MONTANA
DEPARTMENT OF
REVENUE

GOVERNOR GREG GIANFORTE
DIRECTOR BRENDAN BEATTY

MEMORANDUM

TO:	Jason Lay, BIT Angie Haller, BIT
FROM:	Dylan Cole, Tax Policy and Research
DATE:	June 13, 2024
RE:	Tax Year 2024 Class 12 Taxable Percentage Rate

CC:	Brendan Beatty	Scott Mendenhall
	Ralph Franklin	Ryan Evans
	Julia Pattin	Derek Bell
	Paula Gilbert	Robin Rude
	Doug Roehm	Eric Bryson
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The tax year 2024 taxable percentage rate for class 12 property is estimated to be **2.77%**.

Per 15-6-145, MCA, the Department of Revenue shall calculate the taxable percentage rate for class 12 property annually by:

1. conducting a sales assessment ratio for class 4 commercial and industrial property;
2. adjusting the total class 4 commercial and industrial taxable value with the sales ratio;
3. adding this product to the taxable value of other non-class 12 commercial property; and
4. dividing this adjusted total taxable value by the total statewide market value of all non-class 12 commercial property.

The Tax Year 2023 sales assessment ratio of class 4 commercial and industrial property is 72.95%. The actual assessed value for class 4 commercial and industrial property is divided by the sales prices to determine a sales ratio. The table immediately following contains the sales ratio information.

Class 4 Commercial & Industrial Adjustments	
Class 4 Market Value TY 2023	
Number of Sales	1,291
Assessed Value	$793.328
Sales Value	$1,087.539
Sales Ratio	**72.95%**

Because the certification of TY 2024 property values occurs in August of 2024, the information used in this computation is certified TY 2023 values. Once the TY 2024 certification is complete, the department will recalculate the class 12 percentage, and if the recalculated percentage differs from 2.77% by more than 5%, the department will provide notification of the new class twelve percentage by September 1, 2024.

The following table showing the contribution of each class of property to the class 12 taxable percentage rate:

Class 12 Tax Rate - Tax Year 2024

Class of Property	Market Value	Taxable Value	Sales Ratio	Adj. Taxable Value	Eff. Tax Rate
Class 4 Commercial and Industrial	$33,660.485	$631.741	72.95%	$460.84	1.37%
Class 7	$0.248	$0.020	100.00%	$0.02	8.00%
Class 8	$8,460.400	$202.642	100.00%	$202.642	2.40%
Class 9	$4,965.295	$589.690	100.00%	$589.690	11.88%
Class 13	$2,143.504	$128.007	100.00%	$128.007	5.97%
Class 14	$1,362.543	$23.635	100.00%	$23.635	1.73%
Class 15	$216.066	$2.924	100.00%	$2.924	1.35%
Class 16	$0.000	$0.000	100.00%	$0.000	N/A
Class 17	$87.197	$0.785	100.00%	$0.785	0.90%
Total Commercial and Industrial	**50,895.737**	**N/A**		**1,408.540**	**2.77%**

Please contact Dylan Cole at (444-6634 dylan.cole@mt.gov) or Eric Dale at (444-3531 edale@mt.gov) if you have any questions.