

Calculating a Prevention Tax

All codes from [Montana State Code Annotated 2015](#)

7-6-2501. Authorization for county mill levy.

Subject to [15-10-420](#), the board of county commissioners may levy a tax annually on the taxable property of the county for county public or governmental purposes that is necessary to defray current expenses and may levy taxes that are required to be levied by special or local statutes.

7-6-2503. Duties of county treasurer related to taxation.

The treasurer is collector of taxes. The county treasurer's duties as collector of taxes are prescribed in this title and Title 15.

7-6-2504. Duties of county clerk related to taxation.

The clerk of the board must record all orders levying taxes.

7-6-2511. County levy for certain court expenses.

(1) Subject to [15-10-420](#), the governing body of each county may each year levy and collect a tax on the taxable property of the county for certain county district court costs, as provided in subsection (2). (2) District court costs for which a tax may be levied under subsection (1) are the: (a) costs of the office of the clerk of district court; (b) costs of providing office, courtroom, and other space for district court operations under [3-1-125](#); and (c) contracted costs of supplementing a district court budget, as provided in [3-1-126](#), if incurred in the discretion of the county commissioners. (3) Costs of the office of the clerk of district court include but are not limited to salary and benefits for clerks of district court, deputy clerks of district court, and other employees of the office of the clerk of district court and expenses of the office. (4) If remaining funds are available after paying the costs provided for in subsection (2), the county commissioners, in their discretion, may use the remaining funds to pay the expenses of the office of county attorney. (5) This section may not be construed as a limitation on the authority or ability of a county or district court to apply for, receive, or administer grants from state, federal, or private funds.

7-6-2512. County tax levy for health care facilities.

(1) Subject to [15-10-420](#), the board of county commissioners may, annually at the time of levying county taxes, fix and levy a tax upon all property within the county to erect, furnish, equip, expand, improve, maintain, and operate county-owned or county-operated health care facilities created under [7-8-2102](#), [7-34-2201](#), and [7-34-2502](#). "Health care facilities" as used in this section has the meaning as defined in [7-34-2201](#). If a hospital district is created under Title 7, chapter 34, part 21, the mill levy authorized by this section may not be imposed on property within that hospital district. (2) If a county issues bonds under [7-34-2411](#) to finance or refinance the costs of a health care facility, the board of county commissioners may covenant to levy the tax authorized by this section during the term of the bonds, to the extent necessary, and to apply the collections of the tax to the costs of erecting, furnishing, equipping, expanding, improving, maintaining, and operating the health care facility or facilities of the

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county or the payment of principal of or interest on the bonds. The pledge of the taxes to the payment of the bonds may not cause the bonds to be considered indebtedness of the county for the purpose of any statutory limitation or restriction. The pledge may be made by the board only upon authorization of a majority of the electors of the county voting on the pledge at a general or special election as provided in [7-34-2414](#).

7-6-2513. County public safety levy -- purpose.

Subject to [15-10-420](#), the board of county commissioners may, annually at the time of levying county taxes, fix and levy a tax on all property within the county for the purpose of providing for the public safety of citizens. The tax must be used to support county law enforcement services and to maintain county detention centers. Money received from the tax must be placed in a special account to be used for the purposes of this section.

7-6-2521. All-purpose levy authorized for counties.

A county may at its option levy an all-purpose levy as provided in [7-6-2522](#) and [7-6-2524](#).

7-6-2522. All-purpose levy.

Subject to [15-10-420](#), the all-purpose levy is an annual levy upon the taxable value of all property in the county subject to taxation for county public or governmental purposes.

7-6-2524. Changes from all-purpose levy.

A county adopting the all-purpose levy provided for in [7-6-2521](#) and [7-6-2522](#) is bound by that adoption during the ensuing fiscal year but may abandon the method in succeeding fiscal years.

7-6-2527. Taxation -- public and governmental purposes.

