

An Overview of Montana Taxes

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Total Taxes

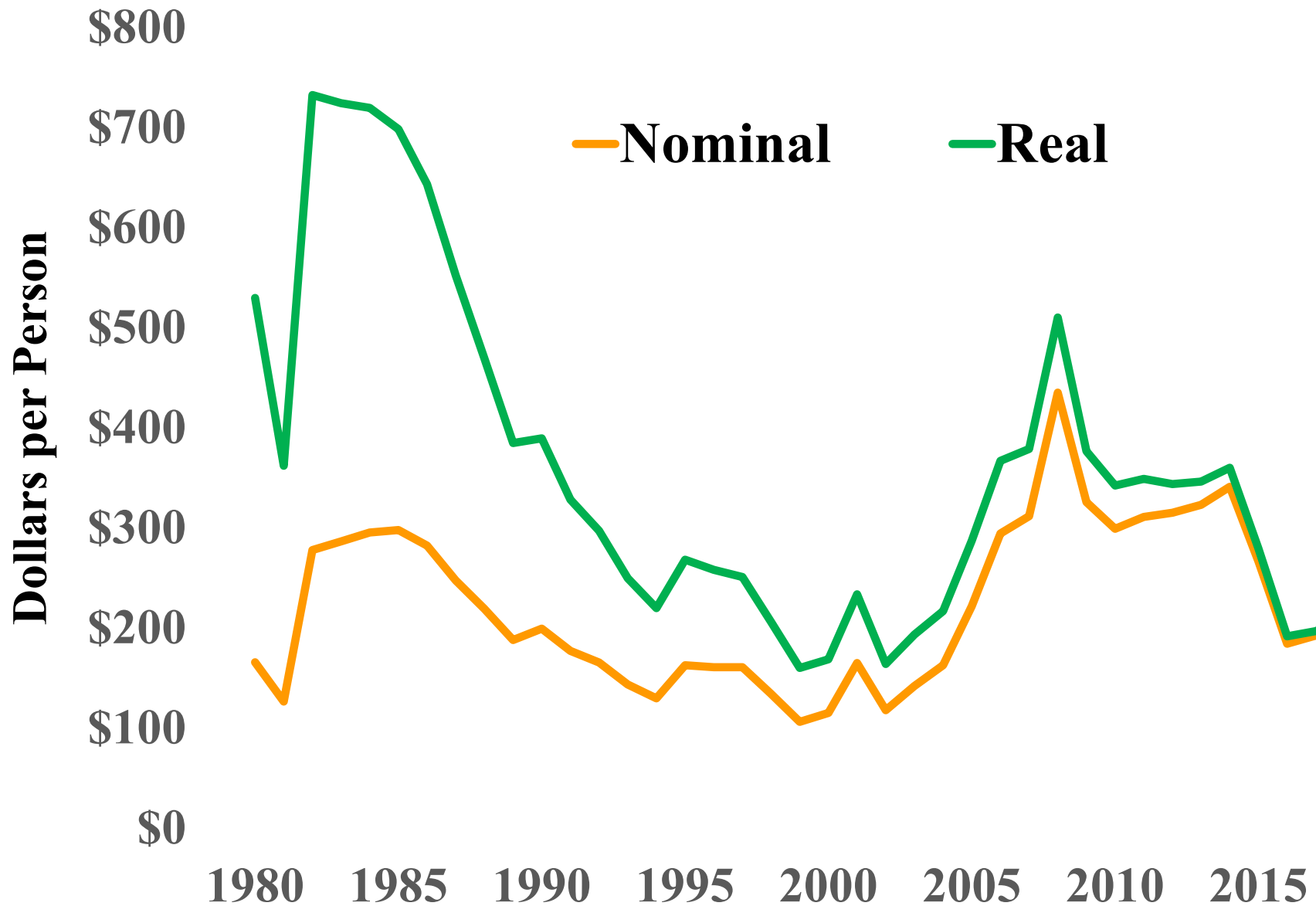
- **State**
- **County**
- **Municipality**
- **School District**
- **Mosquito
Control District**
- **Property Taxes**
- **Income Taxes**
- **Sales Taxes**
- **Severance Taxes**

Are Montana's Taxes High?

