable Irrigated (3.40%, 3.30%)	5,563	\$1,395,046	\$47,431	5,563	\$1,482,393	\$48,919
Tillable Non-Irrigated (3.40%, 3.30%)	551,146	\$81,119,298	\$2,758,122	551,046	\$83,105,442	\$2,742,474
Grazing (3.40%, 3.30%)	235,620	\$10,150,308	\$345,149	235,760	\$10,414,705	\$343,698
Wild Hay (3.40%, 3.30%)	4,167	\$624,634	\$21,241	4,167	\$638,866	\$21,082
Non-Qualified Ag Land (23.8%, 23.1%)	491	\$20,059	\$4,773	451	\$18,905	\$4,369
Eligible Mining Claims (3.40%, 3.30%)	0	\$0	\$0	0	\$0	\$0
Class 3 Subtotal	796,987	\$93,309,345	\$3,176,716	796,987	\$95,660,311	\$3,160,542
CLASS 4 Land and Improvements:						
Residential (3.40%, 3.30%)		\$42,442,581	\$1,442,956		\$43,928,880	\$1,449,771
Residential Low Income (varies)		\$95,056	\$1,997		\$121,087	\$1,930
Mobile Homes (3.40%, 3.30%)		\$795,704	\$27,053		\$818,903	\$27,025
Mobile Homes Low Income (varies)		\$43,421	\$738		\$44,178	\$729
Commercial (3.40%, 3.30%)		\$4,560,829	\$155,070		\$4,653,314	\$153,551
Industrial (3.40%, 3.30%)		\$3,106,444	\$105,617		\$1,734,963	\$57,257
New Manufacturing (varies)		\$0	\$0		\$0	\$0
Qualified Golf Courses (1.70, 1.65%)		\$0	\$0		\$0	\$0
Remodeled Commercial (varies)		\$0	\$0		\$0	\$0
Extended Prop Tax Relief Program (Res Only)		\$0	\$0		\$0	\$0
Class 4 Subtotal		\$51,044,035	\$1,733,431		\$51,301,325	\$1,690,263
CLASS 5						
Rural Electric and Telephone Co-Op (3%)		\$5,343,388	\$160,302		\$5,611,039	\$168,332
Qualified New Industrial (3%)		\$0	\$0		\$0	\$0
Pollution Control (3%)		\$0	\$0		\$0	\$0
Gasohol Related (3%)		\$0	\$0		\$0	\$0
Research and Development (0%-3%)		\$0	\$0		\$0	\$0
Aluminum Electrolytic Equipment (3%)		\$0	\$0		\$0	\$0
Class 5 Subtotal		\$5,343,388	\$160,302		\$5,611,039	\$168,332
CLASS 6						
Livestock (0%)		\$0	\$0		\$0	\$0
Lease and Rental Equipment (3%)		\$0	\$0		\$0	\$0
Canola Seed Processing Equipment (3%)		\$0	\$0		\$0	\$0
Class 6 Subtotal		\$0	\$0		\$0	\$0
CLASS 7						
Non-Centrally Assessed Public Util. (8%, 3%)		\$0	\$0		\$0	\$0
CLASS 8						
Machinery (3%)		\$1,445,527	\$43,377		\$916,457	\$27,501
Farm Implements (3%)		\$19,205,211	\$576,156		\$20,490,214	\$614,705
Furniture and Fixtures (3%)		\$559,683	\$16,792		\$497,653	\$14,933
Other Business Equipment		\$1,247,837	\$37,410		\$1,210,463	\$36,338
Class 8 Subtotal		\$22,458,258	\$673,735		\$23,114,787	\$693,477
CLASS 9						
Utilities (12%)		\$3,689,343	\$442,720		\$4,247,810	\$509,737
CLASS 10						
Timber Land (0.35%, 0.35%)	0	\$0	\$0	0	\$0	\$0
CLASS 12						
Railroads (3.88%, 3.81%)		\$10,489,359	\$406,988		\$10,056,552	\$383,155
Airlines (3.88%, 3.81%)		\$0	\$0		\$0	\$0
Class 12 Subtotal		\$10,489,359	\$406,988		\$10,056,552	\$383,155
CLASS 13						
Electrical Generation Property (6%)		\$0	\$0		\$1,911,200	\$114,672
Telecommunication Property (6%)		\$34,969	\$2,098		\$49,896	\$2,994
Class 13 Subtotal		\$34,969	\$2,098		\$1,961,096	\$117,666
Total		\$186,368,697	\$6,595,990		\$191,952,920	\$6,723,172



Property Tax

Lincoln County

	2003			2004		
	Acres	Assessed	Taxable	Acres	Assessed	Taxable
CLASS 1 Net Proceeds		\$0	\$0		\$0	\$0
CLASS 2 Gross Proceeds		\$0	\$0		\$0	\$0
CLASS 3 Agricultural Land:						
Tillable Irrigated (3.40%, 3.30%)	4,044	\$846,275	\$28,776	3,905	\$872,869	\$28,809
Tillable Non-Irrigated (3.40%, 3.30%)	212	\$39,169	\$1,332	207	\$39,307	\$1,296
Grazing (3.40%, 3.30%)	27,204	\$1,047,463	\$35,626	26,987	\$1,065,549	\$35,182
Wild Hay (3.40%, 3.30%)	4,639	\$1,227,580	\$41,743	4,533	\$1,229,238	\$40,564
Non-Qualified Ag Land (23.8%, 23.1%)	16,981	\$692,048	\$164,746	17,119	\$715,745	\$165,330
Eligible Mining Claims (3.40%, 3.30%)	0	\$0	\$0	0	\$0	\$0
Class 3 Subtotal	53,080	\$3,852,535	\$272,223	52,752	\$3,922,708	\$271,181
CLASS 4 Land and Improvements:						
Residential (3.40%, 3.30%)		\$435,434,512	\$14,804,798		\$461,497,022	\$15,229,019
Residential Low Income (varies)		\$18,049,912	\$288,790		\$20,050,047	\$300,879
Mobile Homes (3.40%, 3.30%)		\$14,628,239	\$497,374		\$14,799,311	\$488,383
Mobile Homes Low Income (varies)		\$1,330,014	\$23,991		\$1,345,667	\$22,229
Commercial (3.40%, 3.30%)		\$72,766,235	\$2,474,062		\$75,452,533	\$2,489,939
Industrial (3.40%, 3.30%)		\$13,729,863	\$466,812		\$9,838,465	\$324,672
New Manufacturing (varies)		\$141,201	\$3,841		\$140,714	\$4,179
Qualified Golf Courses (1.70, 1.65%)		\$2,885,561	\$49,054		\$3,108,626	\$51,294
Remodeled Commercial (varies)		\$0	\$0		\$0	\$0
Extended Prop Tax Relief Program (Res Only)		\$792,695	\$24,863		\$664,979	\$20,459
Class 4 Subtotal		\$559,758,232	\$18,633,585		\$586,897,364	\$18,931,053
CLASS 5						
Rural Electric and Telephone Co-Op (3%)		\$41,791,512	\$1,253,747		\$45,051,791	\$1,351,554
Qualified New Industrial (3%)		\$0	\$0		\$0	\$0
Pollution Control (3%)		\$1,260,389	\$36,691		\$1,191,111	\$35,293
Gasohol Related (3%)		\$0	\$0		\$0	\$0
Research and Development (0%-3%)		\$0	\$0		\$0	\$0
Aluminum Electrolytic Equipment (3%)		\$0	\$0		\$0	\$0
Class 5 Subtotal		\$43,051,901	\$1,290,438		\$46,242,902	\$1,386,847
CLASS 6						
Livestock (0%)		\$0	\$0		\$0	\$0
Lease and Rental Equipment (3%)		\$0	\$0		\$0	\$0
Canola Seed Processing Equipment (3%)		\$0	\$0		\$0	\$0
Class 6 Subtotal		\$0	\$0		\$0	\$0
CLASS 7						
Non-Centrally Assessed Public Util. (8%, 3%)		\$0	\$0		\$0	\$0
CLASS 8						
Machinery (3%)		\$30,599,024	\$900,525		\$27,051,509	\$803,815
Farm Implements (3%)		\$1,635,564	\$49,075		\$1,693,382	\$50,803
Furniture and Fixtures (3%)		\$7,028,176	\$210,850		\$7,170,174	\$215,113
Other Business Equipment		\$5,282,817	\$158,513		\$5,375,943	\$161,315
Class 8 Subtotal		\$44,545,581	\$1,318,963		\$41,291,008	\$1,231,046
CLASS 9						
Utilities (12%)		\$0	\$0		\$0	\$0
CLASS 10						
Timber Land (0.35%, 0.35%)	423,802	\$298,316,776	\$1,044,102	423,570	\$298,281,014	\$1,043,981
CLASS 12						
Railroads (3.88%, 3.81%)		\$49,190,297	\$1,908,584		\$47,152,151	\$1,796,498
Airlines (3.88%, 3.81%)		\$0	\$0		\$364	\$14
Class 12 Subtotal		\$49,190,297	\$1,908,584		\$47,152,515	\$1,796,512
CLASS 13						
Electrical Generation Property (6%)		\$0	\$0		\$0	\$0
Telecommunication Property (6%)		\$11,313,630	\$678,818		\$12,235,129	\$734,107
Class 13 Subtotal		\$11,313,630	\$678,818		\$12,235,129	\$734,107
Total		\$1,010,028,952	\$25,146,713		\$1,036,022,640	\$25,394,727



Property Tax

Madison County

	2003			2004		
	Acres	Assessed	Taxable	Acres	Assessed	Taxable
CLASS 1 Net Proceeds		\$2,180,546	\$2,180,546		\$2,276,346	\$2,276,346
CLASS 2 Gross Proceeds		\$0	\$0		\$0	\$0
CLASS 3 Agricultural Land:						
Tillable Irrigated (3.40%, 3.30%)	99,125	\$30,010,469	\$1,020,353	98,741	\$31,145,281	\$1,027,803
Tillable Non-Irrigated (3.40%, 3.30%)	17,578	\$2,996,551	\$101,879	17,569	\$3,067,464	\$101,227
Grazing (3.40%, 3.30%)	801,898	\$29,189,556	\$992,505	800,594	\$29,895,836	\$986,620
Wild Hay (3.40%, 3.30%)	10,595	\$3,334,673	\$113,386	10,452	\$3,350,731	\$110,571
Non-Qualified Ag Land (23.8%, 23.1%)	36,938	\$1,570,258	\$373,820	38,243	\$1,691,824	\$390,891
Eligible Mining Claims (3.40%, 3.30%)	0	\$0	\$0	0	\$0	\$0
Class 3 Subtotal	966,134	\$67,101,507	\$2,601,943	965,598	\$69,151,136	\$2,617,112
CLASS 4 Land and Improvements:						
Residential (3.40%, 3.30%)		\$493,041,451	\$16,763,164		\$586,144,610	\$19,342,987
Residential Low Income (varies)		\$3,329,605	\$55,786		\$4,012,523	\$62,284
Mobile Homes (3.40%, 3.30%)		\$4,881,690	\$165,981		\$4,872,189	\$160,775
Mobile Homes Low Income (varies)		\$77,771	\$1,459		\$118,959	\$2,142
Commercial (3.40%, 3.30%)		\$106,329,708	\$3,615,213		\$121,306,988	\$4,003,135
Industrial (3.40%, 3.30%)		\$4,414,515	\$150,096		\$4,958,942	\$163,647
New Manufacturing (varies)		\$0	\$0		\$0	\$0
Qualified Golf Courses (1.70, 1.65%)		\$0	\$0		\$0	\$0
Remodeled Commercial (varies)		\$0	\$0		\$0	\$0
Extended Prop Tax Relief Program (Res Only)		\$3,027,765	\$93,780		\$2,655,395	\$76,990
Class 4 Subtotal		\$615,102,505	\$20,845,479		\$724,069,606	\$23,811,960
CLASS 5						
Rural Electric and Telephone Co-Op (3%)		\$12,320,293	\$369,606		\$11,691,307	\$350,740
Qualified New Industrial (3%)		\$0	\$0		\$0	\$0
Pollution Control (3%)		\$0	\$0		\$0	\$0
Gasohol Related (3%)		\$0	\$0		\$0	\$0
Research and Development (0%-3%)		\$0	\$0		\$0	\$0
Aluminum Electrolytic Equipment (3%)		\$0	\$0		\$0	\$0
Class 5 Subtotal		\$12,320,293	\$369,606		\$11,691,307	\$350,740
CLASS 6						
Livestock (0%)		\$0	\$0		\$0	\$0
Lease and Rental Equipment (3%)		\$0	\$0		\$0	\$0
Canola Seed Processing Equipment (3%)		\$0	\$0		\$0	\$0
Class 6 Subtotal		\$0	\$0		\$0	\$0
CLASS 7						
Non-Centrally Assessed Public Util. (8%, 3%)		\$0	\$0		\$0	\$0
CLASS 8						
Machinery (3%)		\$19,100,928	\$573,044		\$19,128,172	\$573,858
Farm Implements (3%)		\$10,927,785	\$327,835		\$10,722,048	\$321,664
Furniture and Fixtures (3%)		\$6,627,479	\$198,828		\$7,381,358	\$221,440
Other Business Equipment		\$14,801,086	\$444,055		\$16,142,097	\$484,283
Class 8 Subtotal		\$51,457,278	\$1,543,762		\$53,373,675	\$1,601,245
CLASS 9						
Utilities (12%)		\$18,237,146	\$2,188,457		\$18,735,318	\$2,248,240
CLASS 10						
Timber Land (0.35%, 0.35%)	91,167	\$29,663,087	\$103,815	86,851	\$29,212,961	\$102,298
CLASS 12						
Railroads (3.88%, 3.81%)		\$11,984,829	\$465,011		\$12,337,055	\$470,041
Airlines (3.88%, 3.81%)		\$0	\$0		\$729	\$28
Class 12 Subtotal		\$11,984,829	\$465,011		\$12,337,784	\$470,069
CLASS 13						
Electrical Generation Property (6%)		\$6,777,127	\$406,628		\$7,605,234	\$456,314
Telecommunication Property (6%)		\$979,214	\$58,753		\$841,912	\$50,514
Class 13 Subtotal		\$7,756,341	\$465,381		\$8,447,146	\$506,828
Total		\$815,803,532	\$30,764,000		\$929,295,279	\$33,984,838



Property Tax

McCone County

	2003			2004		
	Acres	Assessed	Taxable	Acres	Assessed	Taxable
CLASS 1 Net Proceeds		\$0	\$0		\$0	\$0
CLASS 2 Gross Proceeds		\$0	\$0		\$0	\$0
CLASS 3 Agricultural Land:						
Tillable Irrigated (3.40%, 3.30%)	6,643	\$1,783,898	\$60,651	6,533	\$1,855,853	\$61,246
Tillable Non-Irrigated (3.40%, 3.30%)	539,277	\$73,450,341	\$2,497,287	538,908	\$75,203,576	\$2,481,735
Grazing (3.40%, 3.30%)	791,015	\$24,955,225	\$848,524	790,552	\$25,583,940	\$844,278
Wild Hay (3.40%, 3.30%)	0	\$0	\$0	0	\$0	\$0
Non-Qualified Ag Land (23.8%, 23.1%)	324	\$13,208	\$3,144	404	\$16,951	\$3,915
Eligible Mining Claims (3.40%, 3.30%)	0	\$0	\$0	0	\$0	\$0
Class 3 Subtotal	1,337,259	\$100,202,672	\$3,409,606	1,336,396	\$102,660,320	\$3,391,174
CLASS 4 Land and Improvements:						
Residential (3.40%, 3.30%)		\$26,202,422	\$890,754		\$26,816,279	\$885,159
Residential Low Income (varies)		\$60,133	\$1,275		\$145,786	\$2,749
Mobile Homes (3.40%, 3.30%)		\$1,435,218	\$48,794		\$1,461,305	\$48,227
Mobile Homes Low Income (varies)		\$12,354	\$264		\$15,277	\$319
Commercial (3.40%, 3.30%)		\$3,085,244	\$104,899		\$3,182,442	\$105,021
Industrial (3.40%, 3.30%)		\$1,853,727	\$63,027		\$1,319,304	\$43,537
New Manufacturing (varies)		\$0	\$0		\$0	\$0
Qualified Golf Courses (1.70, 1.65%)		\$0	\$0		\$0	\$0
Remodeled Commercial (varies)		\$0	\$0		\$0	\$0
Extended Prop Tax Relief Program (Res Only)		\$0	\$0		\$0	\$0
Class 4 Subtotal		\$32,649,098	\$1,109,013		\$32,940,393	\$1,085,012
CLASS 5						
Rural Electric and Telephone Co-Op (3%)		\$11,879,695	\$356,391		\$12,133,384	\$363,999
Qualified New Industrial (3%)		\$0	\$0		\$0	\$0
Pollution Control (3%)		\$0	\$0		\$0	\$0
Gasohol Related (3%)		\$0	\$0		\$0	\$0
Research and Development (0%-3%)		\$0	\$0		\$0	\$0
Aluminum Electrolytic Equipment (3%)		\$0	\$0		\$0	\$0
Class 5 Subtotal		\$11,879,695	\$356,391		\$12,133,384	\$363,999
CLASS 6						
Livestock (0%)		\$0	\$0		\$0	\$0
Lease and Rental Equipment (3%)		\$0	\$0		\$0	\$0
Canola Seed Processing Equipment (3%)		\$0	\$0		\$0	\$0
Class 6 Subtotal		\$0	\$0		\$0	\$0
CLASS 7						
Non-Centrally Assessed Public Util. (8%, 3%)		\$0	\$0		\$0	\$0
CLASS 8						
Machinery (3%)		\$1,896,418	\$56,899		\$1,624,973	\$48,754
Farm Implements (3%)		\$19,081,543	\$572,452		\$19,845,761	\$595,379
Furniture and Fixtures (3%)		\$745,562	\$22,368		\$890,467	\$26,713
Other Business Equipment		\$551,816	\$16,616		\$519,555	\$15,588
Class 8 Subtotal		\$22,275,339	\$668,335		\$22,880,756	\$686,434
CLASS 9						
Utilities (12%)		\$1,421,458	\$170,576		\$1,431,799	\$171,815
CLASS 10						
Timber Land (0.35%, 0.35%)	0	\$0	\$0	0	\$0	\$0
CLASS 12						
Railroads (3.88%, 3.81%)		\$3,183,860	\$123,532		\$3,055,904	\$116,430
Airlines (3.88%, 3.81%)		\$0	\$0		\$0	\$0
Class 12 Subtotal		\$3,183,860	\$123,532		\$3,055,904	\$116,430
CLASS 13						
Electrical Generation Property (6%)		\$0	\$0		\$0	\$0
Telecommunication Property (6%)		\$109,450	\$6,567		\$100,859	\$6,052
Class 13 Subtotal		\$109,450	\$6,567		\$100,859	\$6,052
Total		\$171,721,572	\$5,844,020		\$175,203,415	\$5,820,916



Property Tax

Meagher County

	2003			2004		
	Acres	Assessed	Taxable	Acres	Assessed	Taxable
CLASS 1 Net Proceeds		\$0	\$0		\$0	\$0
CLASS 2 Gross Proceeds		\$173,722	\$6,380		\$0	\$0
CLASS 3 Agricultural Land:						
Tillable Irrigated (3.40%, 3.30%)	48,832	\$10,527,690	\$357,952	48,832	\$10,915,440	\$360,201
Tillable Non-Irrigated (3.40%, 3.30%)	28,712	\$4,886,167	\$166,135	28,702	\$5,015,401	\$165,506
Grazing (3.40%, 3.30%)	729,278	\$28,424,409	\$966,415	726,587	\$29,090,416	\$959,986
Wild Hay (3.40%, 3.30%)	9,696	\$2,429,007	\$82,582	9,696	\$2,484,327	\$81,976
Non-Qualified Ag Land (23.8%, 23.1%)	7,282	\$297,600	\$70,833	7,299	\$304,793	\$70,414
Eligible Mining Claims (3.40%, 3.30%)	0	\$0	\$0	0	\$0	\$0
Class 3 Subtotal	823,799	\$46,564,873	\$1,643,917	821,116	\$47,810,377	\$1,638,083
CLASS 4 Land and Improvements:						
Residential (3.40%, 3.30%)		\$48,741,351	\$1,657,073		\$52,467,537	\$1,731,520
Residential Low Income (varies)		\$585,793	\$10,722		\$791,188	\$13,318
Mobile Homes (3.40%, 3.30%)		\$2,041,028	\$69,400		\$2,008,917	\$66,296
Mobile Homes Low Income (varies)		\$184,280	\$3,593		\$137,739	\$2,745
Commercial (3.40%, 3.30%)		\$7,711,230	\$262,181		\$7,872,151	\$259,776
Industrial (3.40%, 3.30%)		\$208,928	\$7,104		\$252,714	\$8,340
New Manufacturing (varies)		\$0	\$0		\$0	\$0
Qualified Golf Courses (1.70, 1.65%)		\$0	\$0		\$0	\$0
Remodeled Commercial (varies)		\$0	\$0		\$0	\$0
Extended Prop Tax Relief Program (Res Only)		\$631,573	\$19,455		\$532,164	\$15,056
Class 4 Subtotal		\$60,104,183	\$2,029,528		\$64,062,410	\$2,097,051
CLASS 5						
Rural Electric and Telephone Co-Op (3%)		\$533,673	\$16,011		\$541,819	\$16,254
Qualified New Industrial (3%)		\$0	\$0		\$0	\$0
Pollution Control (3%)		\$0	\$0		\$0	\$0
Gasohol Related (3%)		\$0	\$0		\$0	\$0
Research and Development (0%-3%)		\$0	\$0		\$0	\$0
Aluminum Electrolytic Equipment (3%)		\$0	\$0		\$0	\$0
Class 5 Subtotal		\$533,673	\$16,011		\$541,819	\$16,254
CLASS 6						
Livestock (0%)		\$0	\$0		\$0	\$0
Lease and Rental Equipment (3%)		\$0	\$0		\$0	\$0
Canola Seed Processing Equipment (3%)		\$0	\$0		\$0	\$0
Class 6 Subtotal		\$0	\$0		\$0	\$0
CLASS 7						
Non-Centrally Assessed Public Util. (8%, 3%)		\$0	\$0		\$0	\$0
CLASS 8						
Machinery (3%)		\$5,072,052	\$152,163		\$4,296,519	\$128,898
Farm Implements (3%)		\$6,322,127	\$189,658		\$6,108,232	\$183,245
Furniture and Fixtures (3%)		\$877,513	\$26,332		\$572,801	\$17,188
Other Business Equipment		\$215,394	\$6,468		\$324,340	\$9,735
Class 8 Subtotal		\$12,487,086	\$374,621		\$11,301,892	\$339,066
CLASS 9						
Utilities (12%)		\$24,050,613	\$2,886,075		\$25,582,622	\$3,069,916
CLASS 10						
Timber Land (0.35%, 0.35%)	125,466	\$45,542,027	\$159,386	125,028	\$46,880,198	\$164,086
CLASS 12						
Railroads (3.88%, 3.81%)		\$0	\$0		\$0	\$0
Airlines (3.88%, 3.81%)		\$0	\$0		\$0	\$0
Class 12 Subtotal		\$0	\$0		\$0	\$0
CLASS 13						
Electrical Generation Property (6%)		\$0	\$0		\$0	\$0
Telecommunication Property (6%)		\$2,907,410	\$174,444		\$3,341,319	\$200,480
Class 13 Subtotal		\$2,907,410	\$174,444		\$3,341,319	\$200,480
Total		\$192,363,587	\$7,290,362		\$199,520,637	\$7,524,936



Property Tax

Mineral County

	2003			2004		
	Acres	Assessed	Taxable	Acres	Assessed	Taxable
CLASS 1 Net Proceeds		\$0	\$0		\$0	\$0
CLASS 2 Gross Proceeds		\$0	\$0		\$0	\$0
CLASS 3 Agricultural Land:						
Tillable Irrigated (3.40%, 3.30%)	1,115	\$341,211	\$11,603	1,094	\$350,066	\$11,555
Tillable Non-Irrigated (3.40%, 3.30%)	512	\$156,169	\$5,310	413	\$92,327	\$3,046
Grazing (3.40%, 3.30%)	5,057	\$259,404	\$8,824	4,987	\$261,852	\$8,640
Wild Hay (3.40%, 3.30%)	1,838	\$623,174	\$21,185	1,795	\$622,428	\$20,538
Non-Qualified Ag Land (23.8%, 23.1%)	4,042	\$165,016	\$39,278	4,295	\$180,324	\$41,654
Eligible Mining Claims (3.40%, 3.30%)	0	\$0	\$0	0	\$0	\$0
Class 3 Subtotal	12,564	\$1,544,974	\$86,200	12,585	\$1,506,997	\$85,433
CLASS 4 Land and Improvements:						
Residential (3.40%, 3.30%)		\$77,289,993	\$2,627,870		\$87,250,918	\$2,879,365
Residential Low Income (varies)		\$3,283,224	\$53,697		\$3,339,767	\$47,243
Mobile Homes (3.40%, 3.30%)		\$3,879,731	\$131,903		\$4,048,234	\$133,594
Mobile Homes Low Income (varies)		\$399,184	\$8,106		\$371,193	\$6,494
Commercial (3.40%, 3.30%)		\$21,218,691	\$721,438		\$24,195,444	\$798,458
Industrial (3.40%, 3.30%)		\$1,752,695	\$59,593		\$2,424,013	\$79,994
New Manufacturing (varies)		\$392,643	\$7,409		\$396,069	\$7,244
Qualified Golf Courses (1.70, 1.65%)		\$944,612	\$16,058		\$974,332	\$16,077
Remodeled Commercial (varies)		\$0	\$0		\$0	\$0
Extended Prop Tax Relief Program (Res Only)		\$672,320	\$21,343		\$495,555	\$14,506
Class 4 Subtotal		\$109,833,093	\$3,647,417		\$123,495,525	\$3,982,975
CLASS 5						
Rural Electric and Telephone Co-Op (3%)		\$6,160,625	\$184,818		\$6,850,173	\$205,506
Qualified New Industrial (3%)		\$0	\$0		\$0	\$0
Pollution Control (3%)		\$0	\$0		\$0	\$0
Gasohol Related (3%)		\$0	\$0		\$0	\$0
Research and Development (0%-3%)		\$0	\$0		\$0	\$0
Aluminum Electrolytic Equipment (3%)		\$0	\$0		\$0	\$0
Class 5 Subtotal		\$6,160,625	\$184,818		\$6,850,173	\$205,506
CLASS 6						
Livestock (0%)		\$0	\$0		\$0	\$0
Lease and Rental Equipment (3%)		\$0	\$0		\$0	\$0
Canola Seed Processing Equipment (3%)		\$0	\$0		\$0	\$0
Class 6 Subtotal		\$0	\$0		\$0	\$0
CLASS 7						
Non-Centrally Assessed Public Util. (8%, 3%)		\$0	\$0		\$0	\$0
CLASS 8						
Machinery (3%)		\$4,763,094	\$141,674		\$5,224,356	\$156,558
Farm Implements (3%)		\$359,189	\$10,774		\$400,609	\$12,020
Furniture and Fixtures (3%)		\$2,957,764	\$88,738		\$2,823,537	\$84,703
Other Business Equipment		\$362,573	\$10,881		\$764,344	\$22,943
Class 8 Subtotal		\$8,442,620	\$252,067		\$9,212,846	\$276,224
CLASS 9						
Utilities (12%)		\$21,157,370	\$2,538,882		\$21,761,579	\$2,611,390
CLASS 10						
Timber Land (0.35%, 0.35%)	90,665	\$53,700,011	\$187,974	90,619	\$50,034,359	\$175,137
CLASS 12						
Railroads (3.88%, 3.81%)		\$16,054,095	\$622,899		\$16,521,194	\$629,457
Airlines (3.88%, 3.81%)		\$0	\$0		\$0	\$0
Class 12 Subtotal		\$16,054,095	\$622,899		\$16,521,194	\$629,457
CLASS 13						
Electrical Generation Property (6%)		\$0	\$0		\$0	\$0
Telecommunication Property (6%)		\$1,672,409	\$100,346		\$1,468,912	\$88,133
Class 13 Subtotal		\$1,672,409	\$100,346		\$1,468,912	\$88,133
Total		\$218,565,197	\$7,620,603		\$230,851,585	\$8,054,255



Property Tax

Missoula County

	2003			2004		
	Acres	Assessed	Taxable	Acres	Assessed	Taxable
CLASS 1 Net Proceeds		\$0	\$0		\$0	\$0
CLASS 2 Gross Proceeds		\$0	\$0		\$0	\$0
CLASS 3 Agricultural Land:						
Tillable Irrigated (3.40%, 3.30%)	15,655	\$5,564,634	\$189,197	15,234	\$5,974,944	\$197,168
Tillable Non-Irrigated (3.40%, 3.30%)	2,976	\$595,913	\$20,264	2,915	\$591,997	\$19,538
Grazing (3.40%, 3.30%)	89,134	\$4,400,277	\$149,548	87,759	\$4,553,472	\$150,240
Wild Hay (3.40%, 3.30%)	7,735	\$2,450,853	\$83,341	7,616	\$2,438,736	\$80,478
Non-Qualified Ag Land (23.8%, 23.1%)	27,799	\$1,136,101	\$270,441	27,208	\$1,142,395	\$263,918
Eligible Mining Claims (3.40%, 3.30%)	0	\$0	\$0	0	\$0	\$0
Class 3 Subtotal	143,300	\$14,147,778	\$712,791	140,732	\$14,701,544	\$711,342
CLASS 4 Land and Improvements:						
Residential (3.40%, 3.30%)		\$2,439,355,626	\$82,938,133		\$2,622,049,633	\$86,527,682
Residential Low Income (varies)		\$32,862,687	\$507,766		\$36,088,092	\$540,969
Mobile Homes (3.40%, 3.30%)		\$63,519,770	\$2,159,696		\$65,114,284	\$2,148,754
Mobile Homes Low Income (varies)		\$2,272,734	\$37,883		\$2,706,400	\$44,722
Commercial (3.40%, 3.30%)		\$1,272,791,170	\$43,275,560		\$1,376,956,051	\$45,439,551
Industrial (3.40%, 3.30%)		\$55,969,338	\$1,902,956		\$56,867,145	\$1,876,622
New Manufacturing (varies)		\$443,342	\$7,537		\$456,578	\$9,629
Qualified Golf Courses (1.70, 1.65%)		\$6,174,692	\$104,972		\$6,905,331	\$113,938
Remodeled Commercial (varies)		\$0	\$0		\$0	\$0
Extended Prop Tax Relief Program (Res Only)		\$13,043,805	\$411,069		\$9,040,279	\$266,521
Class 4 Subtotal		\$3,886,433,164	\$131,345,572		\$4,176,183,793	\$136,968,388
CLASS 5						
Rural Electric and Telephone Co-Op (3%)		\$41,066,391	\$1,231,993		\$44,122,245	\$1,323,670
Qualified New Industrial (3%)		\$0	\$0		\$0	\$0
Pollution Control (3%)		\$3,309,374	\$99,281		\$3,259,426	\$97,782
Gasohol Related (3%)		\$0	\$0		\$0	\$0
Research and Development (0%-3%)		\$0	\$0		\$0	\$0
Aluminum Electrolytic Equipment (3%)		\$0	\$0		\$0	\$0
Class 5 Subtotal		\$44,375,765	\$1,331,274		\$47,381,671	\$1,421,452
CLASS 6						
Livestock (0%)		\$0	\$0		\$0	\$0
Lease and Rental Equipment (3%)		\$0	\$0		\$0	\$0
Canola Seed Processing Equipment (3%)		\$0	\$0		\$0	\$0
Class 6 Subtotal		\$0	\$0		\$0	\$0
CLASS 7						
Non-Centrally Assessed Public Util. (8%, 3%)		\$0	\$0		\$0	\$0
CLASS 8						
Machinery (3%)		\$170,923,507	\$5,125,827		\$175,101,271	\$5,252,149
Farm Implements (3%)		\$2,960,001	\$88,807		\$2,743,080	\$82,292
Furniture and Fixtures (3%)		\$126,051,999	\$3,781,586		\$131,349,928	\$3,940,505
Other Business Equipment		\$21,982,758	\$659,661		\$28,709,092	\$861,440
Class 8 Subtotal		\$321,918,265	\$9,655,881		\$337,903,371	\$10,136,386
CLASS 9						
Utilities (12%)		\$78,039,890	\$9,364,789		\$92,585,302	\$11,110,235
CLASS 10						
Timber Land (0.35%, 0.35%)	534,713	\$282,873,717	\$990,023	533,986	\$275,626,275	\$964,662
CLASS 12						
Railroads (3.88%, 3.81%)		\$38,250,696	\$1,484,127		\$38,911,498	\$1,482,527
Airlines (3.88%, 3.81%)		\$18,359,891	\$712,364		\$20,704,858	\$788,855
Class 12 Subtotal		\$56,610,587	\$2,196,491		\$59,616,356	\$2,271,382
CLASS 13						
Electrical Generation Property (6%)		\$5,000,669	\$300,040		\$3,703,240	\$222,195
Telecommunication Property (6%)		\$65,825,120	\$3,949,509		\$55,542,132	\$3,332,525
Class 13 Subtotal		\$70,825,789	\$4,249,549		\$59,245,372	\$3,554,720
Total		\$4,755,224,955	\$159,846,370		\$5,063,243,684	\$167,138,567



