

HOUSE JOINT RESOLUTION NO. 43

INTRODUCED BY K. WHITE

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A JOINT RESOLUTION OF THE SENATE AND THE HOUSE OF REPRESENTATIVES OF THE STATE OF MONTANA REQUESTING AN INTERIM STUDY OF A STATEWIDE SALES TAX.

WHEREAS, Montana revenue collections are based on income and property taxes; and

WHEREAS, property tax revenue represents 12% of the state budget; and

WHEREAS, property tax appraisal is based on a 2-year cycle and, according to the Department of Revenue, each property in the state of Montana is reviewed every 6 years; and

WHEREAS, property values are based on a mass appraisal approach; and

WHEREAS, sales of property are used to value like property; and

WHEREAS, property owners are subject to values of like properties sold not being similar to their own;

and

WHEREAS, values of property and property taxes may rise without regard to current ownership or improvements made to property; and

WHEREAS, property tax assessment can result in a hardship for many Montana residents; and

WHEREAS, property taxes can be a deterrent for investment capital coming to Montana; and

WHEREAS, low-income and fixed-income elderly homeowners are being forced to sell their homes because of property taxes; and

WHEREAS, property taxes are a hardship on agriculture producers and may force agricultural land to be sold for development.

NOW, THEREFORE, BE IT RESOLVED BY THE SENATE AND THE HOUSE OF REPRESENTATIVES OF THE STATE OF MONTANA:

That the Legislative Council be requested to designate an appropriate interim committee, pursuant to section 5-5-217, MCA, to study replacing all property taxes levied on class three, class four, and class ten property with a statewide sales tax.

BE IT FURTHER RESOLVED, that the study consider:

- (1) which goods and services to tax;