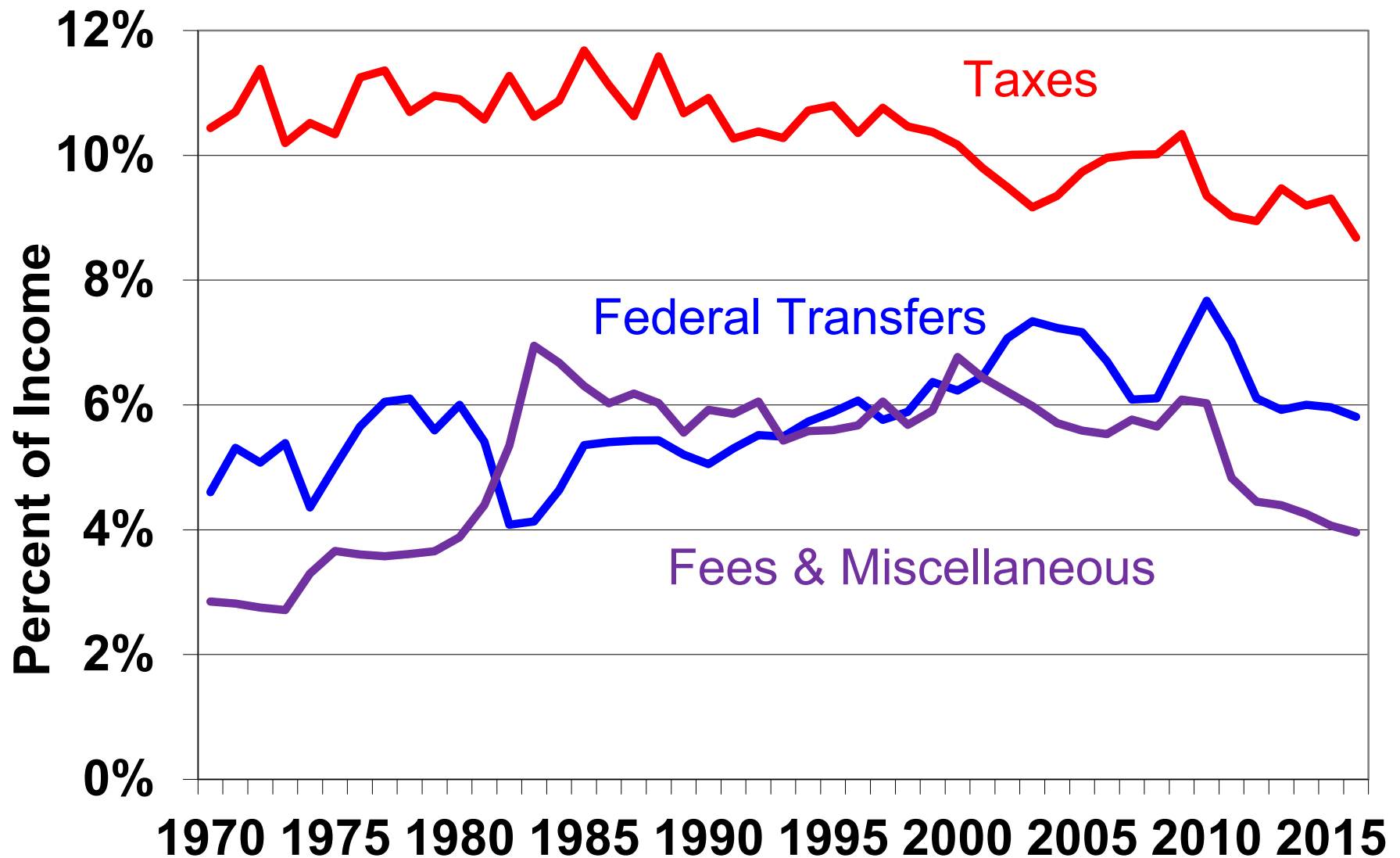
State	\$/Capita	Rank	%Income	Rank
Montana	\$3,827	37	8.7%	38
Idaho	\$3,514	45	8.7%	39
N. Dakota	\$6,630	4	12.6%	3
S. Dakota	\$3,938	31	8.1%	47
Wyoming	\$5,545	13	10.0%	19
U.S. Avg.	\$4,946		9.9%	