Property Tax

Musselshell County

	2003			2004		
	Acres	Assessed	Taxable	Acres	Assessed	Taxable
CLASS 1 Net Proceeds		\$0	\$0		\$0	\$0
CLASS 2 Gross Proceeds		\$0	\$0		\$0	\$0
CLASS 3 Agricultural Land:						
Tillable Irrigated (3.40%, 3.30%)	12,365	\$4,672,575	\$158,866	12,365	\$4,817,574	\$158,981
Tillable Non-Irrigated (3.40%, 3.30%)	109,862	\$16,372,052	\$556,656	109,833	\$16,768,346	\$553,358
Grazing (3.40%, 3.30%)	690,068	\$23,079,502	\$784,732	690,182	\$23,687,176	\$781,716
Wild Hay (3.40%, 3.30%)	9,516	\$2,002,596	\$68,090	9,528	\$2,048,079	\$67,589
Non-Qualified Ag Land (23.8%, 23.1%)	17,873	\$724,055	\$172,386	17,702	\$736,944	\$170,243
Eligible Mining Claims (3.40%, 3.30%)	0	\$0	\$0	0	\$0	\$0
Class 3 Subtotal	839,685	\$46,850,780	\$1,740,730	839,609	\$48,058,119	\$1,731,887
CLASS 4 Land and Improvements:						
Residential (3.40%, 3.30%)		\$61,753,149	\$2,099,626		\$65,255,242	\$2,153,497
Residential Low Income (varies)		\$1,641,002	\$26,056		\$2,458,157	\$35,787
Mobile Homes (3.40%, 3.30%)		\$4,593,244	\$156,146		\$4,715,407	\$155,603
Mobile Homes Low Income (varies)		\$160,925	\$1,665		\$210,605	\$2,350
Commercial (3.40%, 3.30%)		\$8,705,786	\$295,999		\$9,010,884	\$297,357
Industrial (3.40%, 3.30%)		\$503,296	\$17,112		\$1,095,660	\$36,156
New Manufacturing (varies)		\$386,134	\$11,816		\$0	\$0
Qualified Golf Courses (1.70, 1.65%)		\$0	\$0		\$0	\$0
Remodeled Commercial (varies)		\$0	\$0		\$0	\$0
Extended Prop Tax Relief Program (Res Only)		\$796,401	\$23,529		\$469,032	\$14,031
Class 4 Subtotal		\$78,539,937	\$2,631,949		\$83,214,987	\$2,694,781
CLASS 5						
Rural Electric and Telephone Co-Op (3%)		\$13,185,977	\$395,580		\$12,597,405	\$377,923
Qualified New Industrial (3%)		\$0	\$0		\$0	\$0
Pollution Control (3%)		\$0	\$0		\$0	\$0
Gasohol Related (3%)		\$0	\$0		\$0	\$0
Research and Development (0%-3%)		\$0	\$0		\$0	\$0
Aluminum Electrolytic Equipment (3%)		\$0	\$0		\$0	\$0
Class 5 Subtotal		\$13,185,977	\$395,580		\$12,597,405	\$377,923
CLASS 6						
Livestock (0%)		\$0	\$0		\$0	\$0
Lease and Rental Equipment (3%)		\$0	\$0		\$0	\$0
Canola Seed Processing Equipment (3%)		\$0	\$0		\$0	\$0
Class 6 Subtotal		\$0	\$0		\$0	\$0
CLASS 7						
Non-Centrally Assessed Public Util. (8%, 3%)		\$0	\$0		\$0	\$0
CLASS 8						
Machinery (3%)		\$4,153,936	\$124,428		\$9,833,381	\$295,000
Farm Implements (3%)		\$5,143,047	\$154,286		\$5,386,793	\$161,596
Furniture and Fixtures (3%)		\$1,515,214	\$45,452		\$1,422,925	\$42,684
Other Business Equipment		\$1,652,599	\$49,587		\$1,654,955	\$49,654
Class 8 Subtotal		\$12,464,796	\$373,753		\$18,298,054	\$548,934
CLASS 9						
Utilities (12%)		\$8,431,941	\$1,011,832		\$9,204,453	\$1,104,536
CLASS 10						
Timber Land (0.35%, 0.35%)	156,471	\$28,604,166	\$100,112	156,511	\$29,208,090	\$102,254
CLASS 12						
Railroads (3.88%, 3.81%)		\$0	\$0		\$0	\$0
Airlines (3.88%, 3.81%)		\$0	\$0		\$0	\$0
Class 12 Subtotal		\$0	\$0		\$0	\$0
CLASS 13						
Electrical Generation Property (6%)		\$0	\$0		\$0	\$0
Telecommunication Property (6%)		\$0	\$0		\$0	\$0
Class 13 Subtotal		\$0	\$0		\$0	\$0
Total		\$188,077,597	\$6,253,956		\$200,581,108	\$6,560,315



Property Tax

Park County

	2003			2004		
	Acres	Assessed	Taxable	Acres	Assessed	Taxable
CLASS 1 Net Proceeds		\$0	\$0		\$0	\$0
CLASS 2 Gross Proceeds		\$0	\$0		\$0	\$0
CLASS 3 Agricultural Land:						
Tillable Irrigated (3.40%, 3.30%)	50,998	\$11,305,099	\$384,380	50,436	\$11,609,007	\$383,100
Tillable Non-Irrigated (3.40%, 3.30%)	35,621	\$6,554,804	\$222,871	35,336	\$6,668,325	\$220,047
Grazing (3.40%, 3.30%)	527,032	\$22,251,408	\$756,557	524,858	\$22,756,674	\$751,004
Wild Hay (3.40%, 3.30%)	7,470	\$2,109,101	\$71,710	7,358	\$2,118,412	\$69,904
Non-Qualified Ag Land (23.8%, 23.1%)	37,762	\$1,542,864	\$367,241	40,676	\$1,705,582	\$394,011
Eligible Mining Claims (3.40%, 3.30%)	0	\$0	\$0	0	\$0	\$0
Class 3 Subtotal	658,883	\$43,763,276	\$1,802,759	658,663	\$44,858,000	\$1,818,066
CLASS 4 Land and Improvements:						
Residential (3.40%, 3.30%)		\$499,080,133	\$16,968,677		\$525,529,406	\$17,342,172
Residential Low Income (varies)		\$7,496,998	\$130,809		\$8,559,765	\$135,979
Mobile Homes (3.40%, 3.30%)		\$9,683,172	\$329,219		\$9,879,574	\$326,029
Mobile Homes Low Income (varies)		\$146,756	\$2,223		\$230,958	\$3,271
Commercial (3.40%, 3.30%)		\$125,191,717	\$4,256,486		\$129,501,382	\$4,273,538
Industrial (3.40%, 3.30%)		\$5,659,872	\$192,435		\$6,857,640	\$226,303
New Manufacturing (varies)		\$1,712,070	\$42,489		\$1,321,043	\$31,481
Qualified Golf Courses (1.70, 1.65%)		\$731,502	\$12,435		\$762,311	\$12,578
Remodeled Commercial (varies)		\$0	\$0		\$0	\$0
Extended Prop Tax Relief Program (Res Only)		\$2,564,844	\$82,177		\$2,282,247	\$69,267
Class 4 Subtotal		\$652,267,064	\$22,016,950		\$684,924,326	\$22,420,618
CLASS 5						
Rural Electric and Telephone Co-Op (3%)		\$10,284,313	\$308,531		\$11,659,103	\$349,775
Qualified New Industrial (3%)		\$0	\$0		\$0	\$0
Pollution Control (3%)		\$0	\$0		\$0	\$0
Gasohol Related (3%)		\$0	\$0		\$0	\$0
Research and Development (0%-3%)		\$0	\$0		\$0	\$0
Aluminum Electrolytic Equipment (3%)		\$0	\$0		\$0	\$0
Class 5 Subtotal		\$10,284,313	\$308,531		\$11,659,103	\$349,775
CLASS 6						
Livestock (0%)		\$0	\$0		\$0	\$0
Lease and Rental Equipment (3%)		\$0	\$0		\$0	\$0
Canola Seed Processing Equipment (3%)		\$0	\$0		\$0	\$0
Class 6 Subtotal		\$0	\$0		\$0	\$0
CLASS 7						
Non-Centrally Assessed Public Util. (8%, 3%)		\$0	\$0		\$0	\$0
CLASS 8						
Machinery (3%)		\$14,614,295	\$426,133		\$13,935,810	\$411,529
Farm Implements (3%)		\$8,188,545	\$245,661		\$8,610,178	\$258,312
Furniture and Fixtures (3%)		\$11,088,080	\$332,634		\$11,098,377	\$332,957
Other Business Equipment		\$1,379,010	\$41,407		\$1,438,408	\$43,188
Class 8 Subtotal		\$35,269,930	\$1,045,835		\$35,082,773	\$1,045,986
CLASS 9						
Utilities (12%)		\$25,136,883	\$3,016,425		\$26,221,930	\$3,146,632
CLASS 10						
Timber Land (0.35%, 0.35%)	128,437	\$59,822,714	\$209,398	128,431	\$61,833,965	\$216,442
CLASS 12						
Railroads (3.88%, 3.81%)		\$15,730,623	\$610,349		\$16,084,262	\$612,812
Airlines (3.88%, 3.81%)		\$10,629	\$412		\$3,558	\$136
Class 12 Subtotal		\$15,741,252	\$610,761		\$16,087,820	\$612,948
CLASS 13						
Electrical Generation Property (6%)		\$0	\$0		\$0	\$0
Telecommunication Property (6%)		\$14,208,445	\$852,505		\$12,382,557	\$742,952
Class 13 Subtotal		\$14,208,445	\$852,505		\$12,382,557	\$742,952
Total		\$856,493,877	\$29,863,164		\$893,050,474	\$30,353,419



Property Tax

Petroleum County

	2003			2004		
	Acres	Assessed	Taxable	Acres	Assessed	Taxable
CLASS 1 Net Proceeds		\$0	\$0		\$0	\$0
CLASS 2 Gross Proceeds		\$0	\$0		\$0	\$0
CLASS 3 Agricultural Land:						
Tillable Irrigated (3.40%, 3.30%)	7,756	\$3,083,457	\$104,834	7,756	\$3,171,417	\$104,662
Tillable Non-Irrigated (3.40%, 3.30%)	58,628	\$7,727,058	\$262,727	58,628	\$7,916,532	\$261,253
Grazing (3.40%, 3.30%)	527,742	\$16,701,220	\$567,904	527,700	\$17,133,755	\$565,405
Wild Hay (3.40%, 3.30%)	4,210	\$1,458,295	\$49,582	4,210	\$1,491,517	\$49,219
Non-Qualified Ag Land (23.8%, 23.1%)	3,225	\$130,803	\$31,131	3,299	\$137,565	\$31,785
Eligible Mining Claims (3.40%, 3.30%)	0	\$0	\$0	0	\$0	\$0
Class 3 Subtotal	601,561	\$29,100,833	\$1,016,178	601,593	\$29,850,786	\$1,012,324
CLASS 4 Land and Improvements:						
Residential (3.40%, 3.30%)		\$7,451,483	\$253,282		\$7,722,013	\$254,840
Residential Low Income (varies)		\$38,216	\$562		\$69,113	\$1,393
Mobile Homes (3.40%, 3.30%)		\$827,033	\$28,120		\$823,626	\$27,178
Mobile Homes Low Income (varies)		\$21,555	\$366		\$0	\$0
Commercial (3.40%, 3.30%)		\$583,694	\$19,845		\$587,287	\$19,381
Industrial (3.40%, 3.30%)		\$0	\$0		\$0	\$0
New Manufacturing (varies)		\$0	\$0		\$0	\$0
Qualified Golf Courses (1.70, 1.65%)		\$0	\$0		\$0	\$0
Remodeled Commercial (varies)		\$0	\$0		\$0	\$0
Extended Prop Tax Relief Program (Res Only)		\$0	\$0		\$0	\$0
Class 4 Subtotal		\$8,921,981	\$302,175		\$9,202,039	\$302,792
CLASS 5						
Rural Electric and Telephone Co-Op (3%)		\$3,551,162	\$106,534		\$3,482,585	\$104,477
Qualified New Industrial (3%)		\$0	\$0		\$0	\$0
Pollution Control (3%)		\$0	\$0		\$0	\$0
Gasohol Related (3%)		\$0	\$0		\$0	\$0
Research and Development (0%-3%)		\$0	\$0		\$0	\$0
Aluminum Electrolytic Equipment (3%)		\$0	\$0		\$0	\$0
Class 5 Subtotal		\$3,551,162	\$106,534		\$3,482,585	\$104,477
CLASS 6						
Livestock (0%)		\$0	\$0		\$0	\$0
Lease and Rental Equipment (3%)		\$0	\$0		\$0	\$0
Canola Seed Processing Equipment (3%)		\$0	\$0		\$0	\$0
Class 6 Subtotal		\$0	\$0		\$0	\$0
CLASS 7						
Non-Centrally Assessed Public Util. (8%, 3%)		\$0	\$0		\$0	\$0
CLASS 8						
Machinery (3%)		\$284,503	\$8,537		\$275,966	\$8,283
Farm Implements (3%)		\$3,438,520	\$103,155		\$4,046,925	\$121,406
Furniture and Fixtures (3%)		\$95,379	\$2,859		\$56,395	\$1,691
Other Business Equipment		\$277,943	\$8,341		\$174,529	\$5,236
Class 8 Subtotal		\$4,096,345	\$122,892		\$4,553,815	\$136,616
CLASS 9						
Utilities (12%)		\$0	\$0		\$0	\$0
CLASS 10						
Timber Land (0.35%, 0.35%)	2,091	\$389,053	\$1,359	2,091	\$397,382	\$1,394
CLASS 12						
Railroads (3.88%, 3.81%)		\$0	\$0		\$0	\$0
Airlines (3.88%, 3.81%)		\$0	\$0		\$0	\$0
Class 12 Subtotal		\$0	\$0		\$0	\$0
CLASS 13						
Electrical Generation Property (6%)		\$0	\$0		\$0	\$0
Telecommunication Property (6%)		\$0	\$0		\$0	\$0
Class 13 Subtotal		\$0	\$0		\$0	\$0
Total		\$46,059,374	\$1,549,138		\$47,486,607	\$1,557,603



Property Tax

Phillips County

	2003			2004		
	Acres	Assessed	Taxable	Acres	Assessed	Taxable
CLASS 1 Net Proceeds		\$0	\$0		\$0	\$0
CLASS 2 Gross Proceeds		\$0	\$0		\$0	\$0
CLASS 3 Agricultural Land:						
Tillable Irrigated (3.40%, 3.30%)	38,993	\$8,355,428	\$284,093	38,940	\$8,868,500	\$292,651
Tillable Non-Irrigated (3.40%, 3.30%)	374,389	\$54,862,876	\$1,865,362	373,943	\$56,161,235	\$1,853,294
Grazing (3.40%, 3.30%)	1,139,072	\$40,869,741	\$1,389,542	1,138,849	\$41,940,801	\$1,384,105
Wild Hay (3.40%, 3.30%)	21,869	\$4,866,850	\$165,467	21,869	\$4,977,717	\$164,269
Non-Qualified Ag Land (23.8%, 23.1%)	4,416	\$180,608	\$42,987	4,950	\$207,999	\$48,050
Eligible Mining Claims (3.40%, 3.30%)	0	\$0	\$0	0	\$0	\$0
Class 3 Subtotal	1,578,739	\$109,135,503	\$3,747,451	1,578,551	\$112,156,252	\$3,742,369
CLASS 4 Land and Improvements:						
Residential (3.40%, 3.30%)		\$55,120,734	\$1,874,002		\$57,595,320	\$1,900,895
Residential Low Income (varies)		\$1,374,192	\$23,749		\$1,427,134	\$23,887
Mobile Homes (3.40%, 3.30%)		\$1,867,868	\$63,503		\$1,813,654	\$59,850
Mobile Homes Low Income (varies)		\$73,689	\$1,379		\$38,288	\$712
Commercial (3.40%, 3.30%)		\$15,270,592	\$519,207		\$15,338,722	\$506,173
Industrial (3.40%, 3.30%)		\$1,349,744	\$45,890		\$1,455,833	\$48,044
New Manufacturing (varies)		\$0	\$0		\$0	\$0
Qualified Golf Courses (1.70, 1.65%)		\$550,578	\$9,359		\$578,514	\$9,545
Remodeled Commercial (varies)		\$247,996	\$4,012		\$268,519	\$6,055
Extended Prop Tax Relief Program (Res Only)		\$35,188	\$968		\$36,163	\$843
Class 4 Subtotal		\$75,890,581	\$2,542,069		\$78,552,147	\$2,556,004
CLASS 5						
Rural Electric and Telephone Co-Op (3%)		\$7,068,667	\$212,059		\$7,889,847	\$236,693
Qualified New Industrial (3%)		\$0	\$0		\$0	\$0
Pollution Control (3%)		\$0	\$0		\$0	\$0
Gasohol Related (3%)		\$0	\$0		\$0	\$0
Research and Development (0%-3%)		\$0	\$0		\$0	\$0
Aluminum Electrolytic Equipment (3%)		\$0	\$0		\$0	\$0
Class 5 Subtotal		\$7,068,667	\$212,059		\$7,889,847	\$236,693
CLASS 6						
Livestock (0%)		\$0	\$0		\$0	\$0
Lease and Rental Equipment (3%)		\$0	\$0		\$0	\$0
Canola Seed Processing Equipment (3%)		\$0	\$0		\$0	\$0
Class 6 Subtotal		\$0	\$0		\$0	\$0
CLASS 7						
Non-Centrally Assessed Public Util. (8%, 3%)		\$0	\$0		\$0	\$0
CLASS 8						
Machinery (3%)		\$4,951,452	\$148,546		\$3,895,142	\$116,867
Farm Implements (3%)		\$16,693,310	\$500,812		\$17,651,688	\$529,544
Furniture and Fixtures (3%)		\$2,127,090	\$63,812		\$1,979,059	\$59,370
Other Business Equipment		\$2,073,053	\$62,199		\$2,522,639	\$75,685
Class 8 Subtotal		\$25,844,905	\$775,369		\$26,048,528	\$781,466
CLASS 9						
Utilities (12%)		\$44,293,347	\$5,315,205		\$47,631,857	\$5,715,820
CLASS 10						
Timber Land (0.35%, 0.35%)	1,613	\$300,107	\$1,050	1,490	\$283,224	\$994
CLASS 12						
Railroads (3.88%, 3.81%)		\$20,637,485	\$800,734		\$19,788,111	\$753,926
Airlines (3.88%, 3.81%)		\$1,386	\$54		\$1,002	\$38
Class 12 Subtotal		\$20,638,871	\$800,788		\$19,789,113	\$753,964
CLASS 13						
Electrical Generation Property (6%)		\$0	\$0		\$0	\$0
Telecommunication Property (6%)		\$3,204,911	\$192,293		\$3,383,300	\$202,996
Class 13 Subtotal		\$3,204,911	\$192,293		\$3,383,300	\$202,996
Total		\$286,376,892	\$13,586,284		\$295,734,268	\$13,990,306



Property Tax

Pondera County

	2003			2004		
	Acres	Assessed	Taxable	Acres	Assessed	Taxable
CLASS 1 Net Proceeds		\$0	\$0		\$0	\$0
CLASS 2 Gross Proceeds		\$0	\$0		\$0	\$0
CLASS 3 Agricultural Land:						
Tillable Irrigated (3.40%, 3.30%)	84,772	\$20,871,820	\$709,625	84,764	\$21,727,440	\$716,994
Tillable Non-Irrigated (3.40%, 3.30%)	422,656	\$81,268,305	\$2,763,142	422,555	\$83,319,621	\$2,749,534
Grazing (3.40%, 3.30%)	241,724	\$10,854,020	\$369,128	241,699	\$11,145,860	\$367,919
Wild Hay (3.40%, 3.30%)	5,796	\$1,058,466	\$35,989	5,796	\$1,084,003	\$35,775
Non-Qualified Ag Land (23.8%, 23.1%)	2,605	\$96,985	\$23,080	2,718	\$104,372	\$24,114
Eligible Mining Claims (3.40%, 3.30%)	0	\$0	\$0	0	\$0	\$0
Class 3 Subtotal	757,552	\$114,149,596	\$3,900,964	757,533	\$117,381,296	\$3,894,336
CLASS 4 Land and Improvements:						
Residential (3.40%, 3.30%)		\$94,002,362	\$3,195,863		\$96,334,130	\$3,179,277
Residential Low Income (varies)		\$1,581,739	\$28,226		\$1,862,230	\$29,446
Mobile Homes (3.40%, 3.30%)		\$1,968,636	\$66,932		\$1,987,078	\$65,578
Mobile Homes Low Income (varies)		\$83,074	\$1,150		\$62,630	\$723
Commercial (3.40%, 3.30%)		\$19,471,136	\$662,027		\$20,143,792	\$664,756
Industrial (3.40%, 3.30%)		\$9,537,483	\$324,275		\$9,009,197	\$297,303
New Manufacturing (varies)		\$0	\$0		\$0	\$0
Qualified Golf Courses (1.70, 1.65%)		\$200,100	\$3,402		\$204,852	\$3,380
Remodeled Commercial (varies)		\$260,383	\$1,816		\$81,196	\$1,758
Extended Prop Tax Relief Program (Res Only)		\$0	\$0		\$0	\$0
Class 4 Subtotal		\$127,104,913	\$4,283,691		\$129,685,105	\$4,242,221
CLASS 5						
Rural Electric and Telephone Co-Op (3%)		\$11,407,653	\$342,228		\$11,503,576	\$345,106
Qualified New Industrial (3%)		\$0	\$0		\$0	\$0
Pollution Control (3%)		\$0	\$0		\$0	\$0
Gasohol Related (3%)		\$0	\$0		\$0	\$0
Research and Development (0%-3%)		\$0	\$0		\$0	\$0
Aluminum Electrolytic Equipment (3%)		\$0	\$0		\$0	\$0
Class 5 Subtotal		\$11,407,653	\$342,228		\$11,503,576	\$345,106
CLASS 6						
Livestock (0%)		\$0	\$0		\$0	\$0
Lease and Rental Equipment (3%)		\$0	\$0		\$0	\$0
Canola Seed Processing Equipment (3%)		\$0	\$0		\$0	\$0
Class 6 Subtotal		\$0	\$0		\$0	\$0
CLASS 7						
Non-Centrally Assessed Public Util. (8%, 3%)		\$0	\$0		\$0	\$0
CLASS 8						
Machinery (3%)		\$6,109,194	\$183,276		\$5,557,040	\$166,726
Farm Implements (3%)		\$24,136,450	\$724,102		\$24,118,052	\$723,544
Furniture and Fixtures (3%)		\$2,472,182	\$74,162		\$2,333,759	\$70,017
Other Business Equipment		\$2,389,296	\$71,718		\$2,485,605	\$74,597
Class 8 Subtotal		\$35,107,122	\$1,053,258		\$34,494,456	\$1,034,884
CLASS 9						
Utilities (12%)		\$15,191,286	\$1,822,956		\$16,316,491	\$1,957,979
CLASS 10						
Timber Land (0.35%, 0.35%)	853	\$493,319	\$1,726	853	\$509,610	\$1,783
CLASS 12						
Railroads (3.88%, 3.81%)		\$12,649,731	\$490,809		\$12,127,413	\$462,053
Airlines (3.88%, 3.81%)		\$0	\$0		\$364	\$14
Class 12 Subtotal		\$12,649,731	\$490,809		\$12,127,777	\$462,067
CLASS 13						
Electrical Generation Property (6%)		\$0	\$0		\$0	\$0
Telecommunication Property (6%)		\$2,704,620	\$162,277		\$2,013,943	\$120,837
Class 13 Subtotal		\$2,704,620	\$162,277		\$2,013,943	\$120,837
Total		\$318,808,240	\$12,057,909		\$324,032,254	\$12,059,213



Property Tax

Powder River County

	2003			2004		
	Acres	Assessed	Taxable	Acres	Assessed	Taxable
CLASS 1 Net Proceeds		\$0	\$0		\$0	\$0
CLASS 2 Gross Proceeds		\$0	\$0		\$0	\$0
CLASS 3 Agricultural Land:						
Tillable Irrigated (3.40%, 3.30%)	8,129	\$1,732,996	\$58,923	8,140	\$1,835,286	\$60,565
Tillable Non-Irrigated (3.40%, 3.30%)	64,592	\$11,057,371	\$375,963	64,051	\$11,236,994	\$370,823
Grazing (3.40%, 3.30%)	1,223,308	\$39,917,513	\$1,357,222	1,223,165	\$40,955,419	\$1,351,534
Wild Hay (3.40%, 3.30%)	44,716	\$7,113,072	\$241,857	45,227	\$7,354,051	\$242,671
Non-Qualified Ag Land (23.8%, 23.1%)	1,205	\$49,716	\$11,835	1,164	\$49,192	\$11,363
Eligible Mining Claims (3.40%, 3.30%)	0	\$0	\$0	0	\$0	\$0
Class 3 Subtotal	1,341,950	\$59,870,668	\$2,045,800	1,341,747	\$61,430,942	\$2,036,956
CLASS 4 Land and Improvements:						
Residential (3.40%, 3.30%)		\$20,131,232	\$684,352		\$21,203,443	\$699,889
Residential Low Income (varies)		\$224,920	\$4,803		\$254,295	\$4,933
Mobile Homes (3.40%, 3.30%)		\$3,628,520	\$123,369		\$3,744,742	\$123,578
Mobile Homes Low Income (varies)		\$116,237	\$2,638		\$108,937	\$2,510
Commercial (3.40%, 3.30%)		\$3,579,451	\$121,699		\$3,688,826	\$121,726
Industrial (3.40%, 3.30%)		\$64,755	\$2,202		\$66,208	\$2,185
New Manufacturing (varies)		\$0	\$0		\$0	\$0
Qualified Golf Courses (1.70, 1.65%)		\$0	\$0		\$0	\$0
Remodeled Commercial (varies)		\$0	\$0		\$0	\$0
Extended Prop Tax Relief Program (Res Only)		\$21,065	\$624		\$24,805	\$665
Class 4 Subtotal		\$27,766,180	\$939,687		\$29,091,256	\$955,486
CLASS 5						
Rural Electric and Telephone Co-Op (3%)		\$7,409,256	\$222,278		\$6,684,817	\$200,544
Qualified New Industrial (3%)		\$0	\$0		\$0	\$0
Pollution Control (3%)		\$0	\$0		\$0	\$0
Gasohol Related (3%)		\$0	\$0		\$0	\$0
Research and Development (0%-3%)		\$0	\$0		\$0	\$0
Aluminum Electrolytic Equipment (3%)		\$0	\$0		\$0	\$0
Class 5 Subtotal		\$7,409,256	\$222,278		\$6,684,817	\$200,544
CLASS 6						
Livestock (0%)		\$0	\$0		\$0	\$0
Lease and Rental Equipment (3%)		\$0	\$0		\$0	\$0
Canola Seed Processing Equipment (3%)		\$0	\$0		\$0	\$0
Class 6 Subtotal		\$0	\$0		\$0	\$0
CLASS 7						
Non-Centrally Assessed Public Util. (8%, 3%)		\$0	\$0		\$0	\$0
CLASS 8						
Machinery (3%)		\$2,874,144	\$86,221		\$2,882,166	\$86,470
Farm Implements (3%)		\$11,606,463	\$348,195		\$12,100,361	\$363,011
Furniture and Fixtures (3%)		\$622,110	\$18,663		\$606,171	\$18,184
Other Business Equipment		\$659,318	\$19,785		\$621,762	\$18,655
Class 8 Subtotal		\$15,762,035	\$472,864		\$16,210,460	\$486,320
CLASS 9						
Utilities (12%)		\$2,436,754	\$292,411		\$2,618,681	\$314,240
CLASS 10						
Timber Land (0.35%, 0.35%)	17,346	\$3,227,615	\$11,304	17,346	\$3,296,639	\$11,555
CLASS 12						
Railroads (3.88%, 3.81%)		\$0	\$0		\$0	\$0
Airlines (3.88%, 3.81%)		\$0	\$0		\$0	\$0
Class 12 Subtotal		\$0	\$0		\$0	\$0
CLASS 13						
Electrical Generation Property (6%)		\$0	\$0		\$0	\$0
Telecommunication Property (6%)		\$7,493	\$450		\$5,659	\$340
Class 13 Subtotal		\$7,493	\$450		\$5,659	\$340
Total		\$116,480,001	\$3,984,794		\$119,338,454	\$4,005,441



