



Montana Association of Counties

Serving Montana Counties Since 1909

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November 28, 2023

Governor Gianforte
Office of the Governor
PO Box 200801
Montana State Capitol
1301 E. 6th Avenue
Helena MT 59620-0801

Re: School Equalization Mills

Governor Gianforte:

The Montana Supreme Court clarified the State's ability to accrue 'banked mills' when the calculation required under MCA § 15-10-420 results in mills above the cumulative cap of 95. While that opinion was directly in contrast to the position of many counties, and the Montana Association of Counties in our defense of our membership, we recognize the Supreme Court's determination and appreciate the clarity.

As you know, 49 of 56 Montana counties levied the current State mill levy authority, calculated by the Department of Revenue at 77.9 mills for this tax year. Tax bills have been distributed across Montana, and the vast majority of property taxpayers are expecting the school equalization mills attached to their property to be at the maximum calculated for the current year: 77.9 mills. While we dispute the State's ability to levy "extra" mills as part of our position that you cannot have banked mills when you have never levied less than the full 95 authorized by statute, neither we, nor your Department of Revenue, nor the Montana Supreme Court disagree that the CURRENT LEVY AUTHORITY is 77.9 mills.

As such, we again ask that the State of Montana live within its means and levy ONLY the maximum amount calculated by your Department of Revenue. The State will receive an additional \$20 million in revenue this year over last year if you exercise discretion and levy what the current calculations allow. No school funding will be impacted, taxpayers in all classes will save, and you won't be intentionally taking advantage of increased appraised values by levying more than your current levy authority. Using banked mills, according to the Montana Supreme Court, is allowable but not required. Please exercise discretion and demonstrate the greater fiscal responsibility you've asked county commissioners to demonstrate and levy the current year maximum mill levy calculation of 77.9 mills.

Respectfully,

A blue ink signature of Ross Butcher, written in a cursive style.

Ross Butcher, MACo President
Fergus County Commissioner