Source: Tax Foundation, "Facts and Figures, 2019", Table 6 for 2016, BEA

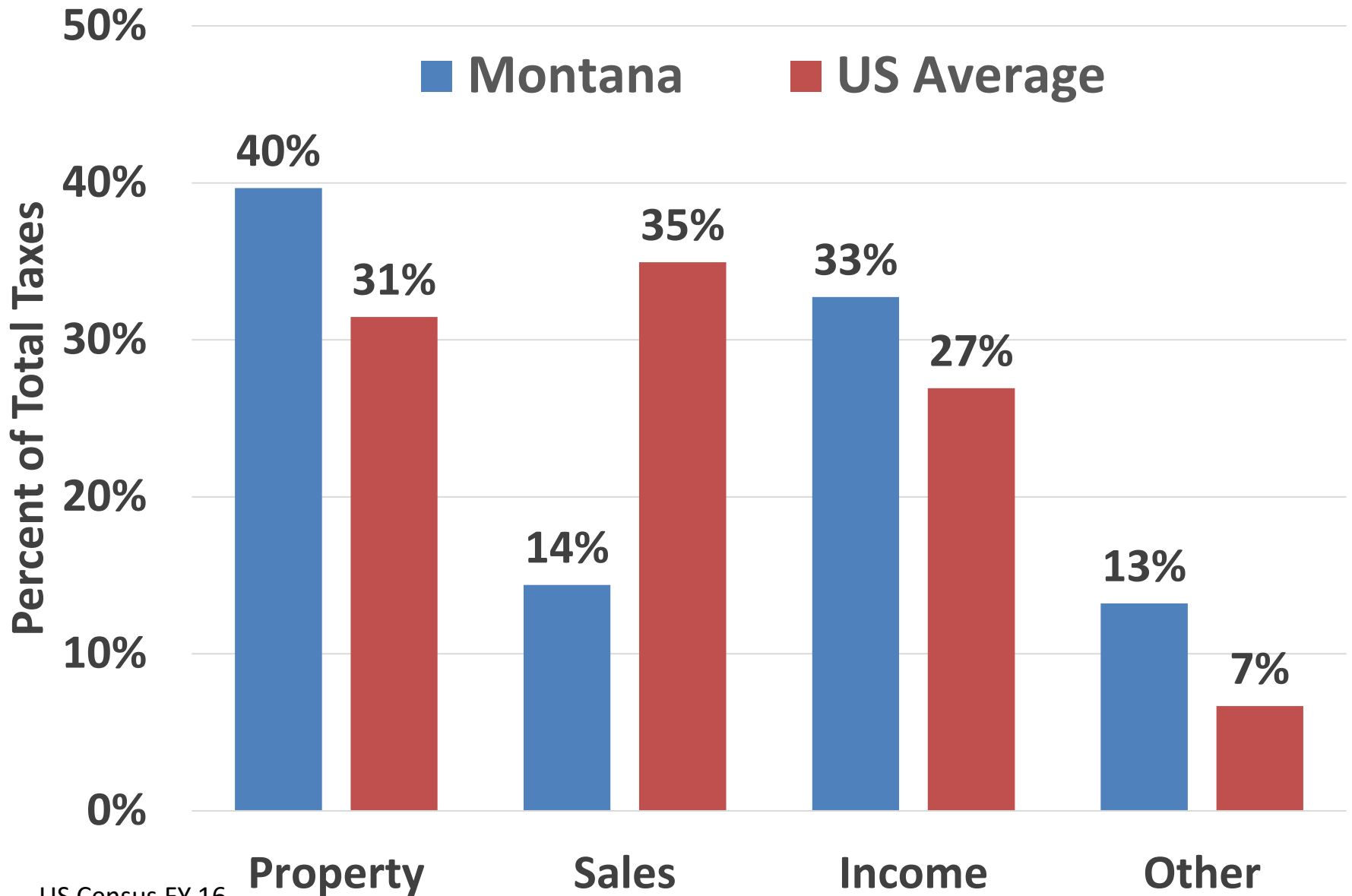
Natural Resource Tax Revenues



Are Taxes Rising in Montana?



Tax Composition



Property Taxes - Residential

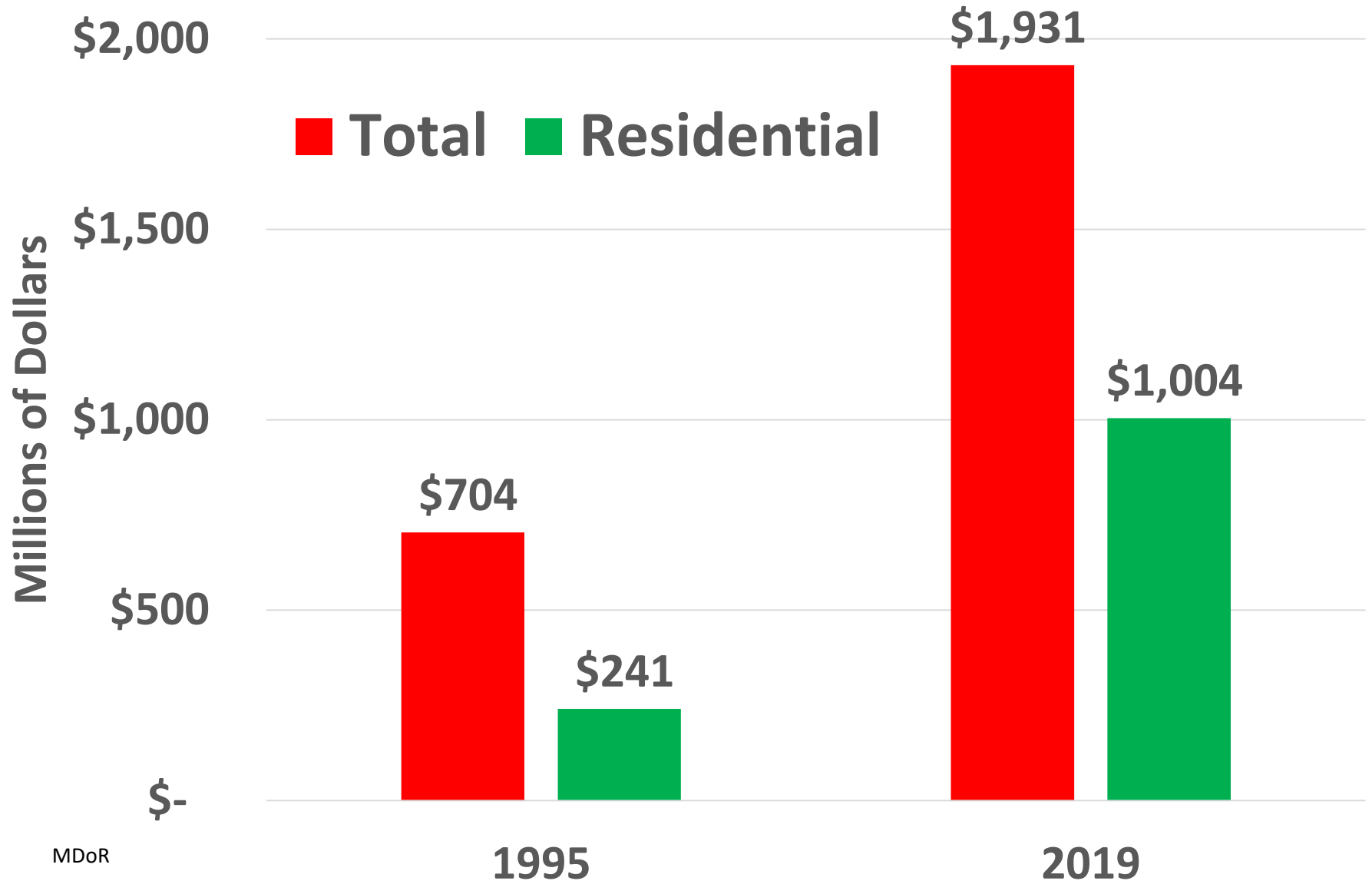
State	Effective Rate	Rank	Home Price (\$)	Tax	Rank
Billings	0.94%	40	226,100	\$2,133	37
Boise	0.85%	43	242,000	\$2,062	39
Fargo	1.07%	36	213,300	\$2,282	38
Sioux Falls	1.53%	19	193,900	\$2,970	23
Cheyenne	0.64%	49	217,500	\$1,401	49
US Avg.	1.44%		254,385	\$3,246	