Property Tax

Powell County

	2003			2004		
	Acres	Assessed	Taxable	Acres	Assessed	Taxable
CLASS 1 Net Proceeds		\$0	\$0		\$0	\$0
CLASS 2 Gross Proceeds		\$0	\$0		\$0	\$0
CLASS 3 Agricultural Land:						
Tillable Irrigated (3.40%, 3.30%)	50,111	\$13,078,413	\$444,661	49,878	\$13,617,324	\$449,356
Tillable Non-Irrigated (3.40%, 3.30%)	1,585	\$450,001	\$15,302	1,585	\$461,035	\$15,213
Grazing (3.40%, 3.30%)	348,515	\$15,467,476	\$525,907	348,371	\$15,876,190	\$523,940
Wild Hay (3.40%, 3.30%)	9,251	\$2,586,692	\$87,944	9,232	\$2,652,074	\$87,520
Non-Qualified Ag Land (23.8%, 23.1%)	18,636	\$763,737	\$181,802	18,370	\$771,814	\$178,331
Eligible Mining Claims (3.40%, 3.30%)	402	\$22,233	\$755	466	\$24,134	\$795
Class 3 Subtotal	428,500	\$32,368,552	\$1,256,371	427,900	\$33,402,571	\$1,255,155
CLASS 4 Land and Improvements:						
Residential (3.40%, 3.30%)		\$102,234,061	\$3,475,922		\$109,694,039	\$3,620,137
Residential Low Income (varies)		\$3,031,808	\$48,802		\$3,319,838	\$52,136
Mobile Homes (3.40%, 3.30%)		\$4,865,983	\$165,435		\$4,869,553	\$160,691
Mobile Homes Low Income (varies)		\$256,089	\$3,756		\$231,104	\$3,670
Commercial (3.40%, 3.30%)		\$17,553,918	\$596,831		\$18,670,435	\$616,123
Industrial (3.40%, 3.30%)		\$3,119,677	\$106,067		\$3,288,242	\$108,514
New Manufacturing (varies)		\$0	\$0		\$0	\$0
Qualified Golf Courses (1.70, 1.65%)		\$0	\$0		\$0	\$0
Remodeled Commercial (varies)		\$0	\$0		\$0	\$0
Extended Prop Tax Relief Program (Res Only)		\$1,064,988	\$31,448		\$1,018,946	\$28,295
Class 4 Subtotal		\$132,126,524	\$4,428,261		\$141,092,157	\$4,589,566
CLASS 5						
Rural Electric and Telephone Co-Op (3%)		\$8,081,816	\$242,456		\$9,615,778	\$288,472
Qualified New Industrial (3%)		\$0	\$0		\$0	\$0
Pollution Control (3%)		\$0	\$0		\$0	\$0
Gasohol Related (3%)		\$0	\$0		\$0	\$0
Research and Development (0%-3%)		\$0	\$0		\$0	\$0
Aluminum Electrolytic Equipment (3%)		\$0	\$0		\$0	\$0
Class 5 Subtotal		\$8,081,816	\$242,456		\$9,615,778	\$288,472
CLASS 6						
Livestock (0%)		\$0	\$0		\$0	\$0
Lease and Rental Equipment (3%)		\$0	\$0		\$0	\$0
Canola Seed Processing Equipment (3%)		\$0	\$0		\$0	\$0
Class 6 Subtotal		\$0	\$0		\$0	\$0
CLASS 7						
Non-Centrally Assessed Public Util. (8%, 3%)		\$0	\$0		\$0	\$0
CLASS 8						
Machinery (3%)		\$13,270,254	\$398,112		\$14,463,279	\$433,913
Farm Implements (3%)		\$5,135,499	\$154,070		\$5,252,333	\$157,573
Furniture and Fixtures (3%)		\$2,533,826	\$76,018		\$2,314,173	\$69,427
Other Business Equipment		\$324,742	\$9,748		\$415,559	\$12,476
Class 8 Subtotal		\$21,264,321	\$637,948		\$22,445,344	\$673,389
CLASS 9						
Utilities (12%)		\$24,724,425	\$2,966,928		\$25,330,737	\$3,039,687
CLASS 10						
Timber Land (0.35%, 0.35%)	225,385	\$115,566,773	\$404,442	226,206	\$116,006,922	\$405,987
CLASS 12						
Railroads (3.88%, 3.81%)		\$16,094,650	\$624,473		\$20,636,321	\$786,243
Airlines (3.88%, 3.81%)		\$0	\$0		\$364	\$14
Class 12 Subtotal		\$16,094,650	\$624,473		\$20,636,685	\$786,257
CLASS 13						
Electrical Generation Property (6%)		\$0	\$0		\$0	\$0
Telecommunication Property (6%)		\$8,164,658	\$489,881		\$5,223,413	\$313,405
Class 13 Subtotal		\$8,164,658	\$489,881		\$5,223,413	\$313,405
Total		\$358,391,719	\$11,050,760		\$373,753,607	\$11,351,918



Property Tax

Prairie County

	2003			2004		
	Acres	Assessed	Taxable	Acres	Assessed	Taxable
CLASS 1 Net Proceeds		\$0	\$0		\$0	\$0
CLASS 2 Gross Proceeds		\$0	\$0		\$0	\$0
CLASS 3 Agricultural Land:						
Tillable Irrigated (3.40%, 3.30%)	13,654	\$6,655,239	\$226,279	13,725	\$6,884,913	\$227,202
Tillable Non-Irrigated (3.40%, 3.30%)	106,936	\$13,908,339	\$472,880	104,773	\$13,974,270	\$461,151
Grazing (3.40%, 3.30%)	455,329	\$14,076,453	\$478,613	457,360	\$14,538,525	\$479,766
Wild Hay (3.40%, 3.30%)	0	\$0	\$0	0	\$0	\$0
Non-Qualified Ag Land (23.8%, 23.1%)	89	\$3,631	\$864	172	\$7,200	\$1,664
Eligible Mining Claims (3.40%, 3.30%)	0	\$0	\$0	0	\$0	\$0
Class 3 Subtotal	576,008	\$34,643,662	\$1,178,636	576,030	\$35,404,908	\$1,169,783
CLASS 4 Land and Improvements:						
Residential (3.40%, 3.30%)		\$12,462,345	\$423,709		\$13,227,461	\$436,625
Residential Low Income (varies)		\$217,488	\$3,938		\$211,147	\$3,600
Mobile Homes (3.40%, 3.30%)		\$619,856	\$21,074		\$664,161	\$21,919
Mobile Homes Low Income (varies)		\$57,082	\$1,324		\$56,720	\$1,274
Commercial (3.40%, 3.30%)		\$1,902,580	\$64,689		\$1,841,690	\$60,764
Industrial (3.40%, 3.30%)		\$296,217	\$10,071		\$443,628	\$14,640
New Manufacturing (varies)		\$203,493	\$3,459		\$202,791	\$3,346
Qualified Golf Courses (1.70, 1.65%)		\$0	\$0		\$0	\$0
Remodeled Commercial (varies)		\$0	\$0		\$0	\$0
Extended Prop Tax Relief Program (Res Only)		\$23,041	\$707		\$42,842	\$1,298
Class 4 Subtotal		\$15,782,102	\$528,971		\$16,690,440	\$543,466
CLASS 5						
Rural Electric and Telephone Co-Op (3%)		\$3,211,985	\$96,360		\$3,235,508	\$97,067
Qualified New Industrial (3%)		\$0	\$0		\$0	\$0
Pollution Control (3%)		\$0	\$0		\$0	\$0
Gasohol Related (3%)		\$0	\$0		\$0	\$0
Research and Development (0%-3%)		\$0	\$0		\$0	\$0
Aluminum Electrolytic Equipment (3%)		\$0	\$0		\$0	\$0
Class 5 Subtotal		\$3,211,985	\$96,360		\$3,235,508	\$97,067
CLASS 6						
Livestock (0%)		\$0	\$0		\$0	\$0
Lease and Rental Equipment (3%)		\$0	\$0		\$0	\$0
Canola Seed Processing Equipment (3%)		\$0	\$0		\$0	\$0
Class 6 Subtotal		\$0	\$0		\$0	\$0
CLASS 7						
Non-Centrally Assessed Public Util. (8%, 3%)		\$0	\$0		\$0	\$0
CLASS 8						
Machinery (3%)		\$483,292	\$13,982		\$446,685	\$13,334
Farm Implements (3%)		\$7,008,702	\$210,264		\$7,346,127	\$220,380
Furniture and Fixtures (3%)		\$1,303,889	\$39,111		\$1,013,981	\$30,415
Other Business Equipment		\$718,366	\$21,555		\$900,833	\$27,029
Class 8 Subtotal		\$9,514,249	\$284,912		\$9,707,626	\$291,158
CLASS 9						
Utilities (12%)		\$3,095,741	\$371,489		\$3,580,236	\$429,629
CLASS 10						
Timber Land (0.35%, 0.35%)	436	\$81,125	\$285	436	\$82,860	\$290
CLASS 12						
Railroads (3.88%, 3.81%)		\$18,723,607	\$726,476		\$17,950,193	\$683,902
Airlines (3.88%, 3.81%)		\$0	\$0		\$0	\$0
Class 12 Subtotal		\$18,723,607	\$726,476		\$17,950,193	\$683,902
CLASS 13						
Electrical Generation Property (6%)		\$0	\$0		\$0	\$0
Telecommunication Property (6%)		\$1,881,212	\$112,873		\$1,848,128	\$110,888
Class 13 Subtotal		\$1,881,212	\$112,873		\$1,848,128	\$110,888
Total		\$86,933,683	\$3,300,002		\$88,499,899	\$3,326,183



Property Tax

Ravalli County

	2003			2004		
	Acres	Assessed	Taxable	Acres	Assessed	Taxable
CLASS 1 Net Proceeds		\$0	\$0		\$0	\$0
CLASS 2 Gross Proceeds		\$0	\$0		\$0	\$0
CLASS 3 Agricultural Land:						
Tillable Irrigated (3.40%, 3.30%)	45,699	\$15,038,735	\$511,339	45,231	\$15,759,017	\$520,051
Tillable Non-Irrigated (3.40%, 3.30%)	5,303	\$966,764	\$32,869	5,264	\$978,849	\$32,302
Grazing (3.40%, 3.30%)	129,570	\$8,630,459	\$293,440	128,065	\$8,645,328	\$285,308
Wild Hay (3.40%, 3.30%)	1,255	\$335,755	\$11,414	1,225	\$333,850	\$11,022
Non-Qualified Ag Land (23.8%, 23.1%)	29,026	\$1,186,628	\$282,436	30,236	\$1,278,323	\$295,305
Eligible Mining Claims (3.40%, 3.30%)	0	\$0	\$0	0	\$0	\$0
Class 3 Subtotal	210,854	\$26,158,341	\$1,131,498	210,020	\$26,995,367	\$1,143,988
CLASS 4 Land and Improvements:						
Residential (3.40%, 3.30%)		\$1,196,172,730	\$40,669,586		\$1,291,287,203	\$42,613,019
Residential Low Income (varies)		\$31,037,502	\$505,914		\$30,666,389	\$475,805
Mobile Homes (3.40%, 3.30%)		\$21,045,901	\$715,572		\$20,707,272	\$683,346
Mobile Homes Low Income (varies)		\$1,026,902	\$21,164		\$1,166,087	\$21,279
Commercial (3.40%, 3.30%)		\$192,329,123	\$6,539,163		\$203,445,553	\$6,713,675
Industrial (3.40%, 3.30%)		\$5,340,586	\$181,582		\$11,098,932	\$366,263
New Manufacturing (varies)		\$5,120,820	\$153,591		\$227,587	\$4,506
Qualified Golf Courses (1.70, 1.65%)		\$6,343,149	\$107,833		\$6,409,446	\$105,756
Remodeled Commercial (varies)		\$1,563,643	\$19,908		\$1,956,101	\$32,292
Extended Prop Tax Relief Program (Res Only)		\$4,873,207	\$150,880		\$3,109,117	\$92,257
Class 4 Subtotal		\$1,464,853,563	\$49,065,193		\$1,570,073,687	\$51,108,198
CLASS 5						
Rural Electric and Telephone Co-Op (3%)		\$18,054,352	\$541,630		\$19,108,185	\$573,245
Qualified New Industrial (3%)		\$0	\$0		\$0	\$0
Pollution Control (3%)		\$0	\$0		\$0	\$0
Gasohol Related (3%)		\$0	\$0		\$0	\$0
Research and Development (0%-3%)		\$0	\$0		\$0	\$0
Aluminum Electrolytic Equipment (3%)		\$0	\$0		\$0	\$0
Class 5 Subtotal		\$18,054,352	\$541,630		\$19,108,185	\$573,245
CLASS 6						
Livestock (0%)		\$0	\$0		\$0	\$0
Lease and Rental Equipment (3%)		\$0	\$0		\$0	\$0
Canola Seed Processing Equipment (3%)		\$0	\$0		\$0	\$0
Class 6 Subtotal		\$0	\$0		\$0	\$0
CLASS 7						
Non-Centrally Assessed Public Util. (8%, 3%)		\$0	\$0		\$0	\$0
CLASS 8						
Machinery (3%)		\$29,077,457	\$871,343		\$30,274,223	\$908,243
Farm Implements (3%)		\$7,867,333	\$236,018		\$9,231,092	\$276,928
Furniture and Fixtures (3%)		\$16,865,924	\$505,974		\$17,598,688	\$527,946
Other Business Equipment		\$4,784,732	\$143,600		\$4,900,234	\$147,068
Class 8 Subtotal		\$58,595,446	\$1,756,935		\$62,004,237	\$1,860,185
CLASS 9						
Utilities (12%)		\$19,045,666	\$2,285,479		\$22,455,542	\$2,694,665
CLASS 10						
Timber Land (0.35%, 0.35%)	103,160	\$41,252,666	\$144,331	102,997	\$40,177,895	\$140,574
CLASS 12						
Railroads (3.88%, 3.81%)		\$13,952,577	\$541,360		\$14,334,247	\$546,134
Airlines (3.88%, 3.81%)		\$0	\$0		\$8,590	\$327
Class 12 Subtotal		\$13,952,577	\$541,360		\$14,342,837	\$546,461
CLASS 13						
Electrical Generation Property (6%)		\$0	\$0		\$0	\$0
Telecommunication Property (6%)		\$18,404,073	\$1,104,241		\$16,345,054	\$980,703
Class 13 Subtotal		\$18,404,073	\$1,104,241		\$16,345,054	\$980,703
Total		\$1,660,316,684	\$56,570,667		\$1,771,502,804	\$59,048,019



Property Tax

Richland County

	2003			2004		
	Acres	Assessed	Taxable	Acres	Assessed	Taxable
CLASS 1 Net Proceeds		\$0	\$0		\$0	\$0
CLASS 2 Gross Proceeds		\$0	\$0		\$0	\$0
CLASS 3 Agricultural Land:						
Tillable Irrigated (3.40%, 3.30%)	39,941	\$22,511,229	\$765,387	39,883	\$22,787,193	\$751,973
Tillable Non-Irrigated (3.40%, 3.30%)	366,619	\$51,019,647	\$1,734,690	366,819	\$52,305,068	\$1,726,040
Grazing (3.40%, 3.30%)	766,552	\$31,107,553	\$1,057,671	767,539	\$31,956,159	\$1,054,538
Wild Hay (3.40%, 3.30%)	130	\$19,809	\$673	130	\$20,261	\$669
Non-Qualified Ag Land (23.8%, 23.1%)	4,549	\$187,163	\$44,549	5,004	\$210,981	\$48,739
Eligible Mining Claims (3.40%, 3.30%)	0	\$0	\$0	0	\$0	\$0
Class 3 Subtotal	1,177,791	\$104,845,401	\$3,602,970	1,179,375	\$107,279,662	\$3,581,959
CLASS 4 Land and Improvements:						
Residential (3.40%, 3.30%)		\$119,398,442	\$4,059,340		\$121,323,575	\$4,004,006
Residential Low Income (varies)		\$2,158,332	\$37,583		\$2,152,035	\$34,613
Mobile Homes (3.40%, 3.30%)		\$2,329,179	\$79,195		\$2,333,141	\$76,990
Mobile Homes Low Income (varies)		\$141,924	\$2,489		\$113,200	\$1,754
Commercial (3.40%, 3.30%)		\$38,097,845	\$1,295,324		\$38,356,803	\$1,265,740
Industrial (3.40%, 3.30%)		\$8,741,357	\$297,205		\$11,926,505	\$393,574
New Manufacturing (varies)		\$3,322,600	\$93,220		\$5,327,371	\$92,766
Qualified Golf Courses (1.70, 1.65%)		\$353,763	\$6,014		\$360,318	\$5,945
Remodeled Commercial (varies)		\$157,249	\$3,823		\$158,224	\$3,728
Extended Prop Tax Relief Program (Res Only)		\$175,948	\$5,841		\$188,236	\$6,080
Class 4 Subtotal		\$174,876,639	\$5,880,034		\$182,239,408	\$5,885,196
CLASS 5						
Rural Electric and Telephone Co-Op (3%)		\$22,492,996	\$674,791		\$22,453,380	\$673,603
Qualified New Industrial (3%)		\$0	\$0		\$0	\$0
Pollution Control (3%)		\$1,549,612	\$46,488		\$1,366,796	\$41,004
Gasohol Related (3%)		\$0	\$0		\$0	\$0
Research and Development (0%-3%)		\$0	\$0		\$0	\$0
Aluminum Electrolytic Equipment (3%)		\$0	\$0		\$0	\$0
Class 5 Subtotal		\$24,042,608	\$721,279		\$23,820,176	\$714,607
CLASS 6						
Livestock (0%)		\$0	\$0		\$0	\$0
Lease and Rental Equipment (3%)		\$0	\$0		\$0	\$0
Canola Seed Processing Equipment (3%)		\$0	\$0		\$0	\$0
Class 6 Subtotal		\$0	\$0		\$0	\$0
CLASS 7						
Non-Centrally Assessed Public Util. (8%, 3%)		\$0	\$0		\$0	\$0
CLASS 8						
Machinery (3%)		\$22,390,313	\$607,821		\$24,846,488	\$691,391
Farm Implements (3%)		\$21,339,887	\$640,197		\$20,868,120	\$626,043
Furniture and Fixtures (3%)		\$3,601,120	\$108,036		\$3,903,002	\$117,082
Other Business Equipment		\$19,384,834	\$581,566		\$28,667,381	\$860,035
Class 8 Subtotal		\$66,716,154	\$1,937,620		\$78,284,991	\$2,294,551
CLASS 9						
Utilities (12%)		\$16,879,314	\$2,025,520		\$20,998,204	\$2,519,785
CLASS 10						
Timber Land (0.35%, 0.35%)	0	\$0	\$0	0	\$0	\$0
CLASS 12						
Railroads (3.88%, 3.81%)		\$10,146,461	\$393,682		\$9,730,119	\$370,717
Airlines (3.88%, 3.81%)		\$186,305	\$7,229		\$146,315	\$5,575
Class 12 Subtotal		\$10,332,766	\$400,911		\$9,876,434	\$376,292
CLASS 13						
Electrical Generation Property (6%)		\$9,460,294	\$567,618		\$9,589,232	\$575,354
Telecommunication Property (6%)		\$4,604,206	\$276,251		\$4,014,927	\$240,897
Class 13 Subtotal		\$14,064,500	\$843,869		\$13,604,159	\$816,251
Total		\$411,757,382	\$15,412,203		\$436,103,034	\$16,188,641



Property Tax

Roosevelt County

	2003			2004		
	Acres	Assessed	Taxable	Acres	Assessed	Taxable
CLASS 1 Net Proceeds		\$0	\$0		\$0	\$0
CLASS 2 Gross Proceeds		\$0	\$0		\$0	\$0
CLASS 3 Agricultural Land:						
Tillable Irrigated (3.40%, 3.30%)	14,848	\$4,142,204	\$140,838	14,848	\$4,444,949	\$146,679
Tillable Non-Irrigated (3.40%, 3.30%)	556,658	\$77,455,603	\$2,633,497	557,983	\$79,376,496	\$2,619,431
Grazing (3.40%, 3.30%)	425,094	\$15,567,630	\$529,464	427,329	\$15,976,227	\$527,286
Wild Hay (3.40%, 3.30%)	15,376	\$3,136,598	\$106,639	15,356	\$3,200,442	\$105,614
Non-Qualified Ag Land (23.8%, 23.1%)	6,431	\$222,905	\$53,052	7,486	\$234,512	\$54,189
Eligible Mining Claims (3.40%, 3.30%)	0	\$0	\$0	0	\$0	\$0
Class 3 Subtotal	1,018,407	\$100,524,940	\$3,463,490	1,023,002	\$103,232,626	\$3,453,199
CLASS 4 Land and Improvements:						
Residential (3.40%, 3.30%)		\$61,269,805	\$2,083,054		\$63,870,299	\$2,108,059
Residential Low Income (varies)		\$1,056,236	\$21,115		\$715,047	\$12,439
Mobile Homes (3.40%, 3.30%)		\$3,363,118	\$114,343		\$3,280,345	\$108,257
Mobile Homes Low Income (varies)		\$52,873	\$901		\$74,961	\$1,428
Commercial (3.40%, 3.30%)		\$17,648,761	\$600,056		\$18,001,110	\$594,017
Industrial (3.40%, 3.30%)		\$8,549,252	\$290,678		\$7,919,708	\$261,352
New Manufacturing (varies)		\$0	\$0		\$0	\$0
Qualified Golf Courses (1.70, 1.65%)		\$80,909	\$1,375		\$82,796	\$1,366
Remodeled Commercial (varies)		\$0	\$0		\$0	\$0
Extended Prop Tax Relief Program (Res Only)		\$0	\$0		\$26,750	\$797
Class 4 Subtotal		\$92,020,954	\$3,111,522		\$93,971,016	\$3,087,715
CLASS 5						
Rural Electric and Telephone Co-Op (3%)		\$8,322,184	\$249,664		\$8,916,322	\$267,489
Qualified New Industrial (3%)		\$0	\$0		\$0	\$0
Pollution Control (3%)		\$0	\$0		\$0	\$0
Gasohol Related (3%)		\$0	\$0		\$0	\$0
Research and Development (0%-3%)		\$0	\$0		\$0	\$0
Aluminum Electrolytic Equipment (3%)		\$0	\$0		\$0	\$0
Class 5 Subtotal		\$8,322,184	\$249,664		\$8,916,322	\$267,489
CLASS 6						
Livestock (0%)		\$0	\$0		\$0	\$0
Lease and Rental Equipment (3%)		\$0	\$0		\$0	\$0
Canola Seed Processing Equipment (3%)		\$0	\$0		\$0	\$0
Class 6 Subtotal		\$0	\$0		\$0	\$0
CLASS 7						
Non-Centrally Assessed Public Util. (8%, 3%)		\$0	\$0		\$0	\$0
CLASS 8						
Machinery (3%)		\$5,218,243	\$129,512		\$5,362,467	\$140,005
Farm Implements (3%)		\$22,140,871	\$664,229		\$23,621,766	\$708,661
Furniture and Fixtures (3%)		\$2,468,134	\$74,050		\$2,235,404	\$67,060
Other Business Equipment		\$9,904,397	\$297,136		\$9,327,766	\$279,857
Class 8 Subtotal		\$39,731,645	\$1,164,927		\$40,547,403	\$1,195,583
CLASS 9						
Utilities (12%)		\$117,534,092	\$14,104,091		\$123,115,417	\$14,773,847
CLASS 10						
Timber Land (0.35%, 0.35%)	0	\$0	\$0	0	\$0	\$0
CLASS 12						
Railroads (3.88%, 3.81%)		\$42,038,993	\$1,631,115		\$40,304,506	\$1,535,601
Airlines (3.88%, 3.81%)		\$984,187	\$38,186		\$774,430	\$29,506
Class 12 Subtotal		\$43,023,180	\$1,669,301		\$41,078,936	\$1,565,107
CLASS 13						
Electrical Generation Property (6%)		\$0	\$0		\$0	\$0
Telecommunication Property (6%)		\$9,051,821	\$543,110		\$7,687,176	\$461,228
Class 13 Subtotal		\$9,051,821	\$543,110		\$7,687,176	\$461,228
Total		\$410,208,816	\$24,306,105		\$418,548,896	\$24,804,168



Property Tax

Rosebud County

	2003			2004		
	Acres	Assessed	Taxable	Acres	Assessed	Taxable
CLASS 1 Net Proceeds		\$0	\$0		\$0	\$0
CLASS 2 Gross Proceeds		\$0	\$0		\$0	\$0
CLASS 3 Agricultural Land:						
Tillable Irrigated (3.40%, 3.30%)	28,370	\$11,538,894	\$392,320	28,405	\$11,869,218	\$391,680
Tillable Non-Irrigated (3.40%, 3.30%)	138,300	\$19,650,796	\$668,134	138,300	\$20,132,160	\$664,350
Grazing (3.40%, 3.30%)	2,181,953	\$60,326,886	\$2,051,080	2,181,848	\$61,884,056	\$2,042,298
Wild Hay (3.40%, 3.30%)	21,615	\$4,728,078	\$160,746	21,615	\$4,835,954	\$159,599
Non-Qualified Ag Land (23.8%, 23.1%)	5,881	\$239,950	\$57,110	6,318	\$264,623	\$61,132
Eligible Mining Claims (3.40%, 3.30%)	0	\$0	\$0	0	\$0	\$0
Class 3 Subtotal	2,376,119	\$96,484,604	\$3,329,390	2,376,486	\$98,986,011	\$3,319,059
CLASS 4 Land and Improvements:						
Residential (3.40%, 3.30%)		\$68,279,108	\$2,321,356		\$69,886,809	\$2,306,427
Residential Low Income (varies)		\$695,681	\$12,127		\$754,166	\$12,210
Mobile Homes (3.40%, 3.30%)		\$7,130,930	\$242,443		\$7,311,050	\$241,251
Mobile Homes Low Income (varies)		\$138,743	\$2,319		\$158,086	\$2,660
Commercial (3.40%, 3.30%)		\$17,879,490	\$607,891		\$18,114,641	\$597,779
Industrial (3.40%, 3.30%)		\$39,326,636	\$1,337,109		\$40,736,733	\$1,344,313
New Manufacturing (varies)		\$0	\$0		\$0	\$0
Qualified Golf Courses (1.70, 1.65%)		\$0	\$0		\$0	\$0
Remodeled Commercial (varies)		\$9,938	\$68		\$9,938	\$131
Extended Prop Tax Relief Program (Res Only)		\$0	\$0		\$0	\$0
Class 4 Subtotal		\$133,460,526	\$4,523,313		\$136,971,423	\$4,504,771
CLASS 5						
Rural Electric and Telephone Co-Op (3%)		\$11,702,041	\$351,061		\$10,900,098	\$327,003
Qualified New Industrial (3%)		\$0	\$0		\$0	\$0
Pollution Control (3%)		\$214,643,792	\$6,439,314		\$240,723,556	\$7,221,706
Gasohol Related (3%)		\$0	\$0		\$0	\$0
Research and Development (0%-3%)		\$0	\$0		\$0	\$0
Aluminum Electrolytic Equipment (3%)		\$0	\$0		\$0	\$0
Class 5 Subtotal		\$226,345,833	\$6,790,375		\$251,623,654	\$7,548,709
CLASS 6						
Livestock (0%)		\$0	\$0		\$0	\$0
Lease and Rental Equipment (3%)		\$0	\$0		\$0	\$0
Canola Seed Processing Equipment (3%)		\$0	\$0		\$0	\$0
Class 6 Subtotal		\$0	\$0		\$0	\$0
CLASS 7						
Non-Centrally Assessed Public Util. (8%, 3%)		\$0	\$0		\$0	\$0
CLASS 8						
Machinery (3%)		\$77,291,538	\$2,318,746		\$68,730,853	\$2,061,933
Farm Implements (3%)		\$8,407,066	\$252,217		\$8,847,786	\$265,440
Furniture and Fixtures (3%)		\$4,454,961	\$133,646		\$4,274,900	\$128,244
Other Business Equipment		\$13,505,216	\$405,176		\$14,442,664	\$433,293
Class 8 Subtotal		\$103,658,781	\$3,109,785		\$96,296,203	\$2,888,910
CLASS 9						
Utilities (12%)		\$32,081,845	\$3,849,819		\$34,192,743	\$4,103,128
CLASS 10						
Timber Land (0.35%, 0.35%)	44,824	\$8,346,946	\$29,212	44,640	\$8,484,216	\$29,727
CLASS 12						
Railroads (3.88%, 3.81%)		\$26,300,175	\$1,020,446		\$25,228,609	\$961,209
Airlines (3.88%, 3.81%)		\$0	\$0		\$0	\$0
Class 12 Subtotal		\$26,300,175	\$1,020,446		\$25,228,609	\$961,209
CLASS 13						
Electrical Generation Property (6%)		\$1,029,942,431	\$61,796,546		\$1,019,870,098	\$61,192,204
Telecommunication Property (6%)		\$5,804,095	\$348,244		\$5,331,366	\$319,883
Class 13 Subtotal		\$1,035,746,526	\$62,144,790		\$1,025,201,464	\$61,512,087
Total		\$1,662,425,236	\$84,797,130		\$1,676,984,323	\$84,867,600



