



MONTANA LEGISLATIVE BRANCH

Legislative Fiscal Division

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Director
AMY CARLSON

DATE: 5/3/2016

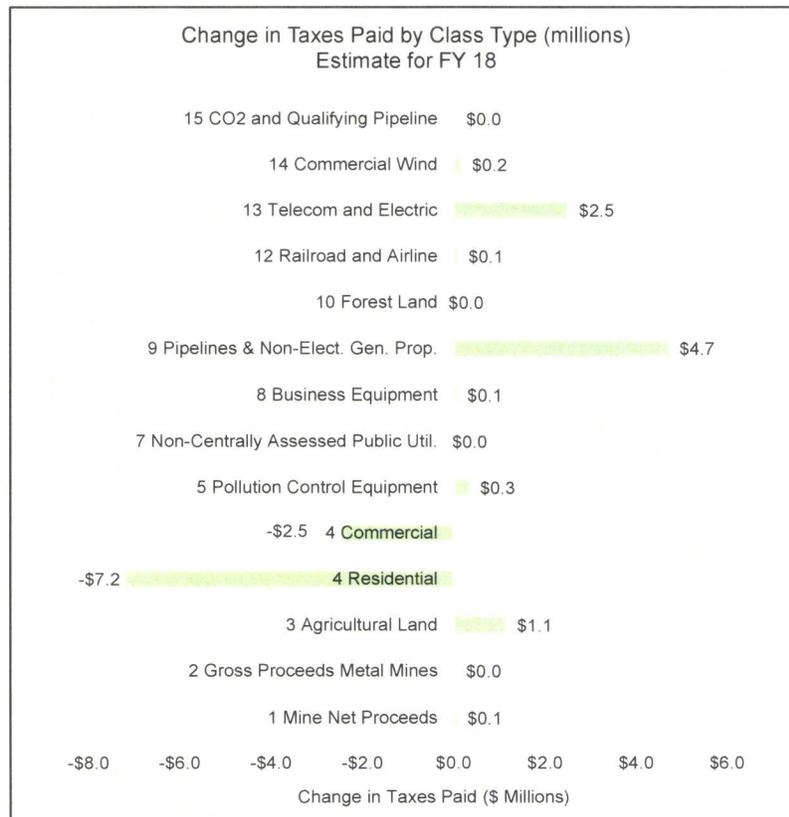
TO: School Funding Interim Commission

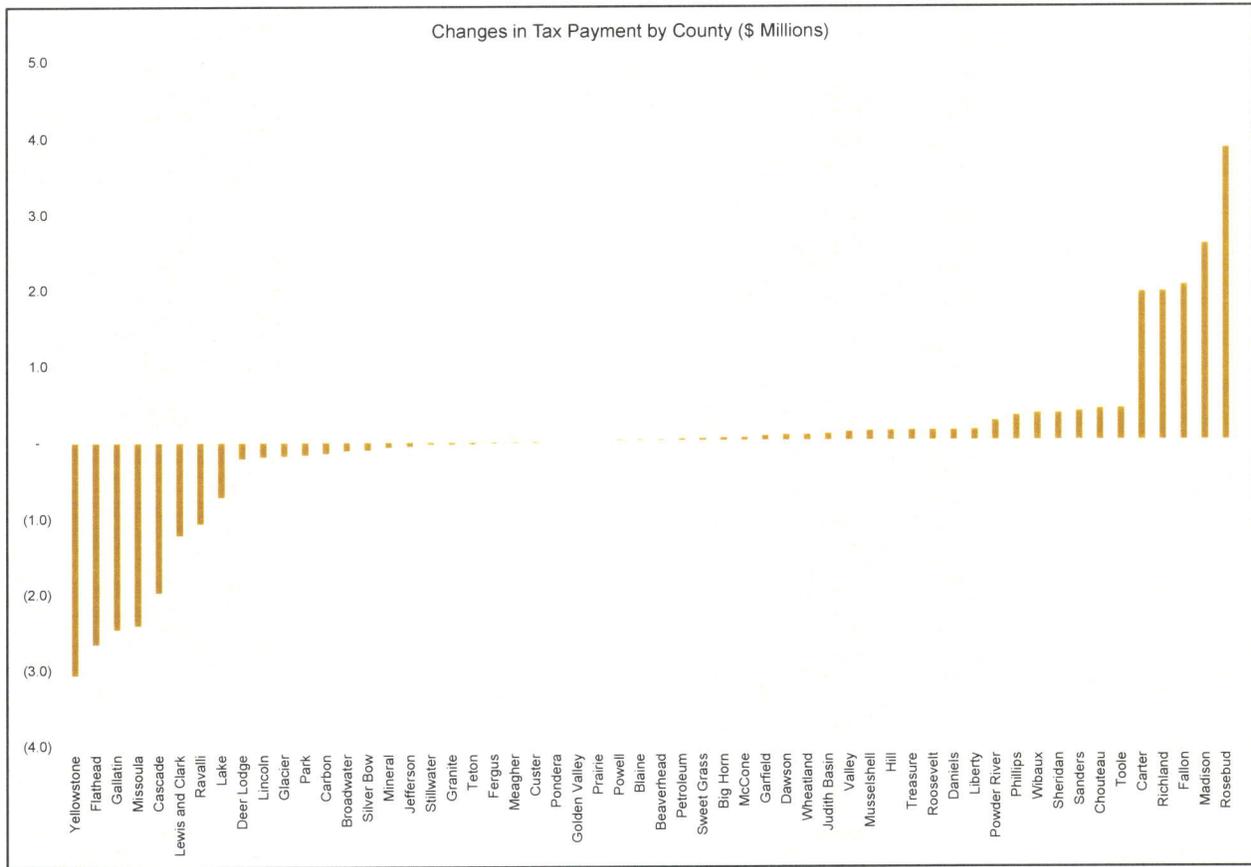
FROM: Nick VanBrown

RE: BASE Mill Equalization

During the April 4-5 School Funding Interim Commission meeting an idea was discussed of eliminating local BASE mills in lieu of funding that portion of schools budgets with an increased state millage. It was estimated that this would require an additional 50 statewide mills and be revenue neutral at a statewide level between the state and local mills. This memo breaks down the shift that would occur in taxes paid by tax class type and county.

The numbers included here are all estimates for FY 2018. An additional 31.43 statewide mills are applied to elementary districts, and 16.90 to high school districts resulting in 48.33 mills total, as well as for K-12 districts. This policy would cause some shifting between classes and between counties, although there is very little movement in many counties. Among counties with large shifts much of the shift can be attributed to shifts in particular tax classes.





| County | Tax change in millions |
|-----------------|------------------------|
| Yellowstone | (3.1) |
| Flathead | (2.7) |
| Gallatin | (2.5) |
| Missoula | (2.4) |
| Cascade | (2.0) |
| Lewis and Clark | (1.2) |