Property Taxes – Industrial

Real Estate \$25M, Equipment \$18.75M,
Inventory \$15M, Fixtures \$3.75M

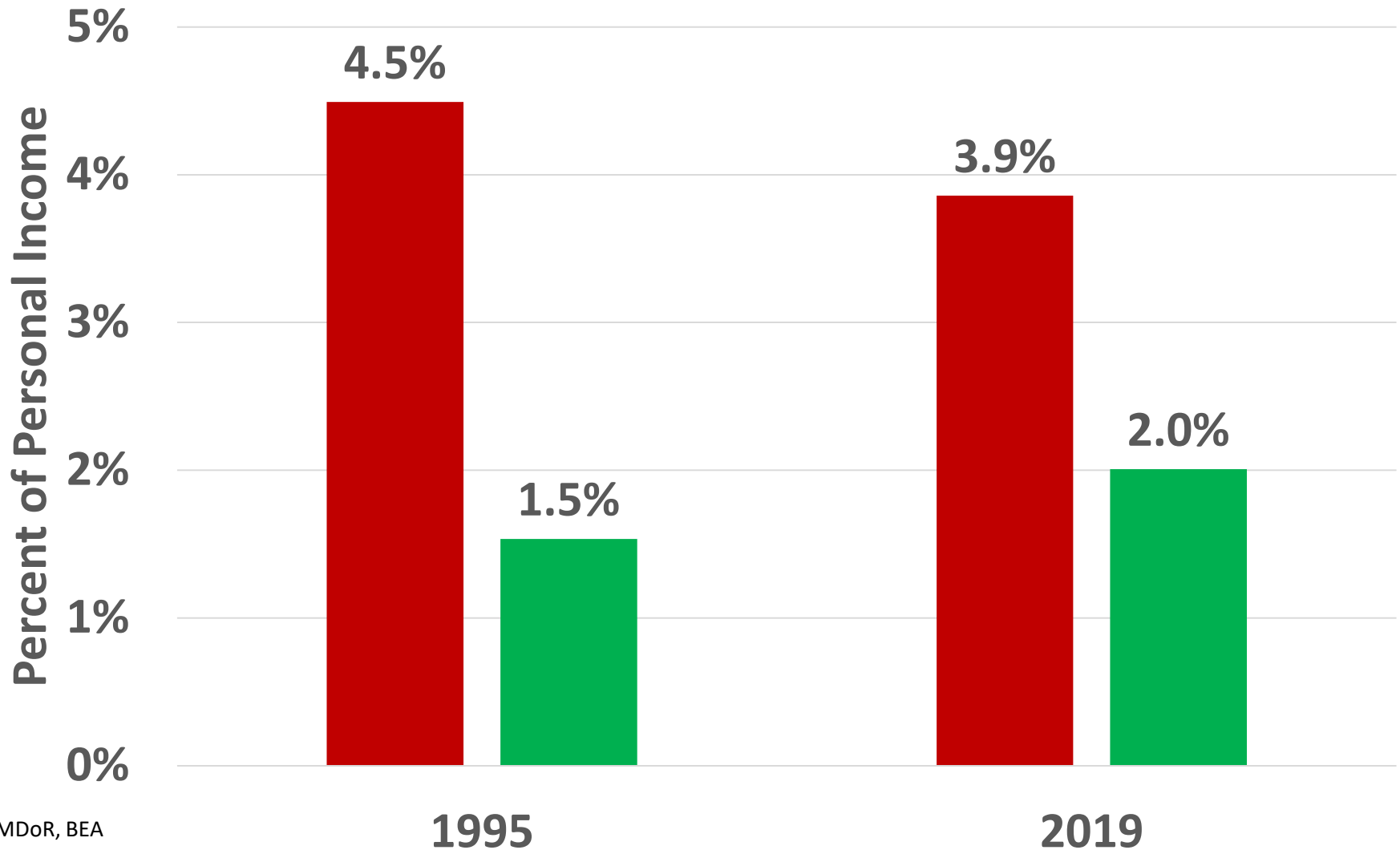
State	Effective Rate	Rank
Billings	1.25%	27
Boise	1.12%	32
Fargo	0.47%	51
Sioux Falls	0.64%	47
Cheyenne	0.63%	49
US Avg.	1.32%	