Property Tax

Sanders County

	2003			2004		
	Acres	Assessed	Taxable	Acres	Assessed	Taxable
CLASS 1 Net Proceeds		\$0	\$0		\$0	\$0
CLASS 2 Gross Proceeds		\$0	\$0		\$0	\$0
CLASS 3 Agricultural Land:						
Tillable Irrigated (3.40%, 3.30%)	15,627	\$4,062,858	\$138,136	15,533	\$4,227,379	\$139,510
Tillable Non-Irrigated (3.40%, 3.30%)	8,519	\$1,540,087	\$52,354	8,423	\$1,560,504	\$51,498
Grazing (3.40%, 3.30%)	146,179	\$5,334,728	\$181,412	146,119	\$5,483,080	\$180,946
Wild Hay (3.40%, 3.30%)	13,614	\$3,873,154	\$131,688	13,410	\$3,919,237	\$129,329
Non-Qualified Ag Land (23.8%, 23.1%)	18,803	\$760,831	\$181,108	19,194	\$796,601	\$184,011
Eligible Mining Claims (3.40%, 3.30%)	0	\$0	\$0	0	\$0	\$0
Class 3 Subtotal	202,741	\$15,571,658	\$684,698	202,680	\$15,986,801	\$685,294
CLASS 4 Land and Improvements:						
Residential (3.40%, 3.30%)		\$247,006,011	\$8,397,952		\$261,595,301	\$8,632,931
Residential Low Income (varies)		\$11,042,405	\$178,867		\$13,081,575	\$191,254
Mobile Homes (3.40%, 3.30%)		\$6,714,010	\$228,278		\$6,797,990	\$224,320
Mobile Homes Low Income (varies)		\$340,140	\$6,190		\$468,344	\$7,972
Commercial (3.40%, 3.30%)		\$46,828,290	\$1,592,155		\$50,692,766	\$1,672,846
Industrial (3.40%, 3.30%)		\$3,436,566	\$116,844		\$5,707,183	\$188,339
New Manufacturing (varies)		\$0	\$0		\$0	\$0
Qualified Golf Courses (1.70, 1.65%)		\$0	\$0		\$0	\$0
Remodeled Commercial (varies)		\$0	\$0		\$0	\$0
Extended Prop Tax Relief Program (Res Only)		\$413,941	\$13,279		\$286,847	\$8,779
Class 4 Subtotal		\$315,781,363	\$10,533,565		\$338,630,006	\$10,926,441
CLASS 5						
Rural Electric and Telephone Co-Op (3%)		\$17,473,410	\$524,205		\$19,352,720	\$580,581
Qualified New Industrial (3%)		\$0	\$0		\$0	\$0
Pollution Control (3%)		\$0	\$0		\$0	\$0
Gasohol Related (3%)		\$0	\$0		\$0	\$0
Research and Development (0%-3%)		\$0	\$0		\$0	\$0
Aluminum Electrolytic Equipment (3%)		\$0	\$0		\$0	\$0
Class 5 Subtotal		\$17,473,410	\$524,205		\$19,352,720	\$580,581
CLASS 6						
Livestock (0%)		\$0	\$0		\$0	\$0
Lease and Rental Equipment (3%)		\$0	\$0		\$0	\$0
Canola Seed Processing Equipment (3%)		\$0	\$0		\$0	\$0
Class 6 Subtotal		\$0	\$0		\$0	\$0
CLASS 7						
Non-Centrally Assessed Public Util. (8%, 3%)		\$0	\$0		\$0	\$0
CLASS 8						
Machinery (3%)		\$12,526,262	\$375,798		\$22,902,926	\$687,109
Farm Implements (3%)		\$4,283,502	\$128,510		\$4,389,218	\$131,678
Furniture and Fixtures (3%)		\$3,784,916	\$113,542		\$3,861,333	\$115,840
Other Business Equipment		\$1,186,096	\$35,619		\$1,228,296	\$36,875
Class 8 Subtotal		\$21,780,776	\$653,469		\$32,381,773	\$971,502
CLASS 9						
Utilities (12%)		\$27,136,710	\$3,256,408		\$34,338,415	\$4,120,611
CLASS 10						
Timber Land (0.35%, 0.35%)	282,568	\$194,842,833	\$681,961	282,242	\$194,674,600	\$681,369
CLASS 12						
Railroads (3.88%, 3.81%)		\$43,946,364	\$1,705,118		\$45,186,582	\$1,721,608
Airlines (3.88%, 3.81%)		\$0	\$0		\$364	\$14
Class 12 Subtotal		\$43,946,364	\$1,705,118		\$45,186,946	\$1,721,622
CLASS 13						
Electrical Generation Property (6%)		\$124,015,800	\$7,440,948		\$123,808,503	\$7,428,511
Telecommunication Property (6%)		\$8,750,637	\$525,038		\$5,151,004	\$309,059
Class 13 Subtotal		\$132,766,437	\$7,965,986		\$128,959,507	\$7,737,570
Total		\$769,299,551	\$26,005,410		\$809,510,768	\$27,424,990



Property Tax

Sheridan County

	2003			2004		
	Acres	Assessed	Taxable	Acres	Assessed	Taxable
CLASS 1 Net Proceeds		\$0	\$0		\$0	\$0
CLASS 2 Gross Proceeds		\$0	\$0		\$0	\$0
CLASS 3 Agricultural Land:						
Tillable Irrigated (3.40%, 3.30%)	3,233	\$824,098	\$28,017	3,233	\$864,649	\$28,532
Tillable Non-Irrigated (3.40%, 3.30%)	583,806	\$79,643,878	\$2,707,858	581,649	\$81,341,637	\$2,684,260
Grazing (3.40%, 3.30%)	355,752	\$14,167,408	\$481,716	358,161	\$14,632,163	\$482,937
Wild Hay (3.40%, 3.30%)	6,692	\$1,148,870	\$39,060	6,687	\$1,174,275	\$38,761
Non-Qualified Ag Land (23.8%, 23.1%)	750	\$30,654	\$7,293	827	\$34,658	\$8,005
Eligible Mining Claims (3.40%, 3.30%)	0	\$0	\$0	0	\$0	\$0
Class 3 Subtotal	950,234	\$95,814,908	\$3,263,944	950,557	\$98,047,382	\$3,242,495
CLASS 4 Land and Improvements:						
Residential (3.40%, 3.30%)		\$48,691,535	\$1,655,363		\$49,780,693	\$1,642,967
Residential Low Income (varies)		\$937,736	\$16,149		\$898,677	\$15,414
Mobile Homes (3.40%, 3.30%)		\$1,518,595	\$51,630		\$1,446,529	\$47,731
Mobile Homes Low Income (varies)		\$15,878	\$248		\$22,673	\$394
Commercial (3.40%, 3.30%)		\$12,092,245	\$411,133		\$12,485,421	\$411,998
Industrial (3.40%, 3.30%)		\$3,207,935	\$109,069		\$2,289,743	\$75,557
New Manufacturing (varies)		\$0	\$0		\$0	\$0
Qualified Golf Courses (1.70, 1.65%)		\$0	\$0		\$0	\$0
Remodeled Commercial (varies)		\$0	\$0		\$0	\$0
Extended Prop Tax Relief Program (Res Only)		\$24,999	\$825		\$0	\$0
Class 4 Subtotal		\$66,488,923	\$2,244,417		\$66,923,736	\$2,194,061
CLASS 5						
Rural Electric and Telephone Co-Op (3%)		\$7,246,281	\$217,390		\$8,225,044	\$246,751
Qualified New Industrial (3%)		\$0	\$0		\$0	\$0
Pollution Control (3%)		\$0	\$0		\$0	\$0
Gasohol Related (3%)		\$0	\$0		\$0	\$0
Research and Development (0%-3%)		\$0	\$0		\$0	\$0
Aluminum Electrolytic Equipment (3%)		\$0	\$0		\$0	\$0
Class 5 Subtotal		\$7,246,281	\$217,390		\$8,225,044	\$246,751
CLASS 6						
Livestock (0%)		\$0	\$0		\$0	\$0
Lease and Rental Equipment (3%)		\$0	\$0		\$0	\$0
Canola Seed Processing Equipment (3%)		\$0	\$0		\$0	\$0
Class 6 Subtotal		\$0	\$0		\$0	\$0
CLASS 7						
Non-Centrally Assessed Public Util. (8%, 3%)		\$0	\$0		\$0	\$0
CLASS 8						
Machinery (3%)		\$1,574,370	\$47,255		\$1,576,741	\$47,317
Farm Implements (3%)		\$26,855,048	\$805,653		\$27,380,373	\$821,411
Furniture and Fixtures (3%)		\$1,387,837	\$41,636		\$1,579,015	\$47,368
Other Business Equipment		\$11,715,163	\$351,471		\$10,641,669	\$319,270
Class 8 Subtotal		\$41,532,418	\$1,246,015		\$41,177,798	\$1,235,366
CLASS 9						
Utilities (12%)		\$2,888,109	\$346,570		\$4,891,995	\$587,039
CLASS 10						
Timber Land (0.35%, 0.35%)	0	\$0	\$0	0	\$0	\$0
CLASS 12						
Railroads (3.88%, 3.81%)		\$14,386,805	\$558,208		\$14,469,900	\$551,306
Airlines (3.88%, 3.81%)		\$0	\$0		\$0	\$0
Class 12 Subtotal		\$14,386,805	\$558,208		\$14,469,900	\$551,306
CLASS 13						
Electrical Generation Property (6%)		\$0	\$0		\$0	\$0
Telecommunication Property (6%)		\$2,178,591	\$130,717		\$1,906,905	\$114,413
Class 13 Subtotal		\$2,178,591	\$130,717		\$1,906,905	\$114,413
Total		\$230,536,035	\$8,007,261		\$235,642,760	\$8,171,431



Property Tax

Silver Bow County

	2003			2004		
	Acres	Assessed	Taxable	Acres	Assessed	Taxable
CLASS 1 Net Proceeds		\$0	\$0		\$0	\$0
CLASS 2 Gross Proceeds		\$0	\$0		\$2,023,608	\$60,708
CLASS 3 Agricultural Land:						
Tillable Irrigated (3.40%, 3.30%)	3,405	\$1,128,391	\$38,367	3,405	\$1,180,724	\$38,963
Tillable Non-Irrigated (3.40%, 3.30%)	0	\$0	\$0	0	\$0	\$0
Grazing (3.40%, 3.30%)	118,456	\$4,141,724	\$140,830	117,948	\$4,239,506	\$139,919
Wild Hay (3.40%, 3.30%)	1,699	\$713,833	\$24,272	1,699	\$728,185	\$24,029
Non-Qualified Ag Land (23.8%, 23.1%)	20,810	\$860,279	\$204,765	21,370	\$897,746	\$207,408
Eligible Mining Claims (3.40%, 3.30%)	8,014	\$407,298	\$13,846	7,775	\$404,653	\$13,360
Class 3 Subtotal	152,385	\$7,251,525	\$422,080	152,198	\$7,450,814	\$423,679
CLASS 4 Land and Improvements:						
Residential (3.40%, 3.30%)		\$518,388,326	\$17,625,015		\$529,196,038	\$17,463,528
Residential Low Income (varies)		\$20,907,113	\$389,244		\$20,531,368	\$374,933
Mobile Homes (3.40%, 3.30%)		\$10,569,053	\$359,353		\$10,394,916	\$343,014
Mobile Homes Low Income (varies)		\$291,462	\$4,920		\$252,079	\$4,032
Commercial (3.40%, 3.30%)		\$243,366,833	\$8,274,467		\$249,953,671	\$8,248,467
Industrial (3.40%, 3.30%)		\$79,795,977	\$2,713,063		\$66,810,060	\$2,204,736
New Manufacturing (varies)		\$0	\$0		\$12,179,095	\$200,955
Qualified Golf Courses (1.70, 1.65%)		\$2,814,737	\$47,850		\$2,840,014	\$46,859
Remodeled Commercial (varies)		\$6,508,676	\$133,269		\$7,209,464	\$216,067
Extended Prop Tax Relief Program (Res Only)		\$390,653	\$12,172		\$384,430	\$9,704
Class 4 Subtotal		\$883,032,830	\$29,559,353		\$899,751,135	\$29,112,295
CLASS 5						
Rural Electric and Telephone Co-Op (3%)		\$2,104,292	\$63,128		\$2,033,646	\$61,009
Qualified New Industrial (3%)		\$0	\$0		\$0	\$0
Pollution Control (3%)		\$8,371,486	\$251,144		\$13,617,261	\$408,518
Gasohol Related (3%)		\$0	\$0		\$0	\$0
Research and Development (0%-3%)		\$0	\$0		\$0	\$0
Aluminum Electrolytic Equipment (3%)		\$0	\$0		\$0	\$0
Class 5 Subtotal		\$10,475,778	\$314,272		\$15,650,907	\$469,527
CLASS 6						
Livestock (0%)		\$0	\$0		\$0	\$0
Lease and Rental Equipment (3%)		\$0	\$0		\$0	\$0
Canola Seed Processing Equipment (3%)		\$0	\$0		\$0	\$0
Class 6 Subtotal		\$0	\$0		\$0	\$0
CLASS 7						
Non-Centrally Assessed Public Util. (8%, 3%)		\$0	\$0		\$0	\$0
CLASS 8						
Machinery (3%)		\$368,480,097	\$11,054,402		\$230,165,572	\$6,686,110
Farm Implements (3%)		\$684,921	\$20,545		\$678,959	\$20,366
Furniture and Fixtures (3%)		\$26,583,380	\$797,512		\$26,243,280	\$787,310
Other Business Equipment		\$10,751,641	\$322,600		\$8,869,691	\$266,140
Class 8 Subtotal		\$406,500,039	\$12,195,059		\$265,957,502	\$7,759,926
CLASS 9						
Utilities (12%)		\$160,560,093	\$19,267,210		\$72,000,606	\$8,640,072
CLASS 10						
Timber Land (0.35%, 0.35%)	23,680	\$6,515,870	\$22,813	23,740	\$6,811,146	\$23,852
CLASS 12						
Railroads (3.88%, 3.81%)		\$3,557,777	\$138,041		\$6,994,422	\$266,486
Airlines (3.88%, 3.81%)		\$6,682,820	\$259,293		\$7,499,389	\$285,727
Class 12 Subtotal		\$10,240,597	\$397,334		\$14,493,811	\$552,213
CLASS 13						
Electrical Generation Property (6%)		\$87,646	\$5,259		\$0	\$0
Telecommunication Property (6%)		\$23,489,738	\$1,409,384		\$18,844,413	\$1,130,663
Class 13 Subtotal		\$23,577,384	\$1,414,643		\$18,844,413	\$1,130,663
Total		\$1,508,154,116	\$63,592,764		\$1,302,983,942	\$48,172,935



Property Tax

Stillwater County

	2003			2004		
	Acres	Assessed	Taxable	Acres	Assessed	Taxable
CLASS 1 Net Proceeds		\$0	\$0		\$0	\$0
CLASS 2 Gross Proceeds		\$207,078,576	\$6,212,357		\$143,968,080	\$4,319,043
CLASS 3 Agricultural Land:						
Tillable Irrigated (3.40%, 3.30%)	19,977	\$7,623,134	\$259,185	19,881	\$7,773,165	\$256,514
Tillable Non-Irrigated (3.40%, 3.30%)	148,645	\$26,489,155	\$900,635	148,401	\$27,096,373	\$894,191
Grazing (3.40%, 3.30%)	592,182	\$23,802,777	\$809,335	591,105	\$24,375,464	\$804,411
Wild Hay (3.40%, 3.30%)	29,969	\$6,610,502	\$224,755	30,072	\$6,763,718	\$223,207
Non-Qualified Ag Land (23.8%, 23.1%)	19,707	\$805,711	\$191,820	20,764	\$870,839	\$201,220
Eligible Mining Claims (3.40%, 3.30%)	0	\$0	\$0	0	\$0	\$0
Class 3 Subtotal	810,481	\$65,331,279	\$2,385,730	810,222	\$66,879,559	\$2,379,543
CLASS 4 Land and Improvements:						
Residential (3.40%, 3.30%)		\$226,572,395	\$7,703,396		\$245,205,595	\$8,092,109
Residential Low Income (varies)		\$3,720,275	\$65,893		\$3,781,845	\$59,812
Mobile Homes (3.40%, 3.30%)		\$6,002,000	\$204,082		\$6,391,690	\$210,922
Mobile Homes Low Income (varies)		\$165,876	\$3,404		\$171,649	\$3,711
Commercial (3.40%, 3.30%)		\$27,380,067	\$930,927		\$28,356,740	\$935,781
Industrial (3.40%, 3.30%)		\$24,673,013	\$838,883		\$25,800,138	\$851,407
New Manufacturing (varies)		\$0	\$0		\$0	\$0
Qualified Golf Courses (1.70, 1.65%)		\$0	\$0		\$0	\$0
Remodeled Commercial (varies)		\$0	\$0		\$0	\$0
Extended Prop Tax Relief Program (Res Only)		\$666,998	\$20,489		\$912,214	\$26,131
Class 4 Subtotal		\$289,180,624	\$9,767,074		\$310,619,871	\$10,179,873
CLASS 5						
Rural Electric and Telephone Co-Op (3%)		\$10,119,752	\$303,594		\$10,624,226	\$318,726
Qualified New Industrial (3%)		\$0	\$0		\$0	\$0
Pollution Control (3%)		\$2,737,871	\$82,136		\$2,628,864	\$78,864
Gasohol Related (3%)		\$0	\$0		\$0	\$0
Research and Development (0%-3%)		\$0	\$0		\$0	\$0
Aluminum Electrolytic Equipment (3%)		\$0	\$0		\$0	\$0
Class 5 Subtotal		\$12,857,623	\$385,730		\$13,253,090	\$397,590
CLASS 6						
Livestock (0%)		\$0	\$0		\$0	\$0
Lease and Rental Equipment (3%)		\$0	\$0		\$0	\$0
Canola Seed Processing Equipment (3%)		\$0	\$0		\$0	\$0
Class 6 Subtotal		\$0	\$0		\$0	\$0
CLASS 7						
Non-Centrally Assessed Public Util. (8%, 3%)		\$0	\$0		\$0	\$0
CLASS 8						
Machinery (3%)		\$131,384,870	\$3,941,554		\$126,447,654	\$3,793,431
Farm Implements (3%)		\$9,682,306	\$290,472		\$9,669,786	\$290,089
Furniture and Fixtures (3%)		\$4,015,916	\$120,470		\$3,886,534	\$116,600
Other Business Equipment		\$10,273,749	\$308,228		\$9,424,403	\$282,746
Class 8 Subtotal		\$155,356,841	\$4,660,724		\$149,428,377	\$4,482,866
CLASS 9						
Utilities (12%)		\$48,278,078	\$5,793,369		\$50,090,984	\$6,010,919
CLASS 10						
Timber Land (0.35%, 0.35%)	64,122	\$12,067,430	\$42,248	64,121	\$12,293,547	\$43,051
CLASS 12						
Railroads (3.88%, 3.81%)		\$11,864,791	\$460,354		\$12,209,709	\$465,190
Airlines (3.88%, 3.81%)		\$0	\$0		\$3,870	\$147
Class 12 Subtotal		\$11,864,791	\$460,354		\$12,213,579	\$465,337
CLASS 13						
Electrical Generation Property (6%)		\$3,583,224	\$214,994		\$3,734,254	\$224,056
Telecommunication Property (6%)		\$7,649,054	\$458,941		\$5,359,075	\$321,546
Class 13 Subtotal		\$11,232,278	\$673,935		\$9,093,329	\$545,602
Total		\$813,247,520	\$30,381,521		\$767,840,416	\$28,823,824



Property Tax

Sweet Grass County

	2003			2004		
	Acres	Assessed	Taxable	Acres	Assessed	Taxable
CLASS 1 Net Proceeds		\$0	\$0		\$0	\$0
CLASS 2 Gross Proceeds		\$46,440,800	\$1,393,224		\$84,805,399	\$2,544,162
CLASS 3 Agricultural Land:						
Tillable Irrigated (3.40%, 3.30%)	32,395	\$7,904,721	\$268,769	32,374	\$8,208,363	\$270,870
Tillable Non-Irrigated (3.40%, 3.30%)	18,393	\$2,925,787	\$99,471	18,393	\$2,997,418	\$98,908
Grazing (3.40%, 3.30%)	687,699	\$28,720,707	\$976,514	687,337	\$29,447,498	\$971,761
Wild Hay (3.40%, 3.30%)	18,476	\$4,064,686	\$138,202	18,474	\$4,157,461	\$137,201
Non-Qualified Ag Land (23.8%, 23.1%)	6,811	\$278,402	\$66,262	7,138	\$299,116	\$69,105
Eligible Mining Claims (3.40%, 3.30%)	0	\$0	\$0	0	\$0	\$0
Class 3 Subtotal	763,773	\$43,894,303	\$1,549,218	763,716	\$45,109,856	\$1,547,845
CLASS 4 Land and Improvements:						
Residential (3.40%, 3.30%)		\$110,017,114	\$3,740,524		\$119,113,345	\$3,930,902
Residential Low Income (varies)		\$1,544,246	\$25,041		\$1,904,358	\$32,594
Mobile Homes (3.40%, 3.30%)		\$2,025,472	\$68,869		\$1,925,642	\$63,548
Mobile Homes Low Income (varies)		\$57,148	\$1,188		\$49,049	\$1,070
Commercial (3.40%, 3.30%)		\$18,054,500	\$613,848		\$19,134,747	\$631,441
Industrial (3.40%, 3.30%)		\$11,655,215	\$396,276		\$12,048,946	\$397,615
New Manufacturing (varies)		\$407,879	\$10,391		\$416,728	\$11,666
Qualified Golf Courses (1.70, 1.65%)		\$0	\$0		\$0	\$0
Remodeled Commercial (varies)		\$0	\$0		\$0	\$0
Extended Prop Tax Relief Program (Res Only)		\$1,431,012	\$46,021		\$1,018,564	\$31,037
Class 4 Subtotal		\$145,192,586	\$4,902,158		\$155,611,379	\$5,099,873
CLASS 5						
Rural Electric and Telephone Co-Op (3%)		\$11,399,884	\$341,996		\$11,685,466	\$350,564
Qualified New Industrial (3%)		\$0	\$0		\$0	\$0
Pollution Control (3%)		\$0	\$0		\$0	\$0
Gasohol Related (3%)		\$0	\$0		\$0	\$0
Research and Development (0%-3%)		\$0	\$0		\$0	\$0
Aluminum Electrolytic Equipment (3%)		\$0	\$0		\$0	\$0
Class 5 Subtotal		\$11,399,884	\$341,996		\$11,685,466	\$350,564
CLASS 6						
Livestock (0%)		\$0	\$0		\$0	\$0
Lease and Rental Equipment (3%)		\$0	\$0		\$0	\$0
Canola Seed Processing Equipment (3%)		\$0	\$0		\$0	\$0
Class 6 Subtotal		\$0	\$0		\$0	\$0
CLASS 7						
Non-Centrally Assessed Public Util. (8%, 3%)		\$0	\$0		\$0	\$0
CLASS 8						
Machinery (3%)		\$82,435,623	\$2,467,163		\$94,720,445	\$2,839,024
Farm Implements (3%)		\$7,757,861	\$232,737		\$7,765,714	\$232,973
Furniture and Fixtures (3%)		\$3,435,200	\$103,056		\$2,812,610	\$84,382
Other Business Equipment		\$3,999,233	\$119,986		\$3,835,942	\$115,087
Class 8 Subtotal		\$97,627,917	\$2,922,942		\$109,134,711	\$3,271,466
CLASS 9						
Utilities (12%)		\$9,368,864	\$1,124,263		\$9,825,973	\$1,179,117
CLASS 10						
Timber Land (0.35%, 0.35%)	70,863	\$15,670,662	\$54,849	70,862	\$15,810,175	\$55,366
CLASS 12						
Railroads (3.88%, 3.81%)		\$11,720,967	\$454,774		\$12,060,037	\$459,489
Airlines (3.88%, 3.81%)		\$0	\$0		\$656	\$25
Class 12 Subtotal		\$11,720,967	\$454,774		\$12,060,693	\$459,514
CLASS 13						
Electrical Generation Property (6%)		\$0	\$0		\$0	\$0
Telecommunication Property (6%)		\$4,571,559	\$274,293		\$3,001,774	\$180,107
Class 13 Subtotal		\$4,571,559	\$274,293		\$3,001,774	\$180,107
Total		\$385,887,542	\$13,017,717		\$447,045,426	\$14,688,014



Property Tax

Teton County

	2003			2004		
	Acres	Assessed	Taxable	Acres	Assessed	Taxable
CLASS 1 Net Proceeds		\$0	\$0		\$0	\$0
CLASS 2 Gross Proceeds		\$0	\$0		\$0	\$0
CLASS 3 Agricultural Land:						
Tillable Irrigated (3.40%, 3.30%)	113,349	\$29,600,162	\$1,006,402	113,069	\$30,919,758	\$1,020,347
Tillable Non-Irrigated (3.40%, 3.30%)	417,520	\$75,874,063	\$2,579,759	417,102	\$77,788,188	\$2,567,020
Grazing (3.40%, 3.30%)	492,912	\$19,305,308	\$656,421	491,852	\$19,774,232	\$652,590
Wild Hay (3.40%, 3.30%)	23,365	\$5,032,086	\$171,079	23,350	\$5,147,246	\$169,859
Non-Qualified Ag Land (23.8%, 23.1%)	5,646	\$230,264	\$54,808	7,322	\$307,348	\$71,003
Eligible Mining Claims (3.40%, 3.30%)	0	\$0	\$0	0	\$0	\$0
Class 3 Subtotal	1,052,792	\$130,041,883	\$4,468,469	1,052,694	\$133,936,772	\$4,480,819
CLASS 4 Land and Improvements:						
Residential (3.40%, 3.30%)		\$115,134,677	\$3,914,412		\$119,466,552	\$3,942,666
Residential Low Income (varies)		\$1,882,719	\$33,045		\$2,039,121	\$36,399
Mobile Homes (3.40%, 3.30%)		\$2,316,104	\$78,747		\$2,244,037	\$74,058
Mobile Homes Low Income (varies)		\$112,429	\$784		\$143,115	\$1,481
Commercial (3.40%, 3.30%)		\$15,304,891	\$520,367		\$17,093,740	\$564,113
Industrial (3.40%, 3.30%)		\$6,565,420	\$223,225		\$6,054,021	\$199,783
New Manufacturing (varies)		\$4,623,187	\$84,633		\$3,672,517	\$60,597
Qualified Golf Courses (1.70, 1.65%)		\$730,599	\$12,419		\$743,042	\$12,260
Remodeled Commercial (varies)		\$0	\$0		\$0	\$0
Extended Prop Tax Relief Program (Res Only)		\$279,140	\$8,460		\$225,933	\$5,056
Class 4 Subtotal		\$146,949,166	\$4,876,092		\$151,682,078	\$4,896,413
CLASS 5						
Rural Electric and Telephone Co-Op (3%)		\$20,428,401	\$612,852		\$20,177,281	\$605,319
Qualified New Industrial (3%)		\$0	\$0		\$0	\$0
Pollution Control (3%)		\$0	\$0		\$0	\$0
Gasohol Related (3%)		\$0	\$0		\$0	\$0
Research and Development (0%-3%)		\$0	\$0		\$0	\$0
Aluminum Electrolytic Equipment (3%)		\$0	\$0		\$0	\$0
Class 5 Subtotal		\$20,428,401	\$612,852		\$20,177,281	\$605,319
CLASS 6						
Livestock (0%)		\$0	\$0		\$0	\$0
Lease and Rental Equipment (3%)		\$0	\$0		\$0	\$0
Canola Seed Processing Equipment (3%)		\$0	\$0		\$0	\$0
Class 6 Subtotal		\$0	\$0		\$0	\$0
CLASS 7						
Non-Centrally Assessed Public Util. (8%, 3%)		\$0	\$0		\$0	\$0
CLASS 8						
Machinery (3%)		\$3,533,994	\$105,190		\$3,236,455	\$96,621
Farm Implements (3%)		\$23,153,514	\$694,601		\$23,046,453	\$691,394
Furniture and Fixtures (3%)		\$2,745,046	\$82,343		\$2,767,163	\$83,005
Other Business Equipment		\$1,198,646	\$35,966		\$1,421,498	\$42,660
Class 8 Subtotal		\$30,631,200	\$918,100		\$30,471,569	\$913,680
CLASS 9						
Utilities (12%)		\$18,400,076	\$2,208,010		\$18,737,416	\$2,248,492
CLASS 10						
Timber Land (0.35%, 0.35%)	8,087	\$4,878,306	\$17,075	8,013	\$4,993,321	\$17,475
CLASS 12						
Railroads (3.88%, 3.81%)		\$17,259,605	\$669,672		\$16,544,823	\$630,357
Airlines (3.88%, 3.81%)		\$0	\$0		\$0	\$0
Class 12 Subtotal		\$17,259,605	\$669,672		\$16,544,823	\$630,357
CLASS 13						
Electrical Generation Property (6%)		\$0	\$0		\$0	\$0
Telecommunication Property (6%)		\$1,582,548	\$94,953		\$925,536	\$55,531
Class 13 Subtotal		\$1,582,548	\$94,953		\$925,536	\$55,531
Total		\$370,171,185	\$13,865,223		\$377,468,796	\$13,848,086



Property Tax

Toole County

	2003			2004		
	Acres	Assessed	Taxable	Acres	Assessed	Taxable
CLASS 1 Net Proceeds		\$0	\$0		\$0	\$0
CLASS 2 Gross Proceeds		\$0	\$0		\$0	\$0
CLASS 3 Agricultural Land:						
Tillable Irrigated (3.40%, 3.30%)	1,170	\$254,443	\$8,649	1,191	\$268,915	\$8,876
Tillable Non-Irrigated (3.40%, 3.30%)	670,643	\$104,072,350	\$3,538,529	670,856	\$106,661,726	\$3,519,764
Grazing (3.40%, 3.30%)	396,455	\$17,340,477	\$589,600	393,403	\$17,644,975	\$582,315
Wild Hay (3.40%, 3.30%)	5,521	\$1,475,859	\$50,182	5,521	\$1,509,478	\$49,813
Non-Qualified Ag Land (23.8%, 23.1%)	4,492	\$182,840	\$43,516	6,847	\$286,919	\$66,286
Eligible Mining Claims (3.40%, 3.30%)	0	\$0	\$0	0	\$0	\$0
Class 3 Subtotal	1,078,280	\$123,325,969	\$4,230,476	1,077,819	\$126,372,013	\$4,227,054
CLASS 4 Land and Improvements:						
Residential (3.40%, 3.30%)		\$78,728,828	\$2,676,727		\$81,529,916	\$2,690,655
Residential Low Income (varies)		\$1,209,697	\$21,450		\$1,265,003	\$21,393
Mobile Homes (3.40%, 3.30%)		\$1,394,807	\$47,432		\$1,450,644	\$47,871
Mobile Homes Low Income (varies)		\$39,121	\$787		\$133,674	\$1,814
Commercial (3.40%, 3.30%)		\$45,431,418	\$1,544,670		\$45,741,204	\$1,509,459
Industrial (3.40%, 3.30%)		\$6,938,340	\$235,902		\$7,349,177	\$242,525
New Manufacturing (varies)		\$559,584	\$9,513		\$557,654	\$9,201
Qualified Golf Courses (1.70, 1.65%)		\$0	\$0		\$0	\$0
Remodeled Commercial (varies)		\$728,009	\$15,372		\$732,931	\$15,056
Extended Prop Tax Relief Program (Res Only)		\$0	\$0		\$54,707	\$1,734
Class 4 Subtotal		\$135,029,804	\$4,551,853		\$138,814,910	\$4,539,708
CLASS 5						
Rural Electric and Telephone Co-Op (3%)		\$10,419,070	\$312,573		\$11,005,199	\$330,158
Qualified New Industrial (3%)		\$0	\$0		\$0	\$0
Pollution Control (3%)		\$0	\$0		\$0	\$0
Gasohol Related (3%)		\$0	\$0		\$0	\$0
Research and Development (0%-3%)		\$0	\$0		\$0	\$0
Aluminum Electrolytic Equipment (3%)		\$0	\$0		\$0	\$0
Class 5 Subtotal		\$10,419,070	\$312,573		\$11,005,199	\$330,158
CLASS 6						
Livestock (0%)		\$0	\$0		\$0	\$0
Lease and Rental Equipment (3%)		\$0	\$0		\$0	\$0
Canola Seed Processing Equipment (3%)		\$0	\$0		\$0	\$0
Class 6 Subtotal		\$0	\$0		\$0	\$0
CLASS 7						
Non-Centrally Assessed Public Util. (8%, 3%)		\$0	\$0		\$0	\$0
CLASS 8						
Machinery (3%)		\$4,464,216	\$133,937		\$6,050,257	\$181,531
Farm Implements (3%)		\$20,615,344	\$618,457		\$22,865,296	\$685,964
Furniture and Fixtures (3%)		\$3,696,946	\$110,921		\$3,865,432	\$115,969
Other Business Equipment		\$5,487,937	\$164,669		\$5,769,934	\$173,196
Class 8 Subtotal		\$34,264,443	\$1,027,984		\$38,550,919	\$1,156,660
CLASS 9						
Utilities (12%)		\$16,321,758	\$1,958,611		\$15,617,736	\$1,874,128
CLASS 10						
Timber Land (0.35%, 0.35%)	0	\$0	\$0	0	\$0	\$0
CLASS 12						
Railroads (3.88%, 3.81%)		\$30,338,601	\$1,177,137		\$29,161,682	\$1,111,059
Airlines (3.88%, 3.81%)		\$892	\$35		\$201,742	\$7,686
Class 12 Subtotal		\$30,339,493	\$1,177,172		\$29,363,424	\$1,118,745
CLASS 13						
Electrical Generation Property (6%)		\$0	\$0		\$0	\$0
Telecommunication Property (6%)		\$3,012,877	\$180,771		\$2,308,043	\$138,482
Class 13 Subtotal		\$3,012,877	\$180,771		\$2,308,043	\$138,482
Total		\$352,713,414	\$13,439,440		\$362,032,244	\$13,384,935



