EXHIBIT 3
DATE 1-8-09
HB Informational meeting

DEPARTMENT OF REVENUE
PROPERTY ASSESSMENT DIVISION

GLOSSARY OF TERMS AND ACRONYMS

This is a glossary of the terms and acronyms used by the Property Assessment Division.

AB-26 means the department's Property Review Form. This form is used by taxpayers to request an informal review of their property valuation by department field office personnel.

ARM means Administrative Rules of Montana.

Appeal board (Board) means the county tax appeal boards (CTAB) or the state tax appeal board (STAB).

Audit means a scheduled meeting between the department and the property owner and includes a review of all essential documents to support the acquired or installed cost of taxable personal property.

BITD means the Business and Income Taxes Division.

CALP stands for Computer Assisted Land Pricing.

CTAB means County Tax Appeal Board. This is the Board that reviews taxpayer-filed local property value appeals.

Cadastral mapping shows recorded property boundaries, subdivision lines, boundaries, buildings and related details.

Cadastral Website the location on the internet (http://gis.mt.gov) where the Property Assessment Division parcel information for is located.

Comstead Exemption is the exclusion of a specified percentage of market value from property taxation given to commercial property.

Confidential information includes, but is not limited to:

- Realty transfer certificate (RTC)
- sales verification data
- comparable sales sheets
- inventory contents sheets (ICS's) containing sales data
- all information listed on the income and expenses statement (AB-62) of commercial property (operating statement)
- CALP models
- Social security numbers
- Federal employment identification numbers (FEIN)
- Income and expense information on commercial property (AB-62 Operating Statement)

Conflict of interest means any interest of an employee, economic or otherwise, that adversely affects the official judgment of such employee or that creates actual or potential personal benefits to the employee where said employee uses state owned equipment or materials for that purpose while employed with the Department of Revenue.

County system means a county computer that receives a download of information from MODS and is used for tax billing.

Department means the Montana Department of Revenue or its designated agent.

DOR GIS is parcel information in digital format that represent land ownership and contains a geocode that links parcel to CAMA data.

DOR means Montana Department of Revenue.

Download means the transfer of the assessment information to the county computer system for the application of special fees and mill levies.

FSA – Farm Services Agency

FEIN is the Federal Employer Identification Number issued by the federal government.

GIS maintenance is the process to keep parcel-mapping data current.

Homestead Exemption is the exclusion of a specified percentage of market value from taxation given to residential property including duplexes, triplexes and fourplexes.

IAAO means the International Association of Assessing Officers. It is an educational and research association of individuals in the assessment profession and others with an interest in property taxation; a member of the Appraisal Foundation.

Market value is the most probable sale price of a property in terms of money in a competitive and open market, assuming that the buyer and seller are acting prudently and knowledgeable, allowing sufficient time for the sale, and assuming that the transaction is not affected by undue pressures.

Mill levy means the actual tax rate levied by a taxing jurisdiction. A mill is 1/10th of a cent.

Miscellaneous district means a taxing jurisdiction other than a county, city or school district that taxes property on an ad valorem (based on value) basis.
NRCS – Natural Resource and Conservation Service

OLS means Office of Legal Services for the department, which consists of legal staff assigned to represent the department in legal matters.

ORION is the computer system designed by Tyler Technologies that replaced 5 separate computer systems used by the Property Assessment Division to administer and value real and personal property.

Ownership means Owner of the Property. Personal Property ownership is determined on January 1. Real Property ownership may change throughout the year on straight through ownership transfers.

P & I means penalty and interest.

PAD means the Property Assessment Division.

Plat drafted map representing parcel information.

PRC (property record card) is a system-generated hard copy of the property characteristics of a parcel within the ORION system.

Real property parcel means property that contains land and/or buildings affixed to the land.

RTC (realty transfer certificate) is a form that is required by law to be filed with all deeds that transfer real property. The primary purpose of the RTC is gather sales and ownership information and to assist the department with its compliance objectives.

SID means Special Improvement District.

SM means Special Mobile equipment.

SSN means Social Security Number.

STAB means State Tax Appeal Board. This is the Board that reviews decisions of the County Tax Appeal Board, appealed to them by the taxpayer or the Department of Revenue.

Special Improvement District (SID, RID, RSID) means entities with fees or taxes (levied on users) to fund the infrastructure. Most often used to provide street lighting, sidewalks, curbs, street paving, sewer connections, or other site specific improvements.

Special (miscellaneous) District means a taxing jurisdiction other than a county, city or school district, except that it uses a base other than *ad valorem* for taxation.

Split means the division of a parcel.

Survey refers to the process that identifies parcel boundary ownership.

Tax-exempt property means the property categories defined as exempt from taxation in Title 15, Chapter 6, Part 2, MCA.

Tax Increment Finance District means a special taxing jurisdiction that receives the revenues from all other taxing jurisdictions (except the university mill levy) within its boundaries attributable to the increment value. The increment value is the difference between the current value of the taxable property and the base value. Essentially, the increment value is the growth in taxable property since the district was established.

Taxing Jurisdiction means a government subdivision with the authority to tax, such as state, county, city, school district, miscellaneous district, and tax increment finance district. Examples of taxing jurisdictions include, but are not limited to:

- County Wide;
- County Road Fund;
- City of Helena;
- Central #2 Elementary School;
- Great Falls High School;
- Wild Rose Fire District #5 and
- City of Missoula Transit District.

Taxpayer is any person, as defined in 15-1-102, MCA, or fiduciary, resident or non-resident, subject to a tax imposed in Montana.

Taxpayer/agent, means the taxpayer or a person who is retained by the taxpayer of record to act on the taxpayer's behalf before the department or a tax appeal board for a specific property tax matter.

Tax Rate refers to the percentage assigned by class of property.

UAS (utility assessment system) means the department developed software used for allocating value to a particular levy district(s). Utility appraisers in CVR use this software in completing the annual appraisal of utility companies.

VA means Veterans Administration.

VBR (value before reappraisal) means the prior cycle value adjusted for any new construction or destruction that occurred in the preceding year.