

# Homeowner Sticker Shock

## ***Governor Gianforte and 2023 Republican Legislature Raised Your Property Taxes!*** **Calculate Your State Tax \$hare**

By now, you should have received your home's 2023 Classification and Appraisal Notice from Governor Gianforte's state Department of Revenue.

Friends, family and neighbors are shocked at the enormous spike in their property valuations – and bracing to pay higher state taxes.

### **Here's the Scoop:**

1. In the 2023 Montana Legislature, Governor Gianforte and Republican lawmakers had a **\$2.5-billion surplus**.
2. **Governor Gianforte and GOP lawmakers ignored a warning** from Gianforte's own Revenue Department that, if they didn't take action, homeowners' state property taxes would increase by **\$81 million this year**.
3. **They didn't take action**, and **now** Montana residential property owners will pay an extra \$81 million in state property taxes.
4. There's a **simple fix**. Republicans could have fixed this problem by **adjusting the state tax rate** for residential property to negate the state increase in homeowners' property taxes.
5. A **one-time tax rebate**, for which homeowners have to *apply*, **won't fix this long-term problem**. That's not a permanent solution for a state tax increase that homeowners will pay every year.

**Here are the facts:** Historically, Montana legislators and policymakers plan ahead to ensure that homeowners don't have to pay more money when their property is reappraised by the state Revenue Department. **Governor Gianforte and GOP lawmakers ignored the warning and did nothing:**

*On Nov. 17, 2022, Gianforte's [Revenue Department warned the Legislature's Revenue Interim Committee](#) that Montana's total residential property values would skyrocket from \$137 billion to \$197 billion – a **\$60-billion jump, or 43-percent change** – from tax year 2022 to tax year 2023. And if the GOP-controlled Legislature didn't adjust the current residential property tax rate of 1.35 percent, Montanans could see an estimated **\$81-million tax hike** on their property.*

So, now it's a done deal. **Montana residential property owners' state taxes will jump an estimated \$81 million**. And, this November, your state property taxes will increase on an annual basis – unless this problem is fixed.

Do you want to know **how much more you'll pay?** You can easily **calculate** the **increased state portion of your taxes** to the State of Montana **every year**.

Let's get started.

Take your 2023 Classification and Appraisal Notice and complete the following steps to calculate **your tax increase** in state property taxes that will **go to the State of Montana**.

<b>Step 1</b> Calculate your property's <b>increase</b> in Assessed Value			
		<b>Your Property Taxes</b>	<b>Example</b>
Current Assessed Value			432,300
Subtract Prior Year Assessed Value	-		292,900
Equals <b>Increase in Assessed Value</b>	=		139,400
<p><b>Step 2:</b> Multiply the Increase in your Assessed Value by the <b>state tax rate</b> of 1.35% for residential property. Multiple this number by .101, which is 101 mills divided by 1000. Why? The <b>State levies 101 mills against the taxable value of your home and land</b>. This is an <u>ongoing property tax increase</u> to the State that you will pay this year and every year.</p>			
<b>Increase</b> in Assessed Value			139,400
Multiply by .0135	x		1882
Multiply above by .101	x		190
<b>Equals Increase in Taxes to State</b>	=		\$190
<b>How much did your 2023 tax increase cut into the tax rebate this year?</b>			

**Step 3 Calculate your 2023 Property Tax Rebate Reduction**

Governor Gianforte and the Republican legislative supermajority approved a one-time only tax rebate for property owners. [Each rebate is \\$675 or an amount not to exceed the property taxes on a principal Montana residence for each year.](#) If your property taxes increase, then the benefit of a property tax rebate is reduced by the tax increase! Don't forget that you will continue to pay your tax increase next year and every year that you own your home.

One-time Tax Rebate		Up to \$675		Up to \$675
<b>Annual Increase Taxes to State</b>				\$190
<b>Reduced 2023 Tax Rebate benefit</b>				\$ 485

**How much did your 2023 tax increase cut into the tax rebate this year?** In this example, an elderly homeowner's annual tax increase for the state portion will be an additional \$190, reducing her tax credit benefit to \$485 in 2023. This homeowner will pay an additional \$190 per year, which will add up to \$1,900 in just 10 years. It's important to note, this calculation only includes a homeowner's state portion and does not include all tax increases that may occur.

Don't just break out your checkbook – you can **Raise Your Voice:** Beginning July 6 in Ryegate, Governor Gianforte's [Montana Department of Revenue](#) is holding [public meetings](#) across the state. A one-time rebate does not address the problem Governor Gianforte and the Republican supermajority knew about this and didn't fix it. **Ask your legislator to fix the problem and to cut your taxes.**

**Share your story:**

**Gov Gianforte and Republican Legislature Raised My Property Tax**

My name is \_\_\_\_\_

I live in \_\_\_\_\_

Years own home \_\_\_\_\_

My taxes increased by \_\_\_\_\_

I want Gov Gianforte and Legislators to know: \_\_\_\_\_

\_\_\_\_\_

My email is: \_\_\_\_\_