Property Tax

Treasure County

	2003			2004		
	Acres	Assessed	Taxable	Acres	Assessed	Taxable
CLASS 1 Net Proceeds		\$0	\$0		\$0	\$0
CLASS 2 Gross Proceeds		\$0	\$0		\$0	\$0
CLASS 3 Agricultural Land:						
Tillable Irrigated (3.40%, 3.30%)	21,106	\$10,270,610	\$349,198	21,213	\$10,518,578	\$347,103
Tillable Non-Irrigated (3.40%, 3.30%)	16,876	\$2,525,295	\$85,862	16,817	\$2,576,753	\$85,035
Grazing (3.40%, 3.30%)	513,246	\$13,602,779	\$462,493	513,370	\$13,958,937	\$460,666
Wild Hay (3.40%, 3.30%)	456	\$168,690	\$5,735	456	\$172,533	\$5,694
Non-Qualified Ag Land (23.8%, 23.1%)	444	\$18,180	\$4,327	528	\$22,453	\$5,186
Eligible Mining Claims (3.40%, 3.30%)	0	\$0	\$0	0	\$0	\$0
Class 3 Subtotal	552,127	\$26,585,554	\$907,615	552,384	\$27,249,254	\$903,684
CLASS 4 Land and Improvements:						
Residential (3.40%, 3.30%)		\$9,343,697	\$317,639		\$9,742,003	\$321,507
Residential Low Income (varies)		\$86,839	\$1,561		\$145,562	\$2,940
Mobile Homes (3.40%, 3.30%)		\$1,102,160	\$37,474		\$996,132	\$32,872
Mobile Homes Low Income (varies)		\$2,421	\$41		\$2,167	\$14
Commercial (3.40%, 3.30%)		\$1,444,655	\$49,118		\$1,460,269	\$48,188
Industrial (3.40%, 3.30%)		\$269,551	\$9,166		\$450,607	\$14,871
New Manufacturing (varies)		\$0	\$0		\$0	\$0
Qualified Golf Courses (1.70, 1.65%)		\$0	\$0		\$0	\$0
Remodeled Commercial (varies)		\$0	\$0		\$0	\$0
Extended Prop Tax Relief Program (Res Only)		\$0	\$0		\$0	\$0
Class 4 Subtotal		\$12,249,323	\$414,999		\$12,796,740	\$420,392
CLASS 5						
Rural Electric and Telephone Co-Op (3%)		\$2,953,709	\$88,611		\$2,651,479	\$79,544
Qualified New Industrial (3%)		\$0	\$0		\$0	\$0
Pollution Control (3%)		\$0	\$0		\$0	\$0
Gasohol Related (3%)		\$0	\$0		\$0	\$0
Research and Development (0%-3%)		\$0	\$0		\$0	\$0
Aluminum Electrolytic Equipment (3%)		\$0	\$0		\$0	\$0
Class 5 Subtotal		\$2,953,709	\$88,611		\$2,651,479	\$79,544
CLASS 6						
Livestock (0%)		\$0	\$0		\$0	\$0
Lease and Rental Equipment (3%)		\$0	\$0		\$0	\$0
Canola Seed Processing Equipment (3%)		\$0	\$0		\$0	\$0
Class 6 Subtotal		\$0	\$0		\$0	\$0
CLASS 7						
Non-Centrally Assessed Public Util. (8%, 3%)		\$0	\$0		\$0	\$0
CLASS 8						
Machinery (3%)		\$707,817	\$21,239		\$835,090	\$25,052
Farm Implements (3%)		\$4,967,208	\$149,019		\$5,270,603	\$158,118
Furniture and Fixtures (3%)		\$356,315	\$10,690		\$436,311	\$13,089
Other Business Equipment		\$114,887	\$3,448		\$109,777	\$3,296
Class 8 Subtotal		\$6,146,227	\$184,396		\$6,651,781	\$199,555
CLASS 9						
Utilities (12%)		\$12,768,334	\$1,532,201		\$13,746,567	\$1,649,589
CLASS 10						
Timber Land (0.35%, 0.35%)	14,116	\$2,626,939	\$9,188	14,116	\$2,683,032	\$9,399
CLASS 12						
Railroads (3.88%, 3.81%)		\$16,534,497	\$641,538		\$15,853,712	\$604,026
Airlines (3.88%, 3.81%)		\$0	\$0		\$0	\$0
Class 12 Subtotal		\$16,534,497	\$641,538		\$15,853,712	\$604,026
CLASS 13						
Electrical Generation Property (6%)		\$0	\$0		\$0	\$0
Telecommunication Property (6%)		\$1,496,176	\$89,770		\$1,103,476	\$66,209
Class 13 Subtotal		\$1,496,176	\$89,770		\$1,103,476	\$66,209
Total		\$81,360,759	\$3,868,318		\$82,736,041	\$3,932,398



Property Tax

Valley County

	2003			2004		
	Acres	Assessed	Taxable	Acres	Assessed	Taxable
CLASS 1 Net Proceeds		\$0	\$0		\$0	\$0
CLASS 2 Gross Proceeds		\$0	\$0		\$0	\$0
CLASS 3 Agricultural Land:						
Tillable Irrigated (3.40%, 3.30%)	43,868	\$13,494,048	\$458,796	43,828	\$14,132,295	\$466,355
Tillable Non-Irrigated (3.40%, 3.30%)	656,795	\$88,698,819	\$3,015,747	656,741	\$90,865,186	\$2,998,531
Grazing (3.40%, 3.30%)	748,408	\$29,819,323	\$1,013,933	753,812	\$30,801,587	\$1,016,527
Wild Hay (3.40%, 3.30%)	8,342	\$1,357,766	\$46,156	8,342	\$1,392,484	\$45,959
Non-Qualified Ag Land (23.8%, 23.1%)	3,331	\$132,271	\$31,481	3,366	\$137,169	\$31,695
Eligible Mining Claims (3.40%, 3.30%)	0	\$0	\$0	0	\$0	\$0
Class 3 Subtotal	1,460,743	\$133,502,227	\$4,566,113	1,466,088	\$137,328,721	\$4,559,067
CLASS 4 Land and Improvements:						
Residential (3.40%, 3.30%)		\$103,967,026	\$3,534,475		\$107,032,295	\$3,532,521
Residential Low Income (varies)		\$1,367,700	\$27,496		\$1,351,129	\$26,874
Mobile Homes (3.40%, 3.30%)		\$2,308,502	\$78,490		\$2,335,525	\$77,071
Mobile Homes Low Income (varies)		\$43,978	\$889		\$105,328	\$1,879
Commercial (3.40%, 3.30%)		\$35,092,012	\$1,192,997		\$35,194,402	\$1,161,410
Industrial (3.40%, 3.30%)		\$2,372,919	\$80,677		\$2,423,541	\$79,979
New Manufacturing (varies)		\$0	\$0		\$0	\$0
Qualified Golf Courses (1.70, 1.65%)		\$368,046	\$6,257		\$385,858	\$6,366
Remodeled Commercial (varies)		\$0	\$0		\$0	\$0
Extended Prop Tax Relief Program (Res Only)		\$0	\$0		\$0	\$0
Class 4 Subtotal		\$145,520,183	\$4,921,281		\$148,828,078	\$4,886,100
CLASS 5						
Rural Electric and Telephone Co-Op (3%)		\$11,608,865	\$348,266		\$12,051,558	\$361,547
Qualified New Industrial (3%)		\$0	\$0		\$0	\$0
Pollution Control (3%)		\$0	\$0		\$0	\$0
Gasohol Related (3%)		\$0	\$0		\$0	\$0
Research and Development (0%-3%)		\$0	\$0		\$0	\$0
Aluminum Electrolytic Equipment (3%)		\$0	\$0		\$0	\$0
Class 5 Subtotal		\$11,608,865	\$348,266		\$12,051,558	\$361,547
CLASS 6						
Livestock (0%)		\$0	\$0		\$0	\$0
Lease and Rental Equipment (3%)		\$0	\$0		\$0	\$0
Canola Seed Processing Equipment (3%)		\$0	\$0		\$0	\$0
Class 6 Subtotal		\$0	\$0		\$0	\$0
CLASS 7						
Non-Centrally Assessed Public Util. (8%, 3%)		\$0	\$0		\$0	\$0
CLASS 8						
Machinery (3%)		\$3,169,160	\$95,082		\$3,483,763	\$104,529
Farm Implements (3%)		\$24,015,859	\$720,476		\$24,910,245	\$747,324
Furniture and Fixtures (3%)		\$4,547,668	\$136,420		\$4,301,271	\$129,043
Other Business Equipment		\$2,197,897	\$65,951		\$2,172,606	\$65,195
Class 8 Subtotal		\$33,930,584	\$1,017,929		\$34,867,885	\$1,046,091
CLASS 9						
Utilities (12%)		\$98,199,430	\$11,783,932		\$102,262,111	\$12,271,454
CLASS 10						
Timber Land (0.35%, 0.35%)	0	\$0	\$0	0	\$0	\$0
CLASS 12						
Railroads (3.88%, 3.81%)		\$30,394,373	\$1,179,301		\$29,145,057	\$1,110,427
Airlines (3.88%, 3.81%)		\$200,402	\$7,775		\$126,016	\$4,801
Class 12 Subtotal		\$30,594,775	\$1,187,076		\$29,271,073	\$1,115,228
CLASS 13						
Electrical Generation Property (6%)		\$0	\$0		\$0	\$0
Telecommunication Property (6%)		\$9,743,453	\$584,607		\$8,263,475	\$495,808
Class 13 Subtotal		\$9,743,453	\$584,607		\$8,263,475	\$495,808
Total		\$463,099,517	\$24,409,204		\$472,872,901	\$24,735,295



Property Tax

Wheatland County

	2003			2004		
	Acres	Assessed	Taxable	Acres	Assessed	Taxable
CLASS 1 Net Proceeds		\$0	\$0		\$0	\$0
CLASS 2 Gross Proceeds		\$0	\$0		\$0	\$0
CLASS 3 Agricultural Land:						
Tillable Irrigated (3.40%, 3.30%)	18,393	\$3,915,927	\$133,132	17,827	\$3,933,388	\$129,795
Tillable Non-Irrigated (3.40%, 3.30%)	97,552	\$13,651,624	\$464,162	97,552	\$13,986,291	\$461,552
Grazing (3.40%, 3.30%)	607,525	\$21,032,535	\$715,119	607,045	\$21,560,949	\$711,556
Wild Hay (3.40%, 3.30%)	18,701	\$3,802,922	\$129,307	18,701	\$3,889,620	\$128,359
Non-Qualified Ag Land (23.8%, 23.1%)	4,849	\$198,381	\$47,221	4,849	\$203,489	\$47,025
Eligible Mining Claims (3.40%, 3.30%)	0	\$0	\$0	0	\$0	\$0
Class 3 Subtotal	747,020	\$42,601,389	\$1,488,941	745,974	\$43,573,737	\$1,478,287
CLASS 4 Land and Improvements:						
Residential (3.40%, 3.30%)		\$32,783,308	\$1,114,608		\$34,093,622	\$1,125,164
Residential Low Income (varies)		\$778,997	\$14,358		\$837,938	\$14,179
Mobile Homes (3.40%, 3.30%)		\$453,812	\$15,429		\$493,301	\$16,283
Mobile Homes Low Income (varies)		\$26,819	\$599		\$87,306	\$1,909
Commercial (3.40%, 3.30%)		\$3,513,185	\$119,456		\$3,717,972	\$122,692
Industrial (3.40%, 3.30%)		\$478,624	\$16,275		\$488,418	\$16,119
New Manufacturing (varies)		\$0	\$0		\$0	\$0
Qualified Golf Courses (1.70, 1.65%)		\$0	\$0		\$0	\$0
Remodeled Commercial (varies)		\$0	\$0		\$0	\$0
Extended Prop Tax Relief Program (Res Only)		\$22,698	\$683		\$25,419	\$686
Class 4 Subtotal		\$38,057,443	\$1,281,408		\$39,743,976	\$1,297,032
CLASS 5						
Rural Electric and Telephone Co-Op (3%)		\$995,554	\$29,866		\$993,510	\$29,805
Qualified New Industrial (3%)		\$0	\$0		\$0	\$0
Pollution Control (3%)		\$0	\$0		\$0	\$0
Gasohol Related (3%)		\$0	\$0		\$0	\$0
Research and Development (0%-3%)		\$0	\$0		\$0	\$0
Aluminum Electrolytic Equipment (3%)		\$0	\$0		\$0	\$0
Class 5 Subtotal		\$995,554	\$29,866		\$993,510	\$29,805
CLASS 6						
Livestock (0%)		\$0	\$0		\$0	\$0
Lease and Rental Equipment (3%)		\$0	\$0		\$0	\$0
Canola Seed Processing Equipment (3%)		\$0	\$0		\$0	\$0
Class 6 Subtotal		\$0	\$0		\$0	\$0
CLASS 7						
Non-Centrally Assessed Public Util. (8%, 3%)		\$0	\$0		\$0	\$0
CLASS 8						
Machinery (3%)		\$1,023,175	\$30,700		\$1,366,018	\$40,984
Farm Implements (3%)		\$6,492,288	\$194,772		\$6,357,927	\$190,734
Furniture and Fixtures (3%)		\$680,244	\$20,403		\$787,284	\$23,620
Other Business Equipment		\$445,685	\$13,375		\$459,618	\$13,792
Class 8 Subtotal		\$8,641,392	\$259,250		\$8,970,847	\$269,130
CLASS 9						
Utilities (12%)		\$42,948,009	\$5,153,759		\$44,684,504	\$5,362,141
CLASS 10						
Timber Land (0.35%, 0.35%)	13,062	\$2,535,679	\$8,876	13,062	\$2,591,343	\$9,075
CLASS 12						
Railroads (3.88%, 3.81%)		\$6,296,850	\$244,318		\$6,035,964	\$229,970
Airlines (3.88%, 3.81%)		\$0	\$0		\$0	\$0
Class 12 Subtotal		\$6,296,850	\$244,318		\$6,035,964	\$229,970
CLASS 13						
Electrical Generation Property (6%)		\$0	\$0		\$0	\$0
Telecommunication Property (6%)		\$5,565,944	\$333,957		\$5,433,680	\$326,022
Class 13 Subtotal		\$5,565,944	\$333,957		\$5,433,680	\$326,022
Total		\$147,642,260	\$8,800,375		\$152,027,561	\$9,001,462



Property Tax

Wibaux County

	2003			2004		
	Acres	Assessed	Taxable	Acres	Assessed	Taxable
CLASS 1 Net Proceeds		\$0	\$0		\$0	\$0
CLASS 2 Gross Proceeds		\$0	\$0		\$0	\$0
CLASS 3 Agricultural Land:						
Tillable Irrigated (3.40%, 3.30%)	0	\$0	\$0	0	\$0	\$0
Tillable Non-Irrigated (3.40%, 3.30%)	128,910	\$18,506,019	\$629,205	128,912	\$18,975,069	\$626,176
Grazing (3.40%, 3.30%)	374,214	\$14,120,719	\$480,090	374,197	\$14,491,979	\$478,252
Wild Hay (3.40%, 3.30%)	0	\$0	\$0	0	\$0	\$0
Non-Qualified Ag Land (23.8%, 23.1%)	395	\$16,159	\$3,844	395	\$16,579	\$3,831
Eligible Mining Claims (3.40%, 3.30%)	0	\$0	\$0	0	\$0	\$0
Class 3 Subtotal	503,520	\$32,642,897	\$1,113,139	503,505	\$33,483,627	\$1,108,259
CLASS 4 Land and Improvements:						
Residential (3.40%, 3.30%)		\$11,402,389	\$387,636		\$11,995,372	\$395,912
Residential Low Income (varies)		\$47,700	\$903		\$51,413	\$1,051
Mobile Homes (3.40%, 3.30%)		\$710,244	\$24,149		\$707,356	\$23,342
Mobile Homes Low Income (varies)		\$5,372	\$104		\$5,413	\$101
Commercial (3.40%, 3.30%)		\$1,909,536	\$64,925		\$1,917,905	\$63,290
Industrial (3.40%, 3.30%)		\$90,210	\$3,067		\$45,841	\$1,513
New Manufacturing (varies)		\$0	\$0		\$0	\$0
Qualified Golf Courses (1.70, 1.65%)		\$0	\$0		\$0	\$0
Remodeled Commercial (varies)		\$0	\$0		\$0	\$0
Extended Prop Tax Relief Program (Res Only)		\$0	\$0		\$0	\$0
Class 4 Subtotal		\$14,165,451	\$480,784		\$14,723,300	\$485,209
CLASS 5						
Rural Electric and Telephone Co-Op (3%)		\$3,270,497	\$98,114		\$3,509,654	\$105,290
Qualified New Industrial (3%)		\$0	\$0		\$0	\$0
Pollution Control (3%)		\$0	\$0		\$0	\$0
Gasohol Related (3%)		\$0	\$0		\$0	\$0
Research and Development (0%-3%)		\$0	\$0		\$0	\$0
Aluminum Electrolytic Equipment (3%)		\$0	\$0		\$0	\$0
Class 5 Subtotal		\$3,270,497	\$98,114		\$3,509,654	\$105,290
CLASS 6						
Livestock (0%)		\$0	\$0		\$0	\$0
Lease and Rental Equipment (3%)		\$0	\$0		\$0	\$0
Canola Seed Processing Equipment (3%)		\$0	\$0		\$0	\$0
Class 6 Subtotal		\$0	\$0		\$0	\$0
CLASS 7						
Non-Centrally Assessed Public Util. (8%, 3%)		\$0	\$0		\$0	\$0
CLASS 8						
Machinery (3%)		\$647,451	\$19,423		\$663,099	\$19,891
Farm Implements (3%)		\$5,235,554	\$157,069		\$5,502,706	\$165,079
Furniture and Fixtures (3%)		\$177,137	\$5,315		\$140,069	\$4,201
Other Business Equipment		\$3,812,093	\$114,363		\$5,213,647	\$156,407
Class 8 Subtotal		\$9,872,235	\$296,170		\$11,519,521	\$345,578
CLASS 9						
Utilities (12%)		\$3,227,959	\$387,357		\$5,821,048	\$698,527
CLASS 10						
Timber Land (0.35%, 0.35%)	0	\$0	\$0	0	\$0	\$0
CLASS 12						
Railroads (3.88%, 3.81%)		\$6,546,800	\$254,016		\$6,275,558	\$239,099
Airlines (3.88%, 3.81%)		\$0	\$0		\$0	\$0
Class 12 Subtotal		\$6,546,800	\$254,016		\$6,275,558	\$239,099
CLASS 13						
Electrical Generation Property (6%)		\$0	\$0		\$0	\$0
Telecommunication Property (6%)		\$1,157,594	\$69,456		\$1,056,801	\$63,408
Class 13 Subtotal		\$1,157,594	\$69,456		\$1,056,801	\$63,408
Total		\$70,883,433	\$2,699,036		\$76,389,509	\$3,045,370



Property Tax

Yellowstone County

	2003			2004		
	Acres	Assessed	Taxable	Acres	Assessed	Taxable
CLASS 1 Net Proceeds		\$0	\$0		\$0	\$0
CLASS 2 Gross Proceeds		\$0	\$0		\$0	\$0
CLASS 3 Agricultural Land:						
Tillable Irrigated (3.40%, 3.30%)	68,897	\$34,669,019	\$1,178,769	68,298	\$34,833,428	\$1,149,484
Tillable Non-Irrigated (3.40%, 3.30%)	208,966	\$33,929,067	\$1,153,633	209,041	\$34,782,467	\$1,147,808
Grazing (3.40%, 3.30%)	968,932	\$30,054,519	\$1,021,948	966,890	\$30,746,924	\$1,014,757
Wild Hay (3.40%, 3.30%)	6,093	\$1,260,262	\$42,851	5,953	\$1,251,243	\$41,296
Non-Qualified Ag Land (23.8%, 23.1%)	35,715	\$1,446,866	\$344,411	36,128	\$1,501,862	\$346,961
Eligible Mining Claims (3.40%, 3.30%)	0	\$0	\$0	0	\$0	\$0
Class 3 Subtotal	1,288,602	\$101,359,733	\$3,741,612	1,286,310	\$103,115,924	\$3,700,306
CLASS 4 Land and Improvements:						
Residential (3.40%, 3.30%)		\$2,764,875,254	\$94,005,013		\$2,965,479,801	\$97,860,751
Residential Low Income (varies)		\$41,174,250	\$713,655		\$46,087,630	\$764,219
Mobile Homes (3.40%, 3.30%)		\$73,678,807	\$2,505,113		\$73,896,343	\$2,438,507
Mobile Homes Low Income (varies)		\$2,249,357	\$41,181		\$2,389,881	\$40,810
Commercial (3.40%, 3.30%)		\$1,277,895,838	\$43,448,379		\$1,385,702,639	\$45,728,172
Industrial (3.40%, 3.30%)		\$103,984,143	\$3,535,462		\$117,573,933	\$3,879,948
New Manufacturing (varies)		\$45,727,135	\$955,503		\$35,580,967	\$652,560
Qualified Golf Courses (1.70, 1.65%)		\$17,325,977	\$294,542		\$18,494,922	\$305,165
Remodeled Commercial (varies)		\$2,323,272	\$42,303		\$4,553,781	\$58,533
Extended Prop Tax Relief Program (Res Only)		\$8,316,346	\$264,405		\$7,047,186	\$215,049
Class 4 Subtotal		\$4,337,550,379	\$145,805,556		\$4,656,807,083	\$151,943,714
CLASS 5						
Rural Electric and Telephone Co-Op (3%)		\$37,012,224	\$1,110,369		\$38,851,802	\$1,165,556
Qualified New Industrial (3%)		\$0	\$0		\$0	\$0
Pollution Control (3%)		\$129,637,844	\$3,889,136		\$111,981,834	\$3,359,456
Gasohol Related (3%)		\$0	\$0		\$0	\$0
Research and Development (0%-3%)		\$0	\$0		\$0	\$0
Aluminum Electrolytic Equipment (3%)		\$0	\$0		\$0	\$0
Class 5 Subtotal		\$166,650,068	\$4,999,505		\$150,833,636	\$4,525,012
CLASS 6						
Livestock (0%)		\$0	\$0		\$0	\$0
Lease and Rental Equipment (3%)		\$0	\$0		\$0	\$0
Canola Seed Processing Equipment (3%)		\$0	\$0		\$0	\$0
Class 6 Subtotal		\$0	\$0		\$0	\$0
CLASS 7						
Non-Centrally Assessed Public Util. (8%, 3%)		\$0	\$0		\$0	\$0
CLASS 8						
Machinery (3%)		\$417,919,587	\$12,411,573		\$465,872,139	\$12,941,764
Farm Implements (3%)		\$21,653,402	\$649,613		\$21,621,856	\$648,661
Furniture and Fixtures (3%)		\$171,015,635	\$5,130,504		\$170,242,562	\$5,107,275
Other Business Equipment		\$37,150,654	\$1,114,744		\$42,898,034	\$1,287,183
Class 8 Subtotal		\$647,739,278	\$19,306,434		\$700,634,591	\$19,984,883
CLASS 9						
Utilities (12%)		\$166,342,904	\$19,961,149		\$183,154,892	\$21,978,579
CLASS 10						
Timber Land (0.35%, 0.35%)	32,647	\$6,066,400	\$21,232	32,583	\$6,182,647	\$21,659
CLASS 12						
Railroads (3.88%, 3.81%)		\$95,321,201	\$3,698,463		\$94,798,908	\$3,611,840
Airlines (3.88%, 3.81%)		\$43,061,901	\$1,670,802		\$45,369,019	\$1,728,560
Class 12 Subtotal		\$138,383,102	\$5,369,265		\$140,167,927	\$5,340,400
CLASS 13						
Electrical Generation Property (6%)		\$47,315,039	\$2,838,902		\$51,963,332	\$3,117,800
Telecommunication Property (6%)		\$101,383,541	\$6,083,014		\$85,035,622	\$5,102,140
Class 13 Subtotal		\$148,698,580	\$8,921,916		\$136,998,954	\$8,219,940
Total		\$5,712,790,444	\$208,126,669		\$6,077,895,654	\$215,714,493



Property Tax

Taxable Value by County, By Property Class - Tax Year 2003

County	Class 1	Class 2	Class 3	Class 4		Subtotal
				Residential	Commercial	
Beaverhead	-	-	2,927,329	6,934,571	2,261,891	9,196,462
Big Horn	-	-	3,678,445	3,024,653	3,564,827	6,589,480
Blaine	-	-	4,052,953	2,015,323	448,024	2,463,347
Broadwater	112,798	-	1,140,556	3,101,770	593,385	3,695,155
Carbon	315,385	2,635	2,302,888	12,144,267	1,829,364	13,973,631
Carter	4,881,330	-	2,215,947	536,125	56,218	592,343
Cascade	-	-	4,751,122	51,664,959	23,168,078	74,833,037
Chouteau	-	-	8,952,344	3,430,557	598,123	4,028,680
Custer	-	-	2,695,304	5,258,030	2,175,139	7,433,169
Daniels	-	-	2,243,656	960,940	223,955	1,184,895
Dawson	-	-	3,174,217	3,752,630	1,091,278	4,843,908
Deer Lodge	-	-	522,656	5,047,222	1,087,695	6,134,917
Fallon	-	-	1,467,785	1,071,714	358,128	1,429,842
Fergus	-	-	5,622,901	7,422,485	1,735,492	9,157,977
Flathead	-	-	1,474,844	99,528,624	29,494,024	129,022,648
Gallatin	317,946	-	2,854,452	87,651,845	34,259,001	121,910,846
Garfield	-	-	3,352,659	681,744	69,071	750,815
Glacier	-	-	2,606,202	3,157,111	1,578,482	4,735,593
Golden Valley	-	-	1,227,897	562,325	57,559	619,884
Granite	-	-	721,102	3,170,993	434,245	3,605,238
Hill	-	-	6,064,957	8,059,316	2,991,422	11,050,738
Jefferson	-	1,184,979	942,701	8,979,195	1,311,504	10,290,699
Judith Basin	-	-	2,843,036	1,471,592	272,693	1,744,285
Lake	-	-	1,467,213	37,675,642	4,648,147	42,323,789
Lewis And Clark	-	-	1,995,390	45,149,801	18,958,424	64,108,225
Liberty	-	-	3,176,716	1,472,744	260,687	1,733,431
Lincoln	-	-	272,223	15,639,816	2,993,769	18,633,585
Madison	2,180,546	-	2,601,943	17,080,170	3,765,309	20,845,479
McCone	-	-	3,409,606	941,543	167,926	1,109,469
Meagher	-	6,380	1,643,917	1,760,243	269,285	2,029,528
Mineral	-	-	86,200	2,842,919	804,498	3,647,417
Missoula	-	-	712,791	86,054,547	45,291,025	131,345,572
Musselshell	-	-	1,740,730	2,307,022	324,927	2,631,949
Park	-	-	1,802,759	17,513,105	4,503,845	22,016,950
Petroleum	-	-	1,016,178	282,330	19,845	302,175
Phillips	-	-	3,747,451	1,963,601	578,468	2,542,069
Pondera	-	-	3,900,964	3,292,171	991,520	4,283,691
Powder River	-	-	2,045,800	815,786	123,901	939,687
Powell	-	-	1,256,371	3,725,363	702,898	4,428,261
Prairie	-	-	1,178,636	450,752	78,219	528,971
Ravalli	-	-	1,131,498	42,063,116	7,002,077	49,065,193
Richland	-	-	3,602,970	4,184,448	1,695,586	5,880,034
Roosevelt	-	-	3,463,490	2,219,413	892,109	3,111,522
Rosebud	-	-	3,329,390	2,578,245	1,945,068	4,523,313
Sanders	-	-	684,698	8,824,566	1,708,999	10,533,565
Sheridan	-	-	3,263,944	1,724,215	520,202	2,244,417
Silver Bow	-	-	422,080	18,390,704	11,168,649	29,559,353
Stillwater	-	6,212,357	2,385,730	7,997,264	1,769,810	9,767,074
Sweet Grass	-	1,393,224	1,549,218	3,881,643	1,020,515	4,902,158
Teton	-	-	4,468,469	4,035,448	840,644	4,876,092
Toole	-	-	4,230,476	2,746,396	1,805,457	4,551,853
Treasure	-	-	907,615	356,715	58,284	414,999
Valley	-	-	4,566,113	3,641,350	1,279,931	4,921,281
Wheatland	-	-	1,488,941	1,145,677	135,731	1,281,408
Wibaux	-	-	1,113,139	412,792	67,992	480,784
Yellowstone	-	-	3,741,612	97,529,367	48,276,189	145,805,556
Grand Total	\$ 7,808,005	\$ 8,799,575	\$ 140,240,224	\$ 760,326,905	\$ 274,329,534	\$ 1,034,656,439