A county may impose a property tax levy for any public or governmental purpose not specifically prohibited by law. Public and governmental purposes include but are not limited to: (1) district court purposes as provided in [7-6-2511](#); (2) county-owned or county-operated health care facility purposes as provided in [7-6-2512](#); (3) county law enforcement services and maintenance of county detention center purposes as provided in [7-6-2513](#) and search and rescue units as provided in [7-32-235](#); (4) multijurisdictional service purposes as provided in [7-11-1022](#); (5) transportation services for senior citizens and persons with disabilities as provided in [7-14-111](#); (6) support for a port authority as provided in [7-14-1132](#); (7) county road, bridge, and ferry purposes as provided in [7-14-2101](#), [7-14-2501](#), [7-14-2502](#), [7-14-2503](#), [7-14-2801](#), and [7-14-2807](#); (8) recreational, educational, and other activities of the elderly as provided in [7-16-101](#); (9) purposes of county fair activities, parks, cultural facilities, and any county-owned civic center, youth center, recreation center, or recreational complex as provided in [7-16-2102](#) and [7-16-2109](#); (10) programs for the operation of licensed day-care centers and homes as provided in [7-16-2108](#) and [7-16-4114](#); (11) support for a museum, facility for the arts and the humanities, collection of exhibits, or a museum district created under provisions of Title 7, chapter 11, part 10, or former Title 7, chapter 16, part 22; (12) extension work in agriculture and home economics as

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provided in [7-21-3203](#); (13) weed control and management purposes as provided in [7-22-2142](#); (14) insect control programs as provided in [7-22-2306](#); (15) fire control as provided in [7-33-2209](#); (16) ambulance service as provided in [7-34-102](#); (17) public health purposes as provided in [50-2-111](#) and [50-2-114](#); (18) public assistance purposes as provided in [53-3-115](#); (19) indigent assistance purposes as provided in [53-3-116](#); (20) developmental disabilities facilities as provided in [53-20-208](#); (21) mental health services as provided in [53-21-1010](#); (22) airport purposes as provided in [67-10-402](#) and [67-11-302](#); (23) purebred livestock shows and sales as provided in [81-8-504](#); (24) economic development purposes as provided in [90-5-112](#); (25) prevention programs, including programs that reduce substance abuse; and (26) forest or grassland hazardous fuels reduction projects in areas near homes and communities where wildland fire is a threat.

15-10-420. Procedure for calculating levy.

(1) (a) Subject to the provisions of this section, a governmental entity that is authorized to impose mills may impose a mill levy sufficient to generate the amount of property taxes actually assessed in the prior year plus one-half of the average rate of inflation for the prior 3 years. The maximum number of mills that a governmental entity may impose is established by calculating the number of mills required to generate the amount of property tax actually assessed in the governmental unit in the prior year based on the current year taxable value, less the current year's newly taxable value, plus one-half of the average rate of inflation for the prior 3 years. (b) A governmental entity that does not impose the maximum number of mills authorized under subsection (1)(a) may carry forward the authority to impose the number of mills equal to the difference between the actual number of mills imposed and the maximum number of mills authorized to be imposed. The mill authority carried forward may be imposed in a subsequent tax year. (c) For the purposes of subsection (1)(a), the department shall calculate one-half of the average rate of inflation for the prior 3 years by using the consumer price index, U.S. city average, all urban consumers, using the 1982-84 base of 100, as published by the bureau of labor statistics of the United States department of labor. (2) A governmental entity may apply the levy calculated pursuant to subsection (1)(a) plus any additional levies authorized by the voters, as provided in [15-10-425](#), to all property in the governmental unit, including newly taxable property. (3) (a) For purposes of this section, newly taxable property includes: (i) annexation of real property and improvements into a taxing unit; (ii) construction, expansion, or remodeling of improvements; (iii) transfer of property into a taxing unit; (iv) subdivision of real property; and (v) transfer of property from tax-exempt to taxable status. (b) Newly taxable property does not include an increase in value that arises because of an increase in the incremental value within a tax increment financing district. (4) (a) For the purposes of subsection (1), the taxable value of newly taxable property includes the release of taxable value from the incremental taxable value of a tax increment financing district because of: (i) a change in the boundary of a tax increment financing district; (ii) an increase in the base value of the tax increment financing district pursuant to [7-15-4287](#); or (iii) the termination of a tax increment financing district. (b) If a tax increment financing district terminates prior to the certification of taxable values as required in [15-10-202](#), the increment value is reported as newly taxable property in the year in which the tax increment financing district terminates. If a tax increment financing district terminates after the certification of taxable values as required in [15-10-202](#), the increment value is reported as newly taxable