| Ravalli | (1.1) |
| Lake | (0.7) |
| Deer Lodge | (0.2) |
| Lincoln | (0.2) |
| Glacier | (0.2) |
| Park | (0.2) |
| Carbon | (0.2) |
| Broadwater | (0.1) |

| County | Tax change in millions |
|---------------|------------------------|
| Silver Bow | (0.1) |
| Mineral | (0.1) |
| Jefferson | (0.1) |
| Stillwater | (0.0) |
| Granite | (0.0) |
| Teton | (0.0) |
| Fergus | (0.0) |
| Meagher | (0.0) |
| Custer | (0.0) |
| Pondera | (0.0) |
| Golden Valley | 0.0 |
| Prairie | 0.0 |
| Powell | 0.0 |
| Blaine | 0.0 |

| County | Tax change in millions |
|--------------|------------------------|
| Beaverhead | 0.0 |
| Petroleum | 0.0 |
| Sweet Grass | 0.0 |
| Big Horn | 0.0 |
| McCone | 0.1 |
| Garfield | 0.1 |
| Dawson | 0.1 |
| Wheatland | 0.1 |
| Judith Basin | 0.1 |
| Valley | 0.1 |
| Musselshell | 0.1 |
| Hill | 0.1 |
| Treasure | 0.1 |
| Roosevelt | 0.1 |

| County | Tax change in millions |
|--------------|------------------------|
| Daniels | 0.1 |
| Liberty | 0.1 |
| Powder River | 0.3 |
| Phillips | 0.3 |
| Wibaux | 0.4 |
| Sheridan | 0.4 |
| Sanders | 0.4 |
| Chouteau | 0.4 |
| Toole | 0.4 |
| Carter | 2.0 |
| Richland | 2.0 |
| Fallon | 2.1 |
| Madison | 2.6 |
| Rosebud | 3.9 |

County tax shifts are averages, individual districts can vary greatly within the county. For example, while Madison County would pay more overall in this scenario, four out of the six districts in the county would have decreased school mills and pay less.