Property Tax

Taxable Value by County, By Property Class - Tax Year 2003

Class 7	Class 8	Class 9	Class 10	Class 12	Class 13	Grand Total
-	1,373,110	1,125,246	29,505	260,512	194,771	15,543,301
-	3,428,360	3,592,558	49,090	879,227	169,488	19,089,607
-	1,019,624	3,345,744	1,943	848,333	106,936	12,101,738
-	800,082	2,574,329	35,497	527,745	385,232	9,356,091
-	756,185	5,332,068	8,377	453,454	474,072	23,832,245
-	429,765	671,498	14,024	-	16	8,889,872
995,149	5,498,633	6,947,274	58,097	2,180,515	11,987,946	107,699,218
-	1,499,212	4,332,144	10,777	338,918	268,590	19,726,495
-	871,124	1,439,248	24,525	734,800	524,390	13,952,601
-	593,884	73,373	-	205,064	235,030	4,695,241
-	956,970	2,768,862	-	1,540,775	799,338	14,550,753
-	262,261	1,621,969	74,881	19,432	288,995	9,053,131
-	1,694,000	4,945,520	390	336,645	286	10,034,184
-	1,411,198	3,727,333	83,335	278,075	419,768	21,069,366
-	8,184,683	3,284,032	1,142,807	2,235,477	3,326,246	151,828,319
-	6,296,561	8,021,329	232,125	1,690,075	3,167,930	144,859,715
-	368,712	-	297	-	-	4,659,312
-	818,897	6,312,772	4,107	1,059,517	329,743	16,685,683
-	125,567	2,419,294	7,468	317,697	47,427	4,855,284
-	437,657	2,466,776	247,625	657,269	117,292	8,390,698
-	1,791,149	4,210,139	4,094	2,353,212	291,508	26,446,529
-	1,464,682	3,176,939	40,639	489,729	373,330	18,196,508
-	519,508	3,964,122	10,544	737,510	276,729	10,175,211
-	2,274,543	282,282	252,382	504,078	3,076,323	50,613,238
-	3,509,143	8,049,586	209,997	1,254,523	5,902,665	85,316,967
-	673,735	442,720	-	406,988	2,098	6,595,990
-	1,318,963	-	1,044,102	1,908,584	678,818	25,146,713
-	1,543,762	2,188,457	103,815	465,011	465,381	30,764,000
-	667,879	170,576	-	123,532	6,567	5,844,020
-	374,621	2,886,075	159,386	-	174,444	7,290,362
-	252,067	2,538,882	187,974	622,899	100,346	7,620,603
-	9,655,881	9,364,789	990,023	2,196,491	4,249,549	159,846,370
-	373,753	1,011,832	100,112	-	-	6,253,956
-	1,045,835	3,016,425	209,398	610,761	852,505	29,863,164
-	122,892	-	1,359	-	-	1,549,138
-	775,369	5,315,205	1,050	800,788	192,293	13,586,284
-	1,053,258	1,822,956	1,726	490,809	162,277	12,057,909
-	472,864	292,411	11,304	-	450	3,984,794
-	637,948	2,966,928	404,442	624,473	489,881	11,050,760
-	284,912	371,489	285	726,476	112,873	3,300,002
-	1,756,935	2,285,479	144,331	541,360	1,104,241	56,570,667
-	1,937,620	2,025,520	-	400,911	843,869	15,412,203
-	1,164,927	14,104,091	-	1,669,301	543,110	24,306,105
-	3,109,785	3,849,819	29,212	1,020,446	62,144,790	84,797,130
-	653,469	3,256,408	681,961	1,705,118	7,965,986	26,005,410
-	1,246,015	346,570	-	558,208	130,717	8,007,261
-	12,195,059	19,267,210	22,813	397,334	1,414,643	63,592,764
-	4,660,724	5,793,369	42,248	460,354	673,935	30,381,521
-	2,922,942	1,124,263	54,849	454,774	274,293	13,017,717
-	918,100	2,208,010	17,075	669,672	94,953	13,865,223
-	1,027,984	1,958,611	-	1,177,172	180,771	13,439,440
-	184,396	1,532,201	9,188	641,538	89,770	3,868,318
-	1,017,929	11,783,932	-	1,187,076	584,607	24,409,204
-	259,250	5,153,759	8,876	244,318	333,957	8,800,375
-	296,170	387,357	-	254,016	69,456	2,699,036
-	19,306,434	19,961,149	21,232	5,369,265	8,921,916	208,126,669
995,149	\$ 118,296,988	\$ 212,110,930	\$ 6,789,287	\$ 45,630,257	\$ 125,622,547	\$ 1,733,674,415



Property Tax

Taxable Value by County, By Property Class - Tax Year 2004

County	Class 1	Class 2	Class 3	Class 4		Subtotal
				Residential	Commercial	
Silver Bow	-	60,708	423,679	18,195,211	10,917,084	29,112,295
Cascade	-	-	4,734,407	52,345,580	23,452,057	75,797,637
Yellowstone	-	-	3,700,306	101,319,336	50,624,378	151,943,714
Missoula	-	-	711,342	89,528,648	47,439,740	136,968,388
Lewis And Clark	-	-	1,990,778	46,758,399	19,562,044	66,320,443
Gallatin	300,000	-	2,860,784	93,974,885	37,038,584	131,013,469
Flathead	-	-	1,463,040	106,025,902	31,619,838	137,645,740
Fergus	-	-	5,614,159	7,534,128	1,769,047	9,303,175
Powder River	-	-	2,036,956	831,575	123,911	955,486
Carbon	460,459	-	2,292,783	12,500,959	1,853,785	14,354,744
Phillips	-	-	3,742,369	1,986,187	569,817	2,556,004
Hill	-	-	6,034,669	8,022,837	2,938,398	10,961,235
Ravalli	-	-	1,143,988	43,885,706	7,222,492	51,108,198
Custer	-	-	2,687,121	5,322,590	2,209,298	7,531,888
Lake	-	-	1,480,200	39,192,796	4,755,483	43,948,279
Dawson	-	-	3,157,792	3,724,301	1,057,667	4,781,968
Roosevelt	-	-	3,453,199	2,230,980	856,735	3,087,715
Beaverhead	-	-	2,921,356	7,020,764	2,308,965	9,329,729
Chouteau	-	-	8,904,070	3,422,158	554,535	3,976,693
Valley	-	-	4,559,067	3,638,345	1,247,755	4,886,100
Toole	-	-	4,227,054	2,763,467	1,776,241	4,539,708
Big Horn	-	-	3,669,562	3,008,439	3,240,021	6,248,460
Musselshell	-	-	1,731,887	2,361,268	333,513	2,694,781
Blaine	-	-	4,044,456	2,076,360	441,836	2,518,196
Madison	2,276,346	-	2,617,112	19,645,178	4,166,782	23,811,960
Pondera	-	-	3,894,336	3,275,024	967,197	4,242,221
Richland	-	-	3,581,959	4,123,443	1,761,753	5,885,196
Powell	-	-	1,255,155	3,864,929	724,637	4,589,566
Rosebud	-	-	3,319,059	2,562,548	1,942,223	4,504,771
Deer Lodge	-	-	525,498	5,216,833	1,122,205	6,339,038
Teton	-	-	4,480,819	4,059,660	836,753	4,896,413
Stillwater	-	4,319,043	2,379,543	8,392,685	1,787,188	10,179,873
Treasure	-	-	903,684	357,333	63,059	420,392
Sheridan	-	-	3,242,495	1,706,506	487,555	2,194,061
Sanders	-	-	685,294	9,065,256	1,861,185	10,926,441
Judith Basin	-	-	2,824,870	1,515,481	265,309	1,780,790
Daniels	-	-	2,234,959	974,026	228,920	1,202,946
Glacier	-	-	2,643,422	3,134,042	1,544,015	4,678,057
Fallon	-	-	1,465,837	1,084,298	353,477	1,437,775
Sweet Grass	-	2,544,162	1,547,845	4,059,151	1,040,722	5,099,873
McCone	-	-	3,391,174	936,454	148,558	1,085,012
Carter	4,885,548	-	2,206,409	530,256	54,590	584,846
Broadwater	110,061	-	1,141,424	3,231,414	611,367	3,842,781
Wheatland	-	-	1,478,287	1,158,221	138,811	1,297,032
Prairie	-	-	1,169,783	464,716	78,750	543,466
Granite	-	-	729,006	3,394,142	464,877	3,859,019
Meagher	-	-	1,638,083	1,828,935	268,116	2,097,051
Liberty	-	-	3,160,542	1,479,455	210,808	1,690,263
Park	-	-	1,818,066	17,876,718	4,543,900	22,420,618
Garfield	-	-	3,331,172	684,468	68,393	752,861
Jefferson	-	3,504,388	951,013	9,351,716	1,353,888	10,705,604
Wibaux	-	-	1,108,259	420,406	64,803	485,209
Golden Valley	-	-	1,222,756	573,124	57,419	630,543
Mineral	-	-	85,433	3,081,202	901,773	3,982,975
Petroleum	-	-	1,012,324	283,411	19,381	302,792
Lincoln	-	-	271,181	16,060,969	2,870,084	18,931,053
Grand Total	\$ 8,032,414	\$ 10,428,301	\$ 139,901,823	\$ 792,062,821	\$ 284,921,722	\$ 1,076,984,543



Property Tax

Taxable Value by County, By Property Class - Tax Year 2004

Class 5	Class 7	Class 8	Class 9	Class 10	Class 12	Class 13	Grand Total
469,527	-	7,759,926	8,640,072	23,852	552,213	1,130,663	48,172,935
420,772	966,317	5,679,850	8,081,628	60,181	2,123,358	11,431,900	109,296,050
4,525,012	-	19,984,883	21,978,579	21,659	5,340,400	8,219,940	215,714,493
1,421,452	-	10,136,386	11,110,235	964,662	2,271,382	3,554,720	167,138,567
182,212	-	3,592,112	9,032,171	221,546	1,301,089	5,380,959	88,021,310
369,150	-	6,495,539	9,431,307	238,025	1,839,593	2,801,041	155,348,908
3,500,098	-	8,143,371	3,705,045	1,137,738	2,222,173	3,303,661	161,120,866
369,130	-	1,473,089	3,957,391	85,159	261,371	390,550	21,454,024
200,544	-	486,320	314,240	11,555	-	340	4,005,441
232,426	-	783,462	5,620,246	8,581	426,873	378,458	24,558,032
236,693	-	781,466	5,715,820	994	753,964	202,996	13,990,306
688,673	-	1,905,274	4,592,906	4,183	2,249,671	278,598	26,715,209
573,245	-	1,860,185	2,694,665	140,574	546,461	980,703	59,048,019
259,171	-	972,280	1,531,927	25,074	692,149	146,199	14,165,809
452,286	-	2,218,430	271,741	251,523	514,924	3,148,792	52,286,175
474,981	-	939,359	3,155,382	-	1,461,217	945,895	14,916,594
267,489	-	1,195,583	14,773,847	-	1,565,107	461,228	24,804,168
420,881	-	1,333,796	1,174,179	30,798	281,374	174,836	15,666,949
323,424	-	1,500,120	4,496,750	11,022	319,214	298,910	19,830,203
361,547	-	1,046,091	12,271,454	-	1,115,228	495,808	24,735,295
330,158	-	1,156,660	1,874,128	-	1,118,745	138,482	13,384,935
697,590	-	3,421,007	3,998,785	50,198	834,440	151,783	19,071,825
377,923	-	548,934	1,104,536	102,254	-	-	6,560,315
275,357	-	1,014,025	2,670,747	1,974	797,353	118,438	11,440,546
350,740	-	1,601,245	2,248,240	102,298	470,069	506,828	33,984,838
345,106	-	1,034,884	1,957,979	1,783	462,067	120,837	12,059,213
714,607	-	2,294,551	2,519,785	-	376,292	816,251	16,188,641
288,472	-	673,389	3,039,687	405,987	786,257	313,405	11,351,918
7,548,709	-	2,888,910	4,103,128	29,727	961,209	61,512,087	84,867,600
123,773	-	290,605	1,741,770	78,028	134,840	255,313	9,488,865
605,319	-	913,680	2,248,492	17,475	630,357	55,531	13,848,086
397,590	-	4,482,866	6,010,919	43,051	465,337	545,602	28,823,824
79,544	-	199,555	1,649,589	9,399	604,026	66,209	3,932,398
246,751	-	1,235,366	587,039	-	551,306	114,413	8,171,431
580,581	-	971,502	4,120,611	681,369	1,721,622	7,737,570	27,424,990
76,222	-	526,669	4,079,788	10,717	694,226	180,128	10,173,410
158,819	-	615,407	73,027	-	196,691	214,535	4,696,384
869,586	7,999	852,117	6,671,533	4,239	986,474	274,047	16,987,474
161,988	-	1,905,757	6,486,576	399	316,877	7,780	11,782,989
350,564	-	3,271,466	1,179,117	55,366	459,514	180,107	14,688,014
363,999	-	686,434	171,815	-	116,430	6,052	5,820,916
85,594	-	452,054	2,041,140	14,332	-	16	10,269,939
87,487	-	732,743	2,701,802	36,556	519,108	311,858	9,483,820
29,805	-	269,130	5,362,141	9,075	229,970	326,022	9,001,462
97,067	-	291,158	429,629	290	683,902	110,888	3,326,183
201,933	-	427,404	2,503,784	248,089	663,966	81,257	8,714,458
16,254	-	339,066	3,069,916	164,086	-	200,480	7,524,936
168,332	-	693,477	509,737	-	383,155	117,666	6,723,172
349,775	-	1,045,986	3,146,632	216,442	612,948	742,952	30,353,419
187,971	-	372,768	-	304	-	-	4,645,076
217,834	-	1,614,558	3,306,456	42,673	494,961	340,928	21,178,415
105,290	-	345,578	698,527	-	239,099	63,408	3,045,370
87,990	-	140,625	2,524,794	7,633	299,090	5,755	4,919,186
205,506	-	276,224	2,611,390	175,137	629,457	88,133	8,054,255
104,477	-	136,616	-	1,394	-	-	1,557,603
1,386,847	-	1,231,046	-	1,043,981	1,796,512	734,107	25,394,727
34,024,273	\$ 974,316	\$ 117,240,984	\$ 219,992,824	\$ 6,791,382	\$ 45,074,061	\$ 120,485,065	\$ 1,779,929,986



TAX EXPENDITURES





Tax Expenditures

Introduction To Tax Expenditures

This introductory section discusses the tax expenditure concept, the purpose of tax expenditure reporting, methods used in measuring tax expenditures, caveats in the use of tax expenditure estimates, and the history of tax expenditure reporting.

House Bill 387, passed by the Fiftieth Legislature (1987), amended MCA 15-1-205 by suggesting that the Department of Revenue supplement its Biennial Report with estimates of revenue losses attributed to certain deductions, exclusions, credits, and other preferential tax treatment of income or property.

The Tax Expenditure Concept

Tax expenditures are defined as provisions of the tax code that provide for special exclusions, exemptions, deductions, credits, deferrals, or preferential tax rates that result in foregone revenue.

The purpose of tax expenditures is to provide financial assistance to certain groups of taxpayers, or to provide an economic incentive that encourages specific taxpayer behavior. One example of a tax expenditure designed to provide financial assistance is the additional personal exemption allowed the blind and/or elderly. On the other hand, the deduction allowed homeowners for mortgage interest may be viewed as an inducement to encourage home ownership. In both cases, the same objectives could be met through direct government spending programs that subsidize certain individuals on the basis of specific characteristics or behavior.

Generally, state tax expenditure reports do not include provisions of tax law that lie beyond the state's legal jurisdiction. For example, federal statutes and court rulings prohibit states from taxing certain railroad retirement benefits, and income earned by Indians on reservations. Tax law provisions of this nature are not reported here.

At the state level, tax expenditures may be "passive" or "non-passive" in nature. Passive tax expenditures occur when a state ties its tax code to the federal tax code in a manner that allows for the automatic incorporation of federal changes in state law.

For example, for state income tax purposes the starting point for determining Montana taxable income is federal adjusted gross income (FAGI). By starting with FAGI, Montana automatically incorporates the exclusions (e.g., employee fringe benefits) and deductions (e.g., IRAs) used in arriving at FAGI. These exclusions and deductions constitute passive tax expenditures at the state level. For informational purposes, Appendix B provides an estimate of the state tax expenditure for these items.

Tax expenditures arise as a consequence of deviations from the "normal" tax structure. There is no general consensus regarding what constitutes a normal income tax structure. However, there are a few tax provisions that are generally agreed upon to be components of the normal tax structure, and consequently are not considered tax expenditures here as well. These items include:

1. the standard deduction,
2. the personal exemption allowed each taxpayer and each dependent,
3. the progressive rate structure based on ability to pay, and
4. the deduction for costs incurred in producing income.

Other provisions which remain the subjects of vigorous debate, but which nevertheless are considered by most to be components of the normal tax structure, include:

1. unrealized appreciation in asset values,
2. imputed income from homes and other assets, and
3. indexing the tax structure for inflation.

In Montana, two-earner married households are allowed the option of filing separate tax returns without having to use a separate tax table for this form of filing. Given the relatively few states that still allow this option, this is now considered to be a tax expenditure item for Montana.

In addition to the rate table advantage, married couples who file separately may allocate certain items of income in a manner advantageous to reducing their tax liability.

The following table shows the estimated revenue loss attributable to this expenditure item for tax years 1996 through 2001, and the projected tax expenditure for fiscal years 2004 and 2005

Married Filing Separately Tax Expenditure	
Year	Expenditure
Tax Year 1996 Actual	\$ 42,000,000
Tax Year 1997 Actual	\$ 43,089,000
Tax Year 1998 Actual	\$ 47,451,000
Tax Year 1999 Actual	\$ 51,830,000
Tax Year 2000 Actual	\$ 58,752,000
Tax Year 2001 Actual	\$ 53,121,000
Tax Year 2002 Actual	\$ 54,859,000
Tax Year 2003 Actual	\$ 57,561,000
Tax Year 2006 Projected	\$ 59,074,000
Tax Year 2007 Projected	\$ 61,436,000

The Purpose of Tax Expenditure Reporting

Once every two years the Montana Legislature convenes in regular session to fulfill its responsibilities in the functioning of state government. Basic responsibilities include the review of past budgets associated with alternative government spending programs, a determination of the appropriateness of continuing these programs, the budgeting of program expenditure levels for coming years, and the appropriation of funds needed to finance continued and additional programs.

In this review process, most state legislatures (Montana's included) often overlook a major component of government finance. This component consists of the reductions in state revenue attributable to deductions, exclusions, credits, and other preferential treatment in the tax code. In effect, the specific deductions, exclusions, credits, and other preferential items currently in tax codes represent indirect government spending programs in the sense that these same preferences result in foregone revenue that otherwise would have been available for direct expenditure programs. Hence, these items are commonly referred to as "tax expenditures."

The objective of tax expenditure reporting is to provide information useful to the Governor and the Legislature for developing tax policy. Clear information on the costs of tax deductions and exemptions is as important as accurate data on costs of government services. Every effort was made to produce as

comprehensive, detailed, and accurate a report as possible. The report encompasses changes in tax law through the Fifty-Eighth Montana Legislature (including special sessions).

Measuring Tax Expenditures

Two methods were used to estimate the value of tax expenditures in this report. The first method, used to estimate passive (federal) provisions of the individual income and corporation license tax, allocates a portion of national estimates to Montana. Every year the federal Joint Committee on Taxation publishes its estimates of federal individual and corporate income tax expenditures for selected fiscal years. These estimates can then be allocated to states on the basis of relative tax base and tax rates at the national and state level.

Although this method is used by most states for deriving at least some of their tax expenditure estimates, it is also recognized as being a relatively crude estimating technique. For the individual income tax, it assumes that Montana's demographic characteristics (e.g., age and income distributions) and mix of industries are the same as those of the nation, and that Montana's consumption and expenditure patterns parallel those nationally. Obviously, this is an oversimplification. This simple approach may result in an understatement of tax expenditures for industries like agriculture and mining, which are more important to Montana's economy than to the U.S. economy.

The second method uses actual data available at the state level together with computer simulation modeling to produce much more reliable estimates of the impacts of certain tax expenditure items. This method was used to derive the estimates for Montana-specific reductions to income, itemized deductions, and credits for the individual income tax; credits for the corporation license tax; and all expenditure items reported for natural resources and property tax.

Using Tax Expenditures - Some Caveats

In most cases, tax expenditure estimates should be viewed as a measure of the amount of relief, assistance, or subsidy currently being provided through tax codes, and not necessarily as the amount of revenue that would be gained by repealing expenditure provisions of tax law. There are several reasons for this.

First, estimates of tax expenditures are made in the absence of any assumptions regarding policy responses. For example, employer contributions for medical insurance premiums and medical care are currently excluded from the employee's reported income. Some may view the tax expenditure associated with this item as a measure of the revenue that would be gained by requiring employees to include this contribution in their incomes. However, in keeping with current policy, employees who itemize deductions might be allowed to include all or part of this contribution in their personal deduction for medical expense if this exclusion were repealed. A policy response of this nature would reduce the tax expenditure associated with this item considerably.

Second, tax expenditures are not additive. In other words, the revenue effect of rescinding all tax expenditure items cannot be estimated simply by adding the tax expenditures associated with each individual tax expenditure item. This is because many of the tax expenditure items are interrelated, and a simple sum of tax expenditures estimated in isolation does not take into account these interaction effects. Furthermore, because each tax expenditure is measured in isolation, a simple summing of tax

expenditures will bias the total effect downwards in the presence of a progressive tax rate schedule, such as the one used in Montana. If all tax expenditures were eliminated simultaneously, taxable incomes would rise much higher than if a single expenditure provision were eliminated, subjecting taxable incomes to higher marginal tax rates.

Third, tax expenditure estimates do not take into consideration taxpayer behavioral responses. For example, it is quite conceivable that eliminating the deduction for charitable contributions would substantially reduce the number and size of these contributions. Taxpayers may funnel these funds into other tax saving devices, thereby reducing the revenue gain estimated in the absence of any behavioral response.

Given these considerations, users should view tax expenditure estimates more as a measure of the amount of relief currently being provided, rather than as a measure of the revenue that could be generated from repealing the associated tax provision.

Tax Expenditure Reporting

Tax expenditure reporting and tax expenditure budgets are a relatively recent phenomenon. The earliest record of reporting government subsidies administered through the tax code is in the Federal Republic of Germany, in 1959.

In the U.S., the pioneering work of Stanley Surrey led to the first federal tax expenditure budget, prepared by the Department of Treasury, in 1967. In 1971, California became the first state to adopt legislation requiring tax expenditure reports. California was followed by Wisconsin in 1973, and by Maryland and North Carolina in 1975. Today, at least half the states regularly publish comprehensive or partial tax expenditure reports.

In almost all cases, tax expenditure reports and budgets are prepared in response to a statutory requirement. Usually, the statutes spell out the type of information the report is to contain, and the time period to be covered.

HB387, passed during the 1987 regular session, provides that the Department of Revenue's Biennial Report *may* include specified information relating to tax expenditures. The bill did not contemplate a specific time period for these expenditures. However, the bill did specify that the report may include tax expenditures attributable to:

1. personal income and corporation license tax exemptions,
2. property tax exemptions for which application to the department or its agent is necessary,
3. deferrals of income,
4. credits allowed against Montana personal income tax or Montana corporation license tax,
5. deductions of income, and
6. any other identifiable preferential treatment of income or property.

In addition, the department was directed to provide:

1. distributions of tax expenditures across age and income brackets, whenever available,

2. any known purpose for the preferential treatment, and an outline of available data necessary to determine the effectiveness of the preference, and
3. similar information from other states, if available.

Concluding Remarks

Although a relatively recent phenomenon, tax expenditure reporting and tax expenditure budgets are becoming more and more prevalent at the state level. As states adopt tax expenditure reporting, legislators and administrators would be well advised to keep the limitations of tax expenditure reports in perspective. Tax expenditure estimates are not estimates of the amount of revenue that would be generated by repealing the associated tax provision, but rather estimates of the amount of relief currently being provided through the tax code. These estimates are subject to several methodological ambiguities, and in some cases severe data limitations.

Tax expenditure reports and budgets are primarily designed to be informational tools. Nothing in these reports is intended to convey a judgment regarding the propriety of various tax provisions. Tax expenditure reporting may encounter widespread resistance if opponents view the process as a means of selecting provisions for repeal in order to enhance revenues. Nevertheless, when used appropriately, the tax expenditure report or budget can be a valuable tool in providing lawmakers with added insight into the extent and distribution of governmental assistance.

Individual Income Tax Expenditures

The starting point for calculating Montana individual income tax is federal adjusted gross income (FAGI). Montana-specific additions and reductions to income determine the taxpayer's Montana adjusted gross income (MAGI). Either itemized or standard deductions and allowable taxpayer exemptions are subtracted from MAGI to arrive at the tax base, Montana taxable income (MTI).

A single tax table used by all filers is applied to taxable income to arrive at tax before credits. In applicable years this amount is adjusted for any surtax in effect and any tax on lump sum distributions that the taxpayer may have. This amount is then reduced by any income tax credits the taxpayer may have, to arrive at tax after credits. The income tax base, and net tax liability may be summarized as follows:

Summary of Individual Income Tax Calculation	
<u>Start</u>	<u>Income from all sources</u>
Less:	Federal exclusions, and federal deductions
Equals:	Federal Adjusted Gross Income (FAGI)
Plus:	Montana additions
Less:	Montana reductions
Equals:	Montana Adjusted Gross Income (MAGI)
Less:	Deductions (itemized or standard), and exemptions
Equals:	Montana Taxable Income (MTI)
Times:	Tax table
Plus:	Surtax (applicable yrs), and tax on lump sum distributions
Equals:	Tax Before Credits
Less:	Credits
Equals:	Tax After Credits

When computing tax liability, all filers use the same tax table. Montana is one of a few states where married couples may choose to file separate returns if both have income in the same year. The 2002 tax table is shown below:

Tax Year 2004 Individual Income Tax Rate Table			
If Taxable Income is:		Then Tax Liability is:	
Over	But Not Over		
\$ -	\$ 2,300	2% of taxable income	less \$ -
\$ 2,300	\$ 4,600	3% of taxable income	less \$ 23
\$ 4,600	\$ 9,200	4% of taxable income	less \$ 69
\$ 9,200	\$ 13,800	5% of taxable income	less \$ 161
\$ 13,800	\$ 18,400	6% of taxable income	less \$ 299
\$ 18,400	\$ 22,900	7% of taxable income	less \$ 483
\$ 22,900	\$ 32,100	8% of taxable income	less \$ 712
\$ 32,100	\$ 45,900	9% of taxable income	less \$ 1,033
\$ 45,900	\$ 80,300	10% of taxable income	less \$ 1,492
\$ 80,300		11% of taxable income	less \$ 2,295

Indexing

Montana has provided for full indexation of its income tax since 1981. The effect of indexing has been to reduce both tax liability and tax expenditure amounts. Indexing is considered to be an integral part of the normal tax structure, and hence, is not considered to be a tax expenditure.

Sources of Tax Expenditures

There are four sources of tax expenditures in Montana's individual income tax.

First, because Montana ties to the definition of federal adjusted gross income, all of the federal exclusions and deductions included in FAGI are also included in Montana adjusted gross income.

Second, Montana statutes provide for specific exclusions of certain types of income not provided for at the federal level.

The **third** source of tax expenditures includes the deductions for those taxpayers who file itemized returns. Most of these deductions are also tied directly to federal statutes. However, Montana also allows a deduction for federal income taxes paid during the tax year, a deduction for child care expenses incurred by certain families, a deduction for long-term care insurance premiums, and a deduction for medical insurance premiums.

The **fourth** source of tax expenditures includes Montana-specific tax credits.

The tax expenditure data published in this report is divided into two major groups: Montana-specific tax expenditures, and federal (passive) tax expenditures. Montana-specific tax expenditures are discussed in the following sections, while the federal (passive) tax expenditures are listed in Appendix B.

Montana Exclusions/Exemptions

The following exclusions and exemptions are above and beyond federal exclusions/exemptions. They are specific to Montana and were enacted by various state legislatures.

Additional Exemptions for the 65+ Age Group (and for certain physically challenged persons) *MCA 15-30-112 and 15-30-114*

Taxpayers and their spouses are both allowed additional exemptions if 65 years of age and over. Certain visually impaired taxpayers and their spouses are also granted additional exemptions. In addition, certain disabled dependent children are eligible for an extra exemption. This provides financial assistance to the age 65 and over and physically challenged groups.

Exempt Retirement Income *MCA 15-30-111 (2)*

Taxpayers are allowed to exclude up to \$3,600 in pension and annuity income. For filers with federal adjusted gross income greater than \$30,000, the \$3,600 exclusion is reduced by \$2 for every \$1 of federal adjusted gross income in excess of \$30,000. The exclusion is zero for taxpayers with federal adjusted gross income over \$31,800. This exemption provides economic relief to retirees.

Exempt Unemployment Compensation *MCA 15-30-101 (7)*

Unemployment compensation is excluded from gross income. The purpose of this exclusion is to provide additional economic assistance to unemployed persons.

Elderly Interest Exclusion for 65+ Age Group *MCA 15-30-111 (2)*

Taxpayers age 65 or older are allowed an exclusion of interest income up to \$800 if filing a single, married-separate, or head-of-household return; and up to \$1,600 if filing a joint return. This tax provision provides economic relief to taxpayers age 65 and over.

Medical Savings Account *MCA 15-61-202*

This account can be administered by an Account Administrator that is registered with the Department of Revenue or self administered by the taxpayer. The maximum deduction allowed per taxpayer from Montana adjusted gross income is \$3,000 plus interest the account accumulates. Eligible medical expenses cannot be deducted elsewhere on the tax form.

Family Education Savings Account *MCA 15-62-204*

Taxpayers may contribute up to \$3,000 per year into an individual trust or savings account to pay qualified higher education expenses for a designated beneficiary. Participants must make contributions in cash and complete an application prescribed by the Montana Board of Regents. Qualified withdrawals may be made only by check payable jointly to the designated beneficiary and a higher education institution. A penalty of 10% is imposed on any non-qualified withdrawal.

First-Time Homebuyers Savings Accounts *MCA 15-63-202*

Qualifying individuals may exclude from income up to \$3,000 (\$6,000 if filing jointly) contributed to a first-time homebuyers savings account. The account must have been opened for the first time during the tax year for which the deduction was claimed. Interest earned on the account is also excludable from income.

Health Care Professional Loan Payment Exclusion *MCA 15-30-111*

Qualifying health care professionals may exclude from adjusted gross income up to \$5,000 for loan payments made during the year on their behalf by qualifying student loan repayment programs.

Farm Risk Management Account *MCA 15-30-601*

Individual or family farm corporations may exclude from adjusted gross income deposits into a farm and ranch risk management account. The exclusion is limited to the lesser of 20% of net income attributable to agricultural business included in federal adjusted gross income, or \$20,000 per year.

Other Montana Exclusions *MCA 15-30-111 and 80-12-211*

Because the following items are all reported on a single line on the tax form, it is not possible to disaggregate the separate tax expenditure associated with each item. Therefore, the total tax expenditure of all of the below items taken together is reported. Montana and federal statutes provide for the following additional exclusions from income:

Capital Gains Exclusion *MCA 15-30-110*

The Tax Reform Act of 1986 eliminated the 60% exclusion for long-term capital gains, and required 100% of capital gains to be reported as ordinary income. Taxpayers are allowed to exclude from adjusted gross income 40% of the gain from the sale or exchange of capital assets, stemming from agreements entered into before January 1, 1987. The 40% Montana exclusion provides an inflationary hedge for Montana investors who entered into installment sales agreements prior to January 1, 1987. Over time this tax expenditure will erode to zero.

