



Sen. Theresa Manzella

Theresa Manzella

Rep. Jerry Schillinger

District 37

Jerry Schillinger

Rep. Caleb Hinkle

District 68

Caleb Hinkle

Montana Freedom Caucus call for a Special Session 11/19/23

Sen. Barry Usher

District 20

Barry Usher

Rep. Bob Phalen

District 36

Bob Phalen

Sen. Dan Bartel

District 14

Dan Bartel

Sen. Carl Glimm

District 21

Carl Glimm

Sen. Mark Noland

District 5

Mark Noland

Sen. Bob Brown

District 7

Rep. Steve Gunderson

District 1

Steve Gunderson

Rep. Bob Keenan

District 10

Bob Keenan

Rep. Steve Galloway

District 24

Steve Galloway

Sen. Steve Hinebaugh

District 18

Steve Hinebaugh

Rep. Jedediah Hinkle

District 15

Jedediah Hinkle

Rep Paul Fielder*

District 13

Paul Fielder

Rep Ron Marshall*

District 87

Ron Marshall

Sen. John Fuller*

District 4

John Fuller

Rep. Braxton Mitchell*

District 3

Braxton Mitchell

Rep. Joe Read*

District 93

Joe Read

Rep. Fiona Nave*

District 57

Fiona Nave

Rep Jane Gillette*

District 64

Jane Gillette

*Transitional Member

We in the Montana Freedom Caucus request that the Secretary of State, per MCA 5-3-105, conduct a poll of the legislature to call for a special session to convene on Monday, January 15th at 10:00 am, for the purposes of returning a surplus collection of taxes and to address high property taxes alleviating tax burden on the residents of Montana. We propose this be done with four separate pieces of legislation

1. Return Surplus Tax Revenue

The current 2023 tax surplus is more than \$230 million. We propose a return to the taxpayer of all excess revenues collected over and above House Joint Resolution 2 revenue estimates.

2. A Taxpayer Bill of Rights:

Revenue has come into the state for at least three years at levels that have created a surplus. We believe this money should be returned to the taxpayer and propose a **Legislative Referendum** for a "Taxpayer's Bill of Rights" for the purposes of creating a system by which surplus tax revenue shall be returned to the taxpayer without specific legislative intervention.

We believe it is ultimately up to the citizens of Montana to decide if they would like to see the excess tax dollars returned.

3. Property Tax Mill Levy Clarification:

The Montana Freedom Caucus supports the legislative intent of our 1999 predecessors when they passed MCA 15-10-420 – Procedure for Calculating Levies on Property Taxes – which limits cities, counties, and the State property tax collection growth to 1/2 the rate of inflation over the three previous years plus revenue from newly taxable property

This year, due to the massive increase in the value of residential and commercial properties, the Department of Revenue calculated that the State should assess 77.8 mills. At 77.8 mills State property tax collections still grow by about 8 million dollars. Combined with over 14 million dollars in taxes from new property, the state would have over 22 million dollars in new property tax revenue.

If the administration decides to impose an additional 17.2 mills they interpret as banked and assess 95 mills, the state will receive an additional 80 million dollars. About two-thirds of this money will come from the property owners who saw the huge increase in value from reappraisal - homeowners, landlords, and small businesses.

The Montana Freedom Caucus calls for a Special Legislative Session to clarify the law involving the calculation and levying process, specifically limiting the state's ability to bank additional mills.

4. Reduce 95 mills:

In order to provide Permanent Property Tax relief, we propose to cut the 95 Mills in MCA Title 20, Chapter 9 to 85 Mills, this will reduce the amount of property tax collected. Since education funding is derived from the funding formula and is appropriated by the legislature, education funding will not be effected by this change.