

OFFICE OF THE GOVERNOR
PROPERTY TAX TASK FORCE
STATE OF MONTANA



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Subcommittee Recommendation

Subcommittee Name: Local Government

Recommendation: A study bill should be passed to gather information on special districts (SPDs/SIDs) and the potential to limit their growth.

Rationale: Special districts are outside of normal property tax limitations. Current reporting of special districts is limited to totals across counties. If the Legislature implements restrictions to local government property taxing authority, there may be incentive to shift revenues and expenditures to special districts.

Barriers Addressed: Special districts currently represent about 10% of property taxes paid in the state. Information available at the state level for these districts is very limited despite their significance in overall tax levels of residential property.

Key Strategies: The state legislature should consider a study bill for the 2025/2026 interim focused on special districts.

Dissenting Opinions (if applicable): None

Supporting Graphics, Weblinks, or other documentation:

[DOR Taxes Levied reports for FY 2016 through FY 2024](#) show collections from SIDs and fees represents about 10% of total statewide mill-based property tax collections.

(Approved unanimously, without objection, by the Local Government Subcommittee on 7/1/2024)