Health Insurance Paid by an S-Corporation

Shareholders may deduct health insurance premiums paid on their behalf by the S corporation, to the extent the cost is included in the shareholder's federal adjusted gross income.

Child's Income Exclusion

Taxpayers may exclude income reported on federal Form 8814 (Parents' Election to Report Child's Interest and Dividends). Children must file a Montana return if they otherwise meet the income filing requirements.

Excluded Tip Income

Income from tips received for services provided in licensed food, beverage, or lodging businesses are excludable. This exclusion gives financial relief to food, beverage, and lodging service workers, as well as provides ease of tax administration.

State Income Tax Refunds

State individual income tax refunds reported as income for federal purposes may be excluded from income for state tax purposes.

Disability Income Exclusion

Disability payments of up to \$5,200 per year are excludable. This exclusion provides financial assistance to persons receiving disability income.

Deduction for Recyclable Materials

Taxpayers may take an additional deduction equal to 10% of the business expense related to the purchase of recycled products used in Montana, if the recycled products contain at least 90% reclaimed material.

Wages Covered by Federal Targeted Jobs Credit

For federal tax purposes, the business deduction for wages and salaries paid to employees must be reduced by any federal targeted jobs credit claimed in relation to those wages. Taxpayers may exclude the amount claimed as a credit for federal purposes to ensure full deduction of these expenses.

Land Sales to Beginning Farmers

Up to \$50,000 in income or capital gains from the sale of land consisting of more than 80 acres to a beginning farmer at 9% or less interest on a long-term contract is excludable. This provides financial assistance to farmers/ranchers, and is an incentive for land to remain in an agricultural use.

Passive Loss Carryovers

Under certain circumstances, taxpayers are allowed to deduct prior year disallowed passive activity losses.

Indian Reservation Income

Income earned by an enrolled member of an American Indian tribe while living and working on a reservation is excludable. This gives financial relief to tribal members, living and working on a reservation.

Exempt Military Pay

Active duty pay for a member of the regular armed forces is exempt. This exemption grants financial relief to members of the armed forces on active duty.

Social Security Payments

Certain taxpayers may be allowed a deduction for social security income, if the portion of social security taxable to Montana is less than the federal taxable amount.

Allocation of Income to Proprietor's Spouse

Income may be allocated to a spouse who regularly performs substantial personal services in the operation of a business for which he/she is not paid a salary or wage. The allocation must be reported as income on the spouse's return.

Net Operating Losses

Taxpayers may exclude from income certain net operating loss carrybacks for tax years beginning after December 31, 1998. These carrybacks are made through an irrevocable election not to carry forward the NOL.



Tax Expenditures

Individual Income Tax Expenditures Montana Exclusions			
Montana Exemption / Exclusion	FY2006	FY2007	Biennium
Additional Exemptions for Age 65+ and Certain Physically Challenged Persons	\$5,934,000	\$5,940,000	\$11,874,000
Exempt Retirement Income	6,040,000	6,240,000	12,280,000
Exempt Unemployment Compensation	4,680,000	4,670,000	9,350,000
Interest Exclusions for Age 65+	2,750,000	2,840,000	5,590,000
Medical Savings Accounts	2,400,000	2,510,000	4,910,000
Family Education Savings Accounts	2,110,000	2,200,000	4,310,000
First-Time Homebuyers Savings Accounts	1,600,000	1,640,000	3,240,000
Health Care Professional Loan Payments	1,540,000	1,580,000	3,120,000
Farm and Ranch Risk Management Accounts	1,510,000	1,540,000	3,050,000
Other Reductions of Income	25,480,000	26,320,000	51,800,000
Total	\$54,044,000	\$55,480,000	\$109,524,000

Individual Income Tax - Montana Itemized Deductions

Montana's itemized deductions are primarily passive in nature in that most are tied to allowable federal itemized deductions. However, itemized deductions for federal income taxes paid during the tax year, child and dependent care expenses, long-term care insurance premiums, and medical insurance premiums are Montana-specific deductions.

Home Mortgage Interest *MCA 15-30-121 (1)*

Qualified residence interest is deductible to the extent that it represents interest on "acquisition indebtedness" not in excess of \$1,000,000; or "equity indebtedness" not in excess of \$100,000. "Acquisition indebtedness" is debt incurred in acquiring, constructing, or improving the residence; "equity indebtedness" is any indebtedness, other than acquisition indebtedness, to the extent that total indebtedness does not exceed the fair market value of the residence. Qualified residence is the taxpayer's principal residence and/or a second residence selected by the taxpayer, for the tax year. Points paid on a home mortgage loan for the purchase or improvement of a principal residence also are deductible. The deduction for home mortgage provides an incentive for residential development and economic growth.

Federal Income Tax Paid *MCA 15-30-121 (2)*

Through tax year 2004, a deduction is allowed for the full amount of federal income tax actually paid during the tax year. Beginning with tax year 2005, taxpayers may deduct federal taxes up to \$5,000 (\$10,000 if married and filing a joint return). Taxpayers may claim this deduction even when filing short-form 2S.

Contributions *MCA 15-30-121 (1)*

Contributions to organizations that are religious, charitable, educational, scientific, or literary in purpose are deductible. Generally, the deduction for contributions is limited to 50% of an individual's adjusted gross income. This deduction acts to reduce the cost of making charitable contributions, thereby increasing the amount of these types of contributions.

Real and Personal Property Taxes *MCA 15-30-121 (1)*

A deduction is allowed for any taxes paid on real and personal property not associated with the taxpayer's business. Allowing a deduction for property taxes enhances the ability of local governments to raise revenues needed to fund local activities.

Medical Insurance Premium Expense *MCA 15-30-121 (1)*

Montana allows taxpayers to deduct allowable medical insurance premiums. The premiums must be paid by the taxpayer with after-tax dollars. The amounts deducted cannot include amounts deducted for self-employed health insurance premiums deducted in arriving at federal adjusted gross income, or long-term care insurance premiums deducted elsewhere. This deduction encourages insurance coverage and offers financial support to those taxpayers paying out-of-pocket insurance premiums.

Medical and Dental Expense *MCA 15-30-121 (1)*

Expenditures for specified medical expenses are deductible to the extent that they exceed 7.5% of the taxpayer's adjusted gross income. The deduction for medical expenses is provided on the grounds that these types of expenditures are largely involuntary, and may be burdensome and substantially reduce tax capacity. The deduction also provides financial relief to those individuals having no health insurance coverage.

Miscellaneous Deductions *MCA 15-30-121 (1)*

The Tax Reform Act of 1986 provided for two types of miscellaneous deductions. The first type, which includes non-reimbursed job related expenses and expenses associated with producing other income, is subject to a 2% of adjusted gross income floor. Other miscellaneous expenses are not subject to the floor. This deduction is allowed on the general understanding that costs associated with the production of income are appropriately deductible.

Motor Vehicle and Other Deductible Taxes *MCA 15-30-121 (1)*

A deduction is allowed for motor vehicle fees and taxes, and any other deductible taxes paid during the tax year. Allowing a deduction for motor vehicle taxes is consistent with allowing a deduction for other forms of personal property tax.

Deductible Investment Interest *MCA 15-30-121 (1)*

The deduction for investment interest was limited by the Tax Reform Act of 1986. Investment interest is deductible only to the extent of “net investment income”; however, interest that is disallowed due to this limitation may be carried over to subsequent years. Technically, the deduction for interest on investments represents an allowance for costs associated with acquiring specific assets. Failing to allow the deduction would result in an overstatement of net income. Practically speaking, the deduction provides an incentive for savings and investment.

Long-Term Care Insurance Premiums *MCA 15-30-121 (7)*

Insurance premiums paid for long-term care insurance are deductible in full. In order to qualify for the deduction, the benefits provided by the insurance policy must meet or exceed the minimum standards established by the Montana State Auditor’s Office, Insurance Commission Division. This deduction provides an incentive for taxpayers to purchase an alternative means of providing long-term care (e.g., nursing home care). Provision of long-term care through private insurance reduces the reliance on public (Medicaid) payments for these types of services, thereby reducing state obligations and expenditures.

Gambling Losses *MCA 15-30-121 (3)*

Taxpayers may deduct gambling losses suffered during the tax year, but only to the extent of gambling gains. Individuals not engaged in the gambling business deduct their gambling losses, again, only to the extent of gambling gains, under miscellaneous deductions not subject to the 2% of AGI floor.

Casualty and Theft Losses *MCA 15-30-121 (1)*

A taxpayer may deduct casualty and theft losses on personal property only to the extent that 1) the loss exceeds \$100, and 2) all of the casualty or theft losses for the year exceed 10% of adjusted gross income for the year. With regard to theft losses, the loss amount is equal to the lesser of the property’s fair market value or adjusted basis, reduced by any insurance or other compensation received or recoverable. Casualty and theft losses are viewed as “negative” income in the year of loss,; hence, they are allowed as a deduction. The validity of this deduction is sometimes called into question on the grounds that almost all such losses are covered by insurance.

Child/Dependent Care Expense *MCA 15-30-121 (3)*

This deduction is not provided at the federal level, but is provided specifically through state statutes. Subject to specific rules and limitations, taxpayers are allowed a deduction for employment-related expenses associated with child and/or dependent care. This deduction is intended to provide economic

Tax Expenditures

relief to households where the expense of caring for dependents, necessary to allow gainful employment, is detrimentally burdensome.

Individual Income Tax Expenditures Montana Itemized Deductions			
Itemized Deduction	FY2006	FY2007	Biennium
Home Mortgage Interest	\$60,030,000	\$64,470,000	\$124,500,000
Federal Income Tax Paid During the Year	35,190,000	41,670,000	76,860,000
Contributions	27,180,000	30,220,000	57,400,000
Property Taxes	19,530,000	20,180,000	39,710,000
Medical Insurance Premiums	12,250,000	12,840,000	25,090,000
Medical Expense	10,900,000	11,900,000	22,800,000
Miscellaneous Business Expenses	8,060,000	8,600,000	16,660,000
Motor Vehicle and Other Deductible Taxes	4,070,000	4,150,000	8,220,000
Deductible Investment Interest	3,070,000	3,070,000	6,140,000
Long-Term Care Insurance	2,320,000	2,410,000	4,730,000
Gambling Losses	1,770,000	1,800,000	3,570,000
Casualty and Theft Loss	1,620,000	1,660,000	3,280,000
Child and Dependent Care Expense	1,510,000	1,540,000	3,050,000
Total	<u>\$187,500,000</u>	<u>\$204,510,000</u>	<u>\$392,010,000</u>

Individual Income Tax - Montana Credits

The following sections provide a brief description of each of the individual income tax credits in effect for tax year 2003, in Montana:

Other State / Foreign Tax Credit *MCA 15-30-124*

Residents whose Montana adjusted gross income includes income from a state or country which does not allow a credit for Montana income tax paid are allowed a credit for income tax paid the other state or country. This credit includes the resident's distributive share of any income tax imposed by and paid to another state or country by a partnership of which the resident is a partner. This prevents the multiple taxation of income by more than one state.

Elderly Homeowner/Renter Credit *MCA 15-30-171 through 15-30-179*

Residents age 62 or older who have lived in Montana for at least 9 months during the claim period, are eligible for a *refundable* property tax credit not to exceed \$1,000. This credit is claimed on the individual income tax form. This provides financial assistance to homeowners/renters, age 62 and over, on fixed incomes.

Charitable Endowment (Planned Gift) Credit *MCA 15-30-165 through 167*

A taxpayer is allowed a *nonrefundable* tax credit equal to 30% (40% after July 1, 2003) of the present value of a "planned gift" made to any qualifying endowment. (Individual income taxpayers may not make outright gifts of cash for which this credit may be claimed.) The maximum credit that can be claimed for contributions from all sources in a year is \$6,600 (\$10,000 after July 1, 2003). The credit may not be carried forward or backward. The credit cannot be claimed if the taxpayer has included the full amount of the planned gift as a deduction elsewhere on the return. This credit provides an incentive to make charitable contributions to qualified endowments. *This credit terminates December 31, 2007.*

Energy Conservation Credit *MCA 15-32-109*

A resident taxpayer who makes a capital investment in a building for an energy conservation purpose is allowed a *nonrefundable* credit equal to 25% of the expenditure, up to a maximum credit of \$500. Expenditures for capital investments in the physical attributes of a building or the installation of a water, heating, or cooling system qualify so long as the investment is for an energy conservation purpose. This provides an economic incentive for energy conservation expenditures and promotes conservation of fossil fuels.

Contractor's Gross Receipts Tax Credit *MCA 15-50-207*

Contractors are required to pay a license fee equal to 1% of the gross receipts from government contracts during the income year for which the license is issued. This additional fee is allowed as a credit against the contractor's individual income tax liability. This provision of tax law facilitates the taxation of prime and sub-contractors, while protecting the primary contractor from being taxed twice on the same earnings.

Alternative Energy System Credit *MCA 15-32-201*

A resident taxpayer who completes installation of an energy system using a "recognized nonfossil form of energy generation", or an energy system using a "low emission wood or biomass combustion device", in the taxpayer's principal dwelling after December 31, 2001 is entitled to a *nonrefundable* tax credit in an amount equal to the cost of the system, not to exceed \$500. The credit may be carried over until completely used, or for four years, whichever comes first.

Rural Physician Tax Credit *MCA 15-30-188 through 15-30-191*

Physicians who commence practice in a rural area (a place without a hospital of at least 60 beds within a radius of 30 miles) are entitled to a *nonrefundable* credit of \$5,000 per year, which may be claimed in four successive years beginning with the year in which the physician commences practice. The credit may not be carried forward or backward. To qualify for the credit, the physician must maintain a practice for at least 9 months of the taxable year in which the credit is claimed. If the physician ceases practice within 4 years following any taxable year in which the credit is granted, the physician is required to repay the state the amount of the credit claimed for that taxable year. The purpose of this credit is to encourage the location and relocation of physicians in medically-under-served rural areas.

College Contribution Credit *MCA 15-30-163*

Taxpayers may claim a *nonrefundable* credit equal to 10% of the amount of contributions to the general endowment funds of the Montana University System foundations, or to the general endowment fund of a Montana private college or its foundation. The maximum credit that can be claimed is \$500. The credit may not be carried forward or backward. This credit provides an incentive to provide funding for Montana colleges and universities.

Recycling Credit *MCA 15-32-601 through 15-32-611*

Qualifying taxpayers may claim a credit for a portion of the cost of qualifying property used to collect or process "reclaimable material", or to manufacture a product from reclaimed material. The credit may be claimed only in the year in which the property is purchased. The credit is equal to 25% of the cost on the first \$250,000 invested; 15% of the cost on the next \$250,000; and 5% on the next \$500,000 invested. The purpose of this credit is to provide an incentive to accumulate and process reclaimable materials, reduce the burden on local landfills, and to enhance the quality of the environment. *This credit terminates December 31, 2005.*

Montana Capital Company Credit *MCA 90-8-202*

Taxpayers are allowed an income tax credit for investing in certified Montana capital companies. The credit is limited to 50% of the investment up to \$150,000 per taxpayer for regular capital companies, and up to an additional \$250,000 for investments in a qualified Montana small business investment capital company. This credit, which may be carried forward for up to 18 years, was available only to taxpayers who invested in a qualified Montana capital company within four years of July 1, 1987; or a qualified small business investment company within four years of July 1, 1991. This credit provides an incentive for the formation of venture and equity capital in Montana.

Mineral Exploration Credit *MCA 15-32-501 through 510*

Taxpayers are allowed a credit not to exceed 50% of the taxpayer's liability for certified mineral exploration expenditures made to determine the existence, location, extent, or quality of a mineral or coal deposit. This credit provides an incentive to conduct mineral exploration activities in Montana.

Elderly Care Credit *MCA 15-30-128*

This *nonrefundable* credit is available to individuals for a portion of qualifying health expenses incurred in taking care of a family member 65 years of age and over, who is determined disabled by the Social

Security Administration, and has gross income of not more than \$15,000 (unmarried members), \$30,000 (married members). The credit, which is limited to \$5,000 per qualifying family member up to a maximum of two members, is equal to 30% of qualifying expenses for taxpayers with up to \$25,000 of income; and is phased down to 20% of qualifying expenses for taxpayers with incomes over \$45,000. The dollar amount of this credit is reduced by \$1 for each \$1 in excess of \$50,000 of adjusted gross income for the taxpayer receiving the credit. The credit may not be carried forward or backward. This credit provides financial assistance to those individuals incurring a financial burden due to caring for a disabled family member aged 65 and over, and reduces general fund Medicaid expenditures for nursing home care.

Investment Tax Credit *MCA 15-30-162*

In the past, Montana allowed an investment credit equal to 5% of the federal investment credit up to a maximum of \$500 in a single tax year. The federal Tax Reform Act of 1986 repealed the federal investment credit. Consequently, the tax expenditures associated with this credit in future years will reflect only the carry forward amounts allowed under current law. Investment credit provisions are designed to stimulate investment and economic growth.

Installation of Geothermal Non-Fossil Energy Systems *MCA 15-32-115*

Resident taxpayers who complete installation of a geothermal system in the taxpayer's principal dwelling are entitled to a tax credit for a portion of the installation costs of the system, not to exceed \$1,500. Any excess tax credit may be carried forward for seven years. This credit provides an economic incentive for the installation of non-fossil energy systems, and promotes conservation of fossil fuels.

Alternative Energy Generation Credit *MCA 15-32-401 through 407*

Qualifying individuals, corporations, partnerships, or small business corporations that invest \$5,000 or more in a "net metering system" located in Montana that generates energy by means of an alternative renewable energy source (including commercial wind generation systems) are entitled to a tax credit equal to 35% of the eligible costs. Eligible costs, including expenditures for generating equipment, safety devices, or transmission lines, must be reduced by the amount of any grants provided by the state or federal government for the system. Except for statutorily exempt investments on Indian reservations or state lands, if the investment receives federal wind-generation credits, the state credit must be reduced by the amount of any federal credit such that the effective credit does not exceed 60% of the eligible costs (this section repealed July 1, 2005). Generally, this credit may be carried forward for a period of seven years. This credit encourages the development of alternative energy industries in Montana, and promotes conservation of fossil fuels.

Alternative Fuels Tax Credit *MCA 15-30-164*

Qualifying taxpayers may receive a *nonrefundable* tax credit of up to 50% of the equipment and labor costs incurred to convert a motor vehicle to operate on alternative fuel (natural gas, liquefied natural gas, hydrogen, electricity, etc.). The credit may not exceed \$500 for converting vehicles with gross vehicle weight of 10,000 pounds or less; and \$1,000 for vehicles weighing over 10,000 pounds. The credit is allowed only in the year of conversion (no carryback or carryforward). The purpose of this credit is to stimulate the use of alternative fuels, thereby providing an incentive for the conservation of petroleum.

Dependent Care Assistance Credit *MCA 15-30-186 and 15-31-131*

Employers are granted a credit for the costs of providing qualifying dependent care assistance to employees. The amount of the credit is 25% of qualifying expenditures, up to a maximum credit of \$1,575. Employers are also eligible for a credit equal to 25% of the costs incurred to provide information and referral services to assist employees in obtaining dependent care. This credit may be carried forward for up to five years. This credit provides an incentive for employers to fund dependent care assistance programs, facilitating employment, and providing financial relief to working parents.

Employer Disability Insurance Credit *MCA 15-30-129 and 15-31-132*

Employers who have been in business in Montana for at least 12 months, and employ 20 or fewer employees working at least 20 hours a week, may claim a *nonrefundable* credit of up to \$3,000 for expenditures on employee disability insurance premiums. To qualify for the credit, at least 50% of each employee's insurance premium must be paid by the employer. The credit may not exceed 50% of the premium cost for each employee, and may not be claimed for a period of more than 3 years. The credit may not be carried back or carried forward. The purpose of this credit is to encourage disability insurance coverage for uninsured employees.

Infrastructure User Fee Credit *MCA 17-6-316*

The Board of Investments may make loans to local governments for the purpose of building infrastructure to enhance economic development and create jobs if the loan results in creation or expansion of 50 full time jobs. The local government may then charge the new business a user fee for use of the infrastructure. Businesses are allowed to take a tax credit equal to the user fee charged. This credit provides an incentive for local economic development.

Historic Building Preservation Credit *MCA 15-30-180 and 15-31-151*

Taxpayers are allowed a *nonrefundable* credit equal to 25% of the federal credit provided for qualifying rehabilitation expenditures with respect to certified historic buildings. The credit may be carried forward for a period of seven years.

Alternatively, qualifying taxpayers may take a credit equal to 20% of the costs associated with creating a qualifying conservation easement for historic properties, including any loss in value of the property arising as a consequence of the easement. In addition, the owner of a historically significant property subject to a conservation easement is allowed a credit equal to 20% of the direct costs associated with the protection and preservation of the property if the preservation efforts are approved as reasonable and necessary by the conservation easement holder. This credit may not exceed \$25,000 per year. The combined maximum credit that may be taken for each historic property may not exceed \$150,000. These credits are nonrefundable, but may be carried forward for up to 6 years. These credits provide an incentive to preserve Montana's heritage and historic culture.

Increased Research Activity Credit *MCA 15-30-168 and 15-31-150*

Taxpayers may receive a *nonrefundable* credit equal to 5% of any increases in qualifying research expenses and basic research expenses for research conducted in Montana, determined in accordance with Section 41 of the IRC, 26, U.S.C. 41. Unused credit may be carried back 2 years and forward 15 years. This credit provides an incentive to produce new research.

Affordable Housing Revolving Loan Account Credit *MCA 15-30-181*

Taxpayers are allowed a nonrefundable credit not to exceed 20% (up to a maximum credit of \$10,000) of the amount donated to the affordable housing revolving loan account established in 90-6-133. The credit may not be carried forward or backward; and may not be claimed if the taxpayer has included the full amount of the contribution as a deduction from income, or if the taxpayer has claimed a credit for a contribution to a qualified endowment based on the donation. *This credit terminates December 31, 2004.*

Developmental Disabilities Contribution Credit *MCA 15-30-187*

Taxpayers are allowed a nonrefundable credit in an amount equal to 30% (up to a maximum credit of \$10,000) of the amount donated to the developmental disability services account established in 53-20-171. The credit may not be carried forward or backward. Taxpayers claiming this credit may not claim a deduction for the contribution for which the credit is claimed. *This credit terminates January 1, 2006.*

Empowerment Zone New Employees Tax Credit *MCA 15-30-182*

Employers are entitled to a tax credit for each new employee at businesses located in an empowerment zone created pursuant to Title 7, chapter 21, part 37. The taxpayer must receive eligibility certification from the Department of Labor and Industry to receive the credit. The amount of the credit for each employee is \$500 in the first year of employment; \$1,000 in the second year of employment; and \$1,500 in the third year of employment. Portions of the credit in excess of the taxpayer's liability may be carried forward 7 years and carried back 3 years.

Capital Gains Tax Credit *MCA 15-30-183*

Beginning with tax year 2005, taxpayers will be allowed to take a credit against individual income tax liability in an amount equal to 1% of any net positive capital gains income reported on their individual income tax returns. The credit is scheduled to increase to 2% of capital gains income beginning in tax year 2007. This credit is provided to make Montana more competitive with other states as regards the effective tax rate applied to capital gains income, and to provide an incentive for economic development and capital investment in the state.

Individual Income Tax Credits			
Credit	FY2006	FY2007	Biennium
Other state/foreign tax credit	\$16,785,000	\$17,795,000	\$34,580,000
Elderly homeowner/renter credit	12,748,000	13,351,000	26,099,000
Charitable endowment credit	4,400,000	5,900,000	10,300,000
Energy conservation credit	3,000,000	4,000,000	7,000,000
Contractor's gross receipts tax credit	785,000	820,000	1,605,000
Alternative energy system credit	330,000	350,000	680,000
Physician credit for rural practice	308,000	300,000	608,000
College contribution credit	160,000	156,000	316,000
Recycling credit	100,000	100,000	200,000
All Other Credits	357,000	367,000	724,000
Total Credits	\$38,973,000	\$43,139,000	\$82,112,000

Corporation License Tax Expenditures - Montana Credits

Contractors' Gross Receipts Tax Credit *MCA 15-50-207*

Contractors are required to pay an additional license fee equal to 1% of the gross receipts from government contracts during the income year for which the license is issued. This additional fee is allowed as a credit against the contractor's corporation license tax liability. This provision of tax law facilitates the taxation of prime and sub-contractors, while protecting the primary contractor from being taxed twice on the same earnings.

Charitable Endowment Credit *MCA 15-31-161 and 15-31-162*

A corporate license tax credit is allowed for 40% of charitable contributions made to qualified endowments. The maximum credit that may be claimed each year is \$10,000. The credit may not be carried back or forward and is *nonrefundable*. This credit, which was enacted by the 1997 Legislature, is scheduled to *terminate December 31, 2007*.

Qualified Research Tax Credit *MCA 15-31-150*

Taxpayers may receive a *nonrefundable* tax credit for increases in qualified research expense, and basic research payments for research conducted in Montana, determined in accordance with Section 41 of the IRC, 26, U.S.C. 41. The applicable rate for Montana purposes is 5%. Unused credit may be carried back 2 years and forward 15 years. The credit may not be claimed as a current year credit in tax years beginning after December 31, 2010. This credit provides an incentive to produce new research.

Infrastructure User Fee Credit *MCA 17-6-316*

The Board of Investments may make loans to local governments for the purpose of building infrastructure to enhance economic development and create jobs if the loan results in creation or expansion of 50 full time jobs. The local government may then charge the new business a user fee for use of the infrastructure. Businesses are allowed to take a *nonrefundable* tax credit equal to the user fee charged. The credit may be carried back for 3 years or carried forward for 7 years. This credit provides an incentive for local economic development.

Recycling Credit *MCA 15-32-601 through 15-32-611*

Qualifying taxpayers may claim a credit for investments in depreciable property used to collect or process "reclaimable material", or to manufacture a product from reclaimed material, in the year in which the property is purchased. The amount of the credit is 25% of the first \$250,000 invested ; 15% of the next \$250,000 invested; and 5% of the next \$500,000 invested. The credit may not be carried forward. The purpose of this credit is to provide an incentive to accumulate and process reclaimable materials, reduce the burden on local landfills, and to enhance the quality of the environment.

Alternative Fuel Motor Vehicle Conversion Credit *MCA 15-31-137*

Qualifying taxpayers (small business corporations and partnerships) may receive a *nonrefundable* tax credit of up to 50% of the equipment and labor costs incurred to convert a motor vehicle to operate on alternative fuel (natural gas, liquefied natural gas, hydrogen, electricity, etc.). The credit may not exceed \$500 for converting vehicles with gross vehicle weight of 10,000 pounds or less; and \$1,000 for vehicles weighing over 10,000 pounds. The credit is allowed only in the year of conversion (no carryback or carryforward). The purpose of this credit is to stimulate the use of alternative fuels, thereby providing an incentive for the conservation of petroleum.

College Contribution Credit *MCA 15-30-163*

Taxpayers may claim a *nonrefundable* credit equal to 10% of the amount of contributions to the general endowment funds of the Montana University System foundations, or to the general endowment fund of a Montana private college or its foundation. The maximum credit that can be claimed is \$500. The credit may not be carried forward or backward. This credit provides an incentive to provide funding for Montana colleges and universities.

Employer Disability Insurance Credit *MCA 15-31-132*

Employers who have been in business in Montana for at least 12 months, and employ 20 or fewer employees working at least 20 hours a week, may claim a *nonrefundable* credit of up to \$3,000 for expenditures on employee disability insurance premiums. To qualify for the credit, at least 50% of each employee's insurance premium must be paid by the employer. The credit may not exceed 50% of the premium cost for each employee, and may not be claimed for a period of more than 3 years. The credit may not be carried back or carried forward. The purpose of this credit is to encourage disability insurance coverage for uninsured employees.

Dependent Care Assistance Credit *MCA 15-31-131*

Employers are granted a credit for the costs of providing qualifying dependent care assistance to employees if the assistance is furnished by a registered or licensed day-care provider. The amount of the credit is 25% of qualifying expenditures, up to a maximum credit of \$1,575 per employee. Employers are also eligible for a credit equal to 25% of the costs incurred to provide information and referral services to assist employees in obtaining dependent care. This credit may be carried forward for up to five years. This credit provides an incentive for employers to fund dependent care assistance programs, facilitating employment, and providing financial relief to working parents.

Historic Building Preservation Credit *MCA 15-31-151*

Corporations are allowed a nonrefundable tax credit equal to 25% of the credit allowed under 26 U.S.C. 47(a)(2) for qualified rehabilitation expenditures, with respect to any certified historic building located in Montana. Unused tax credit from any given year may be carried over for a period 7 years. This credit provides an incentive to preserve Montana's heritage and historic culture.

Montana Capital Company Credit *MCA 90-8-202*

Corporations are allowed an income tax credit for investing in certified Montana capital companies. The credit is limited to 50% of the investment up to \$150,000 per taxpayer for regular capital companies, and up to an additional \$250,000 for qualified investments in a Montana *small business* investment capital company. This credit, which may be carried forward for up to 18 years, was available only to taxpayers who invested in a qualified Montana capital company within four years of July 1, 1987 or a qualified small business investment company within four years of July 1, 1991. Current credit amounts claimed reflect carryforward provisions of this credit. This credit provides an incentive to encourage the formation of venture and equity capital in Montana.

Investment Tax Credit *MCA 15-31-123*

Montana allows an investment credit equal to 5% of the federal investment credit up to a maximum of \$500 in any given taxable year. The federal Tax Reform Act of 1986 repealed the federal investment credit. Consequently, the current tax expenditures associated with this credit reflect the carry forward amounts

allowed under current law. Investment credit provisions are designed to stimulate investment and economic growth.

Mineral Exploration Credit *MCA 15-32-501 through 510*

Taxpayers are allowed a credit not to exceed 50% of the taxpayer's liability for certified mineral exploration expenditures made to determine the existence, location, extent, or quality of a mineral or coal deposit. This credit provides an incentive to conduct mineral exploration activities in Montana.

Affordable Housing Revolving Loan Account Credit *MCA 15-31-170*

Small business corporations, partnerships, or limited liability companies are allowed a *nonrefundable* credit not to exceed 20% (up to a maximum credit of \$10,000) of the amount donated to the affordable housing revolving loan account established in MCA, 90-6-133. The credit may not be carried forward or backward, and may not be claimed if the taxpayer has included the full amount of the contribution as a deduction from income, or if the taxpayer has claimed a credit for a contribution to a qualified endowment based on the donation. *This credit terminates December 31, 2004.*

Developmental Disabilities Contribution Credit *MCA 15-30-187*

Taxpayers are allowed a *nonrefundable* credit in an amount equal to 30% (up to a maximum credit of \$10,000) of the amount donated to the developmental disability services account established in 53-20-171. The credit may not be carried forward or backward. Taxpayers claiming this credit may not claim a deduction for the contribution for which the credit is claimed. *This credit terminates January 1, 2006.*

Empowerment Zone New Employees Tax Credit *MCA 15-30-182*

Employers are entitled to a tax credit for each new employee at businesses located in an empowerment zone created pursuant to Title 7, chapter 21, part 37. The taxpayer must receive eligibility certification from the Department of Labor and Industry to receive the credit. The amount of the credit for each employee is \$500 in the first year of employment; \$1,000 in the second year of employment; and \$1,500 in the third year of employment. Portions of the credit in excess of the taxpayer's liability may be carried forward 7 years and carried back 3 years.