Property Taxes over 24 Years

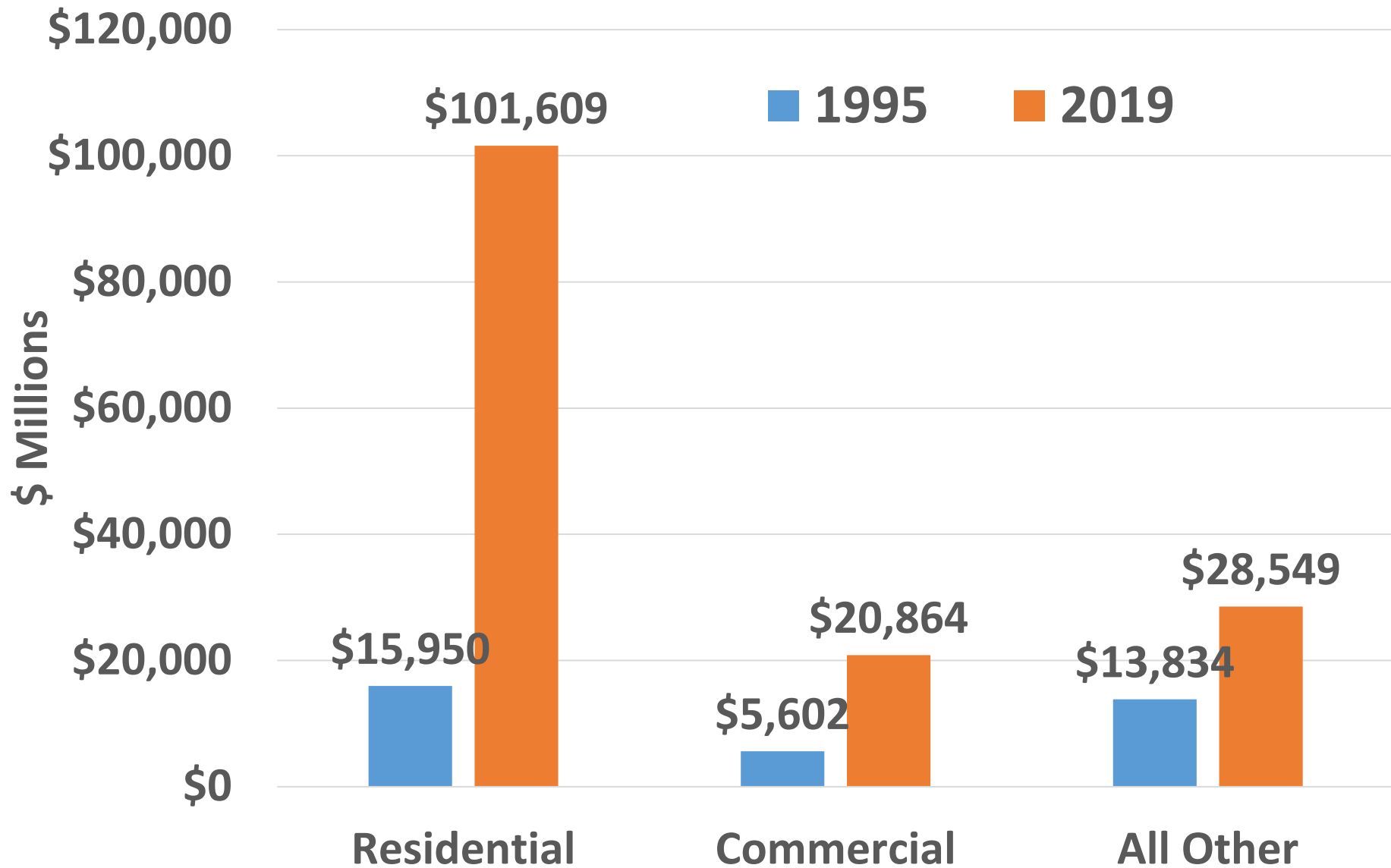


Property Taxes and Income

■ Total ■ Residential



Market Value of Property



S&L Individual Income Taxes

State	\$/Capita	Rank	%Income	Rank
Montana	\$1,137	23	2.6%	16
Idaho	\$905	32	2.2%	30
N. Dakota	\$465	41	0.9%	41
S. Dakota	No Income Tax			
Wyoming	No Income Tax			
U.S. Avg.	\$1,164		2.3%	

Source: Tax Foundation, “Facts and Figures, 2019”, Table 14 for 2016, BEA

State Business Tax Climate

- Tax Foundation Index Based on
 - Corporate and Individual Income Taxes
 - Sales Tax and Property Tax
 - Unemployment Insurance Tax

State	Rank
Montana	5
Idaho	21
N Dakota	17
S Dakota	3
Wyoming	1

Tax Foundation “Facts and Figures”
(2019) Table 3 for 2018

Direct Taxes on Families:

Income, Sales, Property & Auto

	<u>Income=\$25K</u>		<u>Income=\$150K</u>	
<u>State</u>	<u>Rate</u>	<u>Rank</u>	<u>Rate</u>	<u>Rank</u>
Montana	7.5%	47	8.8%	37
Idaho	7.8%	46	10.8%	19
N. Dakota	8.0%	45	5.3%	48
S. Dakota	9.9%	33	5.5%	47
Wyoming	8.7%	38	4.7%	50
U.S. Average	10.6%		9.8%	

Source: Gov't of DC, *Tax Rates and Tax Burdens in the DC: A Nationwide Comparison*, 2017

Tax Reform?

- **Reduce Property Taxes**
- **Reduce Volatility**
- **Match Tax Structure to Economy**
- **General S*%&! Tax?**

Sales Tax: Pro and Con

Con

- **Revenue**
- **Burden Poor?**

Pro

- **Revenue**
- **Stability**
- **Export More of the Tax Burden**
- **Balanced Tax Structure**

Questions?

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Biennial Report - MDoR

<https://mtrevenue.gov/publications/>