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property in the following tax year. (c) For the purpose of subsection (3)(a)(ii), the value of newly taxable class four property that was constructed, expanded, or remodeled property since the completion of the last reappraisal cycle is the current year market value of that property less the previous year market value of that property. (d) For the purpose of subsection (3)(a)(iv), the subdivision of real property includes the first sale of real property that results in the property being taxable as class four property under [15-6-134](#) or as nonqualified agricultural land as described in [15-6-133](#)(1)(c). (5) Subject to subsection (8), subsection (1)(a) does not apply to: (a) school district levies established in Title 20; or (b) a mill levy imposed for a newly created regional resource authority. (6) For purposes of subsection (1)(a), taxes imposed do not include net or gross proceeds taxes received under [15-6-131](#) and [15-6-132](#). (7) In determining the maximum number of mills in subsection (1)(a), the governmental entity: (a) may increase the number of mills to account for a decrease in reimbursements; and (b) may not increase the number of mills to account for a loss of tax base because of legislative action that is reimbursed under the provisions of [15-1-121](#)(7). (8) The department shall calculate, on a statewide basis, the number of mills to be imposed for purposes of [15-10-108](#), [20-9-331](#), [20-9-333](#), [20-9-360](#), and [20-25-439](#). However, the number of mills calculated by the department may not exceed the mill levy limits established in those sections. The mill calculation must be established in tenths of mills. If the mill levy calculation does not result in an even tenth of a mill, then the calculation must be rounded up to the nearest tenth of a mill. (9) (a) The provisions of subsection (1) do not prevent or restrict: (i) a judgment levy under [2-9-316](#), [7-6-4015](#), or [7-7-2202](#); (ii) a levy to repay taxes paid under protest as provided in [15-1-402](#); (iii) an emergency levy authorized under [10-3-405](#), [20-9-168](#), or [20-15-326](#); (iv) a levy for the support of a study commission under [7-3-184](#); (v) a levy for the support of a newly established regional resource authority; (vi) the portion that is the amount in excess of the base contribution of a governmental entity's property tax levy for contributions for group benefits excluded under [2-9-212](#) or [2-18-703](#); or (vii) a levy for reimbursing a county for costs incurred in transferring property records to an adjoining county under [7-2-2807](#) upon relocation of a county boundary. (b) A levy authorized under subsection (9)(a) may not be included in the amount of property taxes actually assessed in a subsequent year. (10) A governmental entity may levy mills for the support of airports as authorized in [67-10-402](#), [67-11-301](#), or [67-11-302](#) even though the governmental entity has not imposed a levy for the airport or the airport authority in either of the previous 2 years and the airport or airport authority has not been appropriated operating funds by a county or municipality during that time. (11) The department may adopt rules to implement this section. The rules may include a method for calculating the percentage of change in valuation for purposes of determining the elimination of property, new improvements, or newly taxable value in a governmental unit.

15-10-425. Mill levy election.

(1) A county, consolidated government, incorporated city, incorporated town, school district, or other taxing entity may impose a new mill levy, increase a mill levy that is required to be submitted to the electors, or exceed the mill levy limit provided for in [15-10-420](#) by conducting an election as provided in this section. (2) An election pursuant to this section must be held in accordance with Title 13, chapter 1, part 4 or 5, or Title 20 for school elections, whichever is appropriate to the taxing entity. The governing body shall pass a resolution, shall amend its self-governing charter, or must receive a petition indicating

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an intent to impose a new levy, increase a mill levy, or exceed the current statutory mill levy provided for in [15-10-420](#) on the approval of a majority of the qualified electors voting in the election. The resolution, charter amendment, or petition must include: (a) the specific purpose for which the additional money will be used; (b) either: (i) the specific amount of money to be raised and the approximate number of mills to be imposed; or (ii) the specific number of mills to be imposed and the approximate amount of money to be raised; and (c) whether the levy is permanent or the durational limit on the levy. (3) Notice of the election must be prepared by the governing body and given as provided in [13-1-108](#). The form of the ballot must reflect the content of the resolution or charter amendment and must include a statement of the impact of the election on a home valued at \$100,000 and a home valued at \$200,000 in the district in terms of actual dollars in additional property taxes that would be imposed on residences with those values if the mill levy were to pass. The ballot may also include a statement of the impact of the election on homes of any other value in the district, if appropriate. (4) If the majority voting on the question are in favor of the additional levy, the governing body is authorized to impose the levy in either the amount or the number of mills specified in the resolution or charter amendment. (5) A governing body, as defined in [7-6-4002](#), may reduce an approved levy in any fiscal year without losing the authority to impose in a subsequent fiscal year up to the maximum amount or number of mills approved in the election. However, nothing in this subsection authorizes a governing body to impose more than the approved levy in any fiscal year or to extend the duration of the approved levy.