Alternative Energy Generation Credit *MCA 15-32-401 through 407*

Qualifying individuals, corporations, partnerships, or small business corporations that invest \$5,000 or more in a "net metering system" located in Montana that generates energy by means of an alternative renewable energy source (including commercial wind generation systems) are entitled to a tax credit equal to 35% of the eligible costs. Eligible costs, including expenditures for generating equipment, safety devices, or transmission lines, must be reduced by the amount of any grants provided by the state or federal government for the system. Except for statutorily exempt investments on Indian reservations or state lands, if the investment receives federal wind-generation credits, the state credit must be reduced by the amount of any federal credit such that the effective credit does not exceed 60% of the eligible costs (this section repealed July 1, 2005). Generally, this credit may be carried forward for a period of seven years. This credit encourages the development of alternative energy industries in Montana, and promotes conservation of fossil fuels.

Day Care Facilities Tax Credit *MCA 15-31-133*

Qualifying taxpayers are allowed a *nonrefundable* credit based on the amounts paid or incurred by an employer to acquire, construct, reconstruct, renovate, or otherwise improve real property for use primarily

as a day care facility. The credit is equal to the lesser of: 1) \$2,500 times the number of dependents that the day care is designed to accommodate; 2) 15% of the cost of the acquisition, construction, reconstruction, renovation, or other improvement; or 3) \$50,000. The taxpayer is allowed a credit equal to one-tenth of the total credit allowed in the first qualifying tax year, and one-tenth is allowed in each succeeding tax year, not to exceed 9 tax years. Credits may be carried forward within the ten-year period.

New/Expanded Industry Credit *MCA 15-31-125*

New or expanding manufacturing industries are allowed a tax credit equal to 1% of the total new wages paid in Montana, for the first three years of operation or expansion. Expanding operations must increase total full-time jobs by 30% or more. "New" industry means a corporation engaging in manufacturing for the first time in Montana. This provides an incentive for economic development and job creation.

Interest Differential Credit *MCA 15-32-107*

Public utilities or financial institutions making low-interest loans for qualifying conservation investments or made certain qualifying installations prior to July 1, 1995 are entitled to a credit equal to the difference in the interest received on the low-interest loan and the interest that would have been received at the prevailing interest rate for home improvement loans. The credit could not exceed \$750,000 in any single tax year; and a financial institution could not receive a credit greater than \$2,000 in any tax year.

Corporation License Tax Credits			
Credit	FY2006	FY2007	Biennium
Contractor's Gross Receipts Tax Credit	\$970,000	\$970,000	\$1,940,000
Charitable Endowments Tax Credit	508,000	508,000	1,016,000
Credit for Increasing Research Activities	270,000	270,000	540,000
Infrastructure Users Fee Credit	158,000	158,000	316,000
Montana Recycling Credit	117,000	117,000	234,000
All Other Credits	50,000	50,000	100,000
Total Credits	\$2,073,000	\$2,073,000	\$4,146,000

Natural Resource Tax Expenditures

Oil and Gas Production

Reduced Rates for "New" Oil and Gas Production *MCA 15-36-304*

Oil or gas from a well that qualifies as "new" production is taxed at a reduced rate of 0.76% (instead of 12.76% for oil and 15.06% for gas). This reduced rate applies for the first 12 months of production from a conventional well and the first 18 months of production from a horizontally completed well. New production includes production from new wells and from wells that have not produced oil or gas during the previous 60 months. This reduced rate provides an incentive for the exploration, development and production of oil and gas.

Reduced Rate for Oil and Gas Wells Completed After 1/1/1999 *MCA 15-36-304*

Oil and gas production from wells completed on or after 1/1/1999 is taxed at a reduced rate of 9.26% (instead of 12.76% for oil and 15.06% for gas). This reduced rate provides an incentive for the exploration, development, and production of oil and gas.

Reduced Rates for Incremental Oil Production from Enhanced Recovery Projects *MCA 15-36-304*

In any quarter when the average price of West Texas Intermediate crude oil is less than \$30 per barrel, incremental production from secondary recovery projects is taxed at 8.76% (instead of 12.26%). Incremental production from tertiary recovery projects is taxed at 6.06% (instead of 12.76%). The first 18 months of production from a horizontally recompleted well is taxed at 5.76% (instead of 12.76%). These reduced rates provide incentives for the use of enhanced recovery technologies.

Reduced Rates for Stripper Oil Wells *MCA 15-36-304*

In any quarter when the average price of West Texas Intermediate crude oil is less than \$30 per barrel, oil from a well that produces less than three barrels per day is taxed at 0.76% (instead of 12.76%). For a well that produces between 3 and 15 barrels per day, the first 10 barrels per day is taxed at 5.76% and remaining production is taxed at 9.26% (instead of 12.76%) as long as the price of West Texas Intermediate crude oil is less than \$38 per barrel for the quarter. These reduced rates provide an incentive to keep low-volume wells in production.

Reduced Rate for Horizontally Completed Gas Wells *MCA 15-36-304*

After the first 18 months of production, production from a horizontally completed gas well is taxed at 9.26% (instead of 15.06%). This reduced rate provides an incentive to use horizontal drilling technology.

Reduced Rate for Stripper Gas Wells *MCA 15-36-304*

Gas wells that were completed before 1/1/1999 and produce less than 60 mcf per day are taxed at 11.26% (instead of 15.06%). This reduced rate provides an incentive to keep low-volume wells in production.

Oil and natural gas prices and production are forecast to remain high through FY06 and FY07. This results in generally higher oil and gas production tax expenditures during the 2006-2007 biennium. However, since oil prices are expected to remain above \$38 per barrel through the biennium, no tax expenditures are projected for stripper oil wells and incremental oil production.

Oil and Natural Gas Production Tax Expenditures			
<u>Oil</u>	<u>FY2006</u>	<u>FY2007</u>	<u>Biennium</u>
New Production Reduced Rates	\$27,663,000	\$25,902,000	\$53,565,000
Incremental Production Reduced Rates	0	0	0
Post-99 Reduced Rates	13,890,000	17,222,000	31,112,000
Stripper Well Reduced Rates	0	0	0
Total	\$41,553,000	\$43,124,000	\$84,677,000
<u>Natural Gas</u>	<u>FY2004</u>	<u>FY2005</u>	<u>Biennium</u>
New Production Reduced Rates	\$14,293,000	\$12,947,000	\$27,240,000
Stripper Well Reduced Rates	13,518,000	14,744,000	28,262,000
Post-99 Reduced Rates	2,386,000	1,828,000	4,214,000
Total	\$30,197,000	\$29,519,000	\$59,716,000

Other Natural Resource Tax Expenditures

Coal Severance Tax Exemption *MCA 15-35-103 (5)*

Coal producers who mine less than 50,000 tons of coal per year are exempt from severance taxes. If production exceeds 50,000 tons, then only the first 20,000 tons (5,000 tons per quarter) are exempt from severance tax. This exemption grants economic relief to small producers.

Metal Mines License Tax Exemption *MCA 15-37-103*

The first \$250,000 of production subject to the metal mines license tax is exempt from taxation. This exemption for production below \$250,000 in value represents a tax expenditure. This provides economic assistance to small producers of metals and precious/semi-precious stones, and provides an incentive to produce from small mining claims.

Other Natural Resource Tax Expenditures			
<u>Expenditure</u>	<u>FY2006</u>	<u>FY2007</u>	<u>Biennium</u>
Coal Severance Tax Exemptions	\$92,700	\$92,000	\$ 184,700
Metal Mines License Tax Exemption	\$27,000	\$27,000	\$ 54,000
Total	\$ 119,700	\$ 119,000	\$ 238,700

Property Tax Expenditures

In Montana, the property tax is the primary source of funding for local governments. For any given piece of property, the taxable value (tax base) equals the market value of the property (less any homestead exemption) multiplied by the applicable taxable value rate.

Property tax liability equals the taxable value multiplied by the appropriate mill levy in effect for the property. Mills are levied by the state, counties, cities and towns, and school districts. Certain property may be subject to additional mills for special districts (such as water, sewer, and lighting).

Property tax expenditures arise because of certain property being exempt from tax or receiving preferential rate treatment. Generally, preferential rate treatment refers to situations where properties within the same property class are subject to different taxable value rates.

Currently, property may fall into one of 11 classes of property, with taxable value percentages for non-exempt classes ranging from 0.35 percent to 100 percent. A listing of these property classes and their taxable values can be found in the property tax section of this report.

MCA 15-6-201 and following sections, detail those properties that are exempt from tax. Many types of property are exempt, including government property, household goods and furniture, church property, property of certain fraternal organizations and societies, business inventories, certain agricultural commodities, and down-hole equipment in oil and gas wells.

Most of these exemptions constitute tax expenditures. However, placing an accurate value on the expenditures associated with these properties is not possible unless the property is appraised. Unfortunately, property not subject to tax is rarely, if ever, appraised. Therefore, tax expenditures associated with most exempt property are not reported here.

Property Tax Assistance Program *MCA 15-6-134*

Montana property tax statutes provide for a partial abatement, based on total income, which reduces the taxable valuation rate applied to residential real property for low-income homeowners. The base year (1995) income ranges are established in statute and are updated each year for inflation. Using 2004 adjusted income ranges, the 2004 taxable value rates are reduced according to a three-bracket schedule for single households with income less than \$17,670, and married-couple households with income less than \$23,580.

The reduced taxable value rate applies to the first \$100,000 of the market value (less homestead exemption) of residential land and improvements, including mobile or manufactured homes used as residences.

Extended Property Tax Assistance Program (EPTAP) *MCA 15-6-193*

The extended property tax assistance program was enacted to provide property tax relief to qualifying homeowners beginning in tax year 2003. The benefits of the program are specific to residential properties that experienced extraordinary valuation increases due to the reappraisal.

Eligible residential properties are those with an increase in taxable value of at least 24%, a tax liability increase of \$250 or more, and the property owner's income is below \$75,000. Under the income requirements set in the bill, the following taxable value caps apply:

- If eligible residence’s household income is \$25,000 or less per year, the taxable value increase is capped at 24% over six years.
- If eligible residence’s household income is greater than \$25,000 but less than \$50,000 per year, the taxable value increase is capped at 30% over six years.
- If eligible residence’s household income is greater than \$50,000 but less than \$75,000 per year, the taxable value increase is capped at 36% over six years.

Reduced Rate for “New” or “Expanding” Commercial, Industrial, or Golf Property (Local Option) *MCA 15-24-1401*

After approval by separate resolution for each project, local governments may reduce taxable valuations (tax base) of “new” or “expanding” industries 50% in each of the first five years following the issuance of a construction permit. After that time, the taxable valuation rises in equal increments each succeeding year until full valuation is reached in the 10th year. This incentive does not apply to mills levied by the state.

“Expansion” means that the industry has added at least \$50,000 worth of qualifying improvements or modernized process. “New” means that the industry is new to the jurisdiction and has added at least \$125,000 worth of qualifying improvements or modernized processes to the jurisdiction. There are no limits on the types of industry which may qualify for this incentive. This reduced rate provides an economic incentive for the development of new industry in Montana.

Reduced Rate for Remodeling or Rebuilding of Structures (Local Option) *MCA 15-24-1501*

Remodeling, reconstruction, or expansion of existing buildings or structures that increases their taxable value by at least 2.5% may receive a reduced tax rate for five years following construction, through local government approval by separate resolution for each project. This incentive does not apply to mills levied by the state.

Tax rates are set at zero during construction, at 20% of normal during the first year following construction, then increased by 20% in each succeeding year until full valuation is reached in the fifth year following the completion of construction. All existing buildings and structures may apply for this benefit. This abatement provides an incentive to add long-term taxable valuation to local jurisdictions, while allowing the property owner to phase-in the increased tax liability.

Property Tax Expenditure Impact Estimate			
<u>Expenditure</u>	<u>FY2006</u>	<u>FY2006</u>	<u>Biennium</u>
Property Tax Assistance Program	\$2,363,450	\$2,363,450	\$4,726,901
Extended Property Tax Assistance Program	183,008	183,008	366,016
New & Expanding Industrial Property	1,659,880	1,659,880	3,319,761
Remodeling or Rebuilding	<u>127,742</u>	<u>127,742</u>	<u>255,483</u>
Total	<u>\$4,334,080</u>	<u>\$4,334,080</u>	<u>\$8,668,161</u>

Appendix A

Individual Income Tax Expenditure Items - By Income Bracket

House Bill 387 (1987), the legislation authorizing the Department of Revenue to produce a tax expenditure report, specifically required that tax expenditures must be related to the income of taxpayers, whenever such information is available.

This information is available for specific individual income tax expenditure items that are captured on department computer files. Specifically, tax expenditures by income bracket are available for Montana-specific reductions to income, and itemized deductions.

Totals for the tax expenditures in Appendix A are for full-year residents only, whereas the expenditures in the main body of this report include out-of-state and part-year residents as well.

The following tables show the distributions of tax expenditures across income brackets that represent decile groupings. Each decile group includes one-tenth of all households filing income tax returns. The first decile group includes households with the very lowest incomes, while the tenth decile group includes households having the highest incomes.

The decile groupings are based on actual 2003 incomes, but the tax expenditures are those projected to calendar year 2005. The decile groupings and their associated total income brackets for 2003 are as follows:

Calendar Year 2003 Decile Group Brackets			
<u>Decile Group</u>	<u>Income Bracket</u>		
1	\$0	-	\$4,481
2	\$4,482	-	\$8,734
3	\$8,735	-	\$13,416
4	\$13,417	-	\$18,455
5	\$18,456	-	\$24,624
6	\$24,625	-	\$32,715
7	\$32,716	-	\$43,299
8	\$43,300	-	\$57,212
9	\$57,213	-	\$78,454
10	\$78,455	+	

Tax Expenditures

Tax Expenditures Associated with Reductions to Income Full-Year Residents, Tax Year 2005

Decile Group	IRAs, Keoghs, Self-Emp. Deduction			Farm Risk Management Account		
	# of hslds	Tax Expenditure	Percent	# of hslds	Tax Expenditure	Percent
1	131	3,006	0.02%	3	804	0.06%
2	2,281	67,129	0.34%	15	598	0.04%
3	4,390	190,233	0.95%	43	1,472	0.10%
4	5,649	347,479	1.74%	89	4,872	0.34%
5	7,776	681,495	3.41%	194	16,310	1.15%
6	10,253	1,169,785	5.86%	377	34,026	2.41%
7	12,286	1,833,880	9.19%	777	103,656	7.33%
8	13,832	2,425,871	12.15%	1,042	181,832	12.87%
9	15,040	3,202,110	16.04%	1,669	386,840	27.37%
10	19,046	10,037,688	50.29%	2,678	682,905	48.32%
Total	90,684	19,958,676	100.00%	6,887	1,413,315	100.00%

Decile Group	Elderly Interest Exclusion			Exempt Retirement Income		
	# of hslds	Tax Expenditure	Percent	# of hslds	Tax Expenditure	Percent
1	3	804	0.03%	42	1,279	0.02%
2	269	3,518	0.14%	1,446	35,911	0.64%
3	1,175	17,324	0.68%	3,648	185,118	3.30%
4	2,251	46,290	1.81%	4,954	425,887	7.59%
5	3,001	93,620	3.66%	5,808	769,440	13.72%
6	3,708	164,160	6.42%	6,305	1,119,461	19.96%
7	4,177	276,440	10.82%	2,986	620,063	11.06%
8	4,276	362,999	14.20%	3,177	722,769	12.89%
9	4,917	597,758	23.39%	3,685	836,884	14.92%
10	6,747	992,749	38.85%	3,444	891,046	15.89%
Total	30,524	2,555,662	100.00%	35,495	5,607,858	100.00%

Decile Group	Unemployment Compensation			Medical Savings Account		
	# of hslds	Tax Expenditure	Percent	# of hslds	Tax Expenditure	Percent
1	48	1,291	0.00%	3	800	0.04%
2	839	19,746	0.00%	24	895	0.04%
3	2,263	100,793	0.00%	82	3,651	0.16%
4	3,067	230,506	0.00%	168	9,828	0.44%
5	3,683	388,612	0.01%	353	33,504	1.51%
6	4,308	524,509	0.02%	693	81,723	3.68%
7	4,842	663,724	15.04%	1,236	186,094	8.38%
8	4,772	727,557	16.49%	1,622	300,390	13.52%
9	4,472	828,632	18.78%	2,453	561,940	25.30%
10	3,987	927,225	21.01%	3,862	1,042,303	46.93%
Total	32,281	4,412,595	100.00%	10,496	2,221,128	100.00%

Tax Expenditures

Tax Expenditures Associated with Reductions to Income Full-Year Residents, Tax Year 2005

Family Education Savings Account

Decile Group	Tax		
	# of hsls	Expenditure	Percent
1	3	800	0.04%
2	20	752	0.04%
3	44	1,501	0.08%
4	94	5,371	0.27%
5	202	16,608	0.85%
6	417	38,667	1.98%
7	850	117,249	6.00%
8	1,225	219,666	11.25%
9	1,993	468,534	23.99%
10	3,671	1,084,256	55.51%
Total	8,519	1,953,404	100.00%

First-Time Homebuyers Savings Account

Decile Group	Tax		
	# of hsls	Expenditure	Percent
1	3	800	0.05%
2	19	744	0.05%
3	45	1,679	0.11%
4	100	6,235	0.42%
5	214	19,292	1.29%
6	421	43,473	2.91%
7	831	119,667	8.01%
8	1,111	203,857	13.64%
9	1,716	405,286	27.12%
10	2,701	693,649	46.41%
Total	7,161	1,494,682	100.00%

Health Care Professional Loan Payment

Decile Group	Tax		
	# of hsls	Expenditure	Percent
1	3	800	0.06%
2	15	598	0.04%
3	42	1,436	0.10%
4	91	5,026	0.35%
5	194	16,118	1.12%
6	380	34,235	2.37%
7	788	106,199	7.36%
8	1,057	185,105	12.83%
9	1,685	390,347	27.05%
10	2,725	703,110	48.73%
Total	6,980	1,442,974	100.00%

Other Reductions

Decile Group	Tax		
	# of hsls	Expenditure	Percent
1	181	3,024	0.01%
2	1,614	54,336	0.23%
3	2,827	233,238	0.99%
4	3,578	545,193	2.30%
5	5,890	1,010,485	4.27%
6	10,794	1,765,750	7.46%
7	14,514	2,450,566	10.36%
8	18,230	3,464,364	14.64%
9	22,455	5,245,523	22.17%
10	24,363	8,890,594	37.57%
Total	104,446	23,663,073	100.00%



Tax Expenditures

Tax Expenditures Associated with Itemized Deductions Full-Year Residents, Tax Year 2005

Decile Group	Medical Insurance Premium			Medical Deductions		
	# of hslds	Tax Expenditure	Percent	# of hslds	Tax Expenditure	Percent
1	20	300	0.00%	25	487	0.00%
2	557	9,891	0.09%	506	9,528	0.10%
3	2,571	67,174	0.59%	2,088	61,423	0.62%
4	4,829	236,075	2.09%	3,859	204,713	2.06%
5	6,660	542,753	4.80%	5,289	441,779	4.45%
6	8,168	1,021,400	9.03%	6,525	853,586	8.61%
7	9,620	1,613,760	14.27%	7,964	1,438,217	14.50%
8	11,113	2,103,945	18.61%	9,639	1,885,115	19.01%
9	11,796	2,612,886	23.11%	10,096	2,276,571	22.95%
10	12,152	3,097,635	27.40%	8,491	2,747,283	27.70%
Total	67,486	11,305,819	100.00%	54,482	9,918,702	100.00%

Decile Group	Long Term Care			Federal Income Taxes Paid		
	# of hslds	Tax Expenditure	Percent	# of hslds	Tax Expenditure	Percent
1	0	0	0.00%	7	217	0.00%
2	18	308	0.01%	106	826	0.00%
3	163	3,163	0.15%	953	10,163	0.03%
4	417	15,098	0.70%	3,302	61,758	0.21%
5	734	40,432	1.88%	7,207	306,550	1.03%
6	1,154	97,524	4.53%	13,240	1,058,477	3.55%
7	1,675	206,697	9.59%	21,398	2,782,581	9.32%
8	2,034	317,370	14.73%	27,565	5,547,035	18.58%
9	2,817	559,430	25.96%	32,559	9,664,179	32.37%
10	4,055	914,885	42.46%	33,077	10,419,081	34.90%
Total	13,067	2,154,907	100.00%	139,414	29,850,867	100.00%

Decile Group	Property Taxes Paid			Motor Vehicle / Other Taxes		
	# of hslds	Tax Expenditure	Percent	# of hslds	Tax Expenditure	Percent
1	16	248	0.00%	2	12	0.00%
2	424	4,868	0.03%	91	706	0.02%
3	2,314	41,126	0.23%	685	5,163	0.14%
4	5,333	153,983	0.85%	2,165	20,453	0.54%
5	9,348	452,029	2.49%	5,002	66,170	1.74%
6	14,689	1,035,796	5.71%	9,203	159,832	4.21%
7	20,977	1,909,125	10.53%	14,369	352,931	9.29%
8	27,548	2,986,314	16.47%	19,471	603,067	15.88%
9	32,670	4,341,782	23.95%	23,625	1,024,333	26.97%
10	35,299	7,203,826	39.74%	25,126	1,566,050	41.23%
Total	148,618	18,129,097	100.00%	99,739	3,798,717	100.00%

Tax Expenditures

Tax Expenditures Associated with Itemized Deductions

Full-Year Residents, Tax Year 2005

Home Mortgage Interest

Decile Group	Tax		
	# of hslds	Expenditure	Percent
1	24	476	0.00%
2	540	15,677	0.03%
3	1,914	110,538	0.20%
4	3,954	413,690	0.76%
5	7,091	1,282,081	2.35%
6	11,300	3,046,370	5.59%
7	16,652	5,734,435	10.52%
8	22,834	9,581,122	17.57%
9	27,946	13,790,740	25.29%
10	29,396	20,549,096	37.69%
Total	121,651	54,524,225	100.00%

Deductible Investment Interest

# of hslds	Tax		Percent
	Expenditure		
0	1	0.00%	
8	164	0.01%	
61	1,668	0.06%	
149	5,163	0.18%	
325	18,418	0.63%	
662	50,494	1.73%	
1,203	140,595	4.82%	
1,659	253,159	8.68%	
2,559	514,934	17.66%	
5,452	1,930,777	66.23%	
12,078	2,915,373	100.00%	

Charitable Contributions

Decile Group	Tax		
	# of hslds	Expenditure	Percent
1	14	163	0.00%
2	320	4,243	0.02%
3	1,768	30,354	0.12%
4	4,363	126,602	0.52%
5	7,852	365,911	1.50%
6	12,716	895,751	3.67%
7	18,350	1,765,666	7.24%
8	24,307	2,854,079	11.70%
9	29,900	4,521,174	18.53%
10	34,277	13,838,829	56.71%
Total	133,867	24,402,772	100.00%

Child Care Deductions

# of hslds	Tax		Percent
	Expenditure		
1	7	0.00%	
10	235	0.02%	
69	1,339	0.09%	
238	9,000	0.63%	
345	18,260	1.29%	
432	33,158	2.34%	
817	102,292	7.21%	
1,089	181,897	12.83%	
1,702	387,351	27.31%	
2,722	684,750	48.28%	
7,425	1,418,289	100.00%	

Casualty Losses

Decile Group	Tax		
	# of hslds	Expenditure	Percent
1	1	8	0.00%
2	5	210	0.01%
3	36	956	0.06%
4	106	5,453	0.36%
5	227	17,147	1.13%
6	445	43,686	2.87%
7	825	113,107	7.44%
8	1,110	199,383	13.12%
9	1,723	404,444	26.61%
10	2,745	735,660	48.40%
Total	7,223	1,520,054	100.00%

Miscellaneous Deductions

# of hslds	Tax		Percent
	Expenditure		
5	104	0.00%	
106	2,553	0.03%	
340	14,101	0.19%	
783	43,811	0.59%	
1,612	144,190	1.95%	
3,172	398,773	5.39%	
5,331	915,580	12.37%	
7,173	1,307,951	17.68%	
8,915	1,841,169	24.88%	
9,520	2,731,474	36.91%	
36,957	7,399,706	100.00%	



Tax Expenditures

Tax Expenditures Associated with Itemized Deductions Full-Year Residents, Tax Year 2005

Gambling Losses

Decile Group	Tax		
	# of hsls	Expenditure	Percent
1	0	0	0.00%
2	4	128	0.01%
3	37	909	0.05%
4	105	4,040	0.24%
5	218	14,365	0.86%
6	448	37,697	2.27%
7	879	116,846	7.04%
8	1,161	207,682	12.50%
9	1,788	418,696	25.21%
10	3,015	860,478	51.81%
Total	7,655	1,660,841	100.00%

Tax Expenditures

Appendix B

Impact of Federal (Passive) Individual Income Tax Expenditures

Exclusions from Federal Income	Thousands of Dollars		
	FY2006	FY2007	Biennium
Employer Contributions for Health Care, Health Ins Premiums, and L-T Care Ins Premiums	\$70,109	\$76,648	\$146,756
Pension Contributions and Earnings - Employer Plans	60,936	63,969	124,905
Capital Gains at Death	23,330	24,913	48,243
Untaxed Medicare Benefits	21,096	21,925	43,021
Investment Income on Life Insurance and Annuity Contracts	15,297	15,696	30,993
Pension Contributions and Earnings - Individual Retirement Plans and Keogh Plans	15,193	15,622	30,816
Untaxed Social Security and Railroad Retirement Benefits	15,105	15,652	30,757
Benefits Provided under Cafeteria Plans	11,377	12,072	23,448
Capital Gains on Sales of Principal Residences	10,785	10,918	21,703
Worker's Compensation Benefits (Medical Benefits) and (Disability and Survivors Payments)	5,296	5,548	10,844
Miscellaneous Fringe Benefits	3,536	3,639	7,175
Income Earned Abroad by U.S. Citizens	2,219	2,337	4,557
Employer-Paid Transportation Benefits	2,249	2,293	4,542
Veterans' Benefits and Services	2,175	2,234	4,409
Income Earned by Voluntary Employees' Beneficiary Associations	2,056	2,160	4,216
Cash Public Assistance Benefits	2,042	2,116	4,157
Benefits and Allowances to Armed Forces Personnel	1,657	1,701	3,358
Employee Benefits - Premiums on Accident and Disability Insurance	1,568	1,642	3,210
Employee Benefits - Premiums on Group Term Life Insurance	1,524	1,583	3,107
Medical Care and CHAMPUS/TRICARE Medical Ins	1,065	1,065	2,130
Scholarship and Fellowship Income	932	947	1,879
Damages on Account of Personal Physical Injuries or Physical Sickness	828	873	1,701
Employer-Provided Child Care	533	577	1,110
Employee Meals and Lodging (Other Than Military)	533	533	1,065
Employer-Provided Education Assistance Benefits	518	533	1,050
Certain Foster Care Payments	414	459	873
Earnings of Qualified Tuition Programs	399	459	858
Housing Allowances for Ministers	296	296	592
Spread of Stock under Incentive Stock Option Plans and Employee Stock Purchase Plans	237	237	473
Earnings of Trust Accounts for Education ("Coverdell Accounts")	222	237	459
Special Tax Provisions for Employee Stock Ownership Plans (ESOPs)	178	178	355
Other Exclusions from Federal Income	130	130	260
Employee Awards	104	118	222
Military Disability Benefits	59	59	118
Expensing of Fertilizer and Soil Conditioner Costs	59	59	118
Special Benefits for Disabled Coal Miners	59	59	118
Total	\$274,115	\$289,485	\$563,600

Tax Expenditures

Impact of Federal (Passive) Individual Income Tax Expenditures

<u>Deductions from Federal Income</u>	Thousands of Dollars		
	<u>FY2004</u>	<u>FY2005</u>	<u>Biennium</u>
Depreciation in Excess of Alternative Depreciation System	\$7,530	\$8,906	\$16,436
Other Deductions from Federal Income	5,576	5,162	10,738
Carryover Basis of Capital Gains on Gifts	2,855	3,033	5,888
Interest on Student Loans	473	518	991
Higher Education Expenses	740	104	843
Amortization of Business Startup Costs	355	355	710
Deferral of Gain on Like-Kind Exchanges	296	296	592
Deferral of Gain on Non-Dealer Installment Sales	296	296	592
Cash Accounting for Agriculture	178	178	355
Permanent Exemption from Imputed Interest Rules	178	178	355
Cash Accounting, Other Than Agriculture	178	178	355
Expensing of Depreciable Business Property	0	0	0
Total	\$18,654	\$19,201	\$37,855

Impact of Federal (Passive) Corporation License Tax Expenditures

<u>Exclusions from Gross Income</u>	Thousands of Dollars		
	<u>FY2004</u>	<u>FY2005</u>	<u>Biennium</u>
Extraterritorial Income	\$2,719	\$2,862	\$5,580
Deferral Active Income of Controlled Foreign Corporations	2,337	2,432	4,769
Investment Income on Life Insurance and Annuity Contracts	692	715	1,407
Deferral of Gain on Like-Kind Exchanges	286	310	596
Deferral of Gain on Non-Dealer Installment Sales	596	620	1,216
Total	\$6,629	\$6,939	\$13,569

<u>Deductions Towards Federal Adjusted Gross Income</u>	Thousands of Dollars		
	<u>FY2004</u>	<u>FY2005</u>	<u>Biennium</u>
Depreciation in Excess of Alternative Depreciation System	\$6,796	\$2,742	\$9,539
Inventory Property Sales Source Rule Exception	2,790	2,933	5,723
Expensing of Research and Experimental Expenditures	2,599	2,981	5,580
Charitable Contributions	1,884	1,955	3,839
Special Tax Provisions for Employee Stock Ownership Plans (ESOPs)	429	429	858
Expensing of Exploration and Development Costs - Oil, Gas, and Other Fuels	167	215	382
Excess of Percentage Over Cost Depletion - Oil, Gas, and Other Fuels	238	238	477
Expensing of Depreciable Business Property	19	19	38
Expensing of Multiperiod Timber-Growing Costs	95	95	191
Completed Contract Rules	95	95	191
Excess of Percentage Over Cost Depletion - Nonfuel Minerals	238	262	501
Total	\$15,353	\$11,966	\$27,319



Tax Expenditures