Montana Department of Revenue

Mike Kadas
Director

Steve Bullock
Governor

MEMORANDUM

To: County Commissioners
Clerk and Recorders
County Treasurers
Montana League of Cities and Towns

From: Cynthia Monteau Moore, Administrator
Property Assessment Division

Date: October 23, 2015

Subject: Formal notice deadline dates for the creation or change in a taxing jurisdiction or the creation or amendment of a tax increment financing district for tax year 2016

Please be advised that the law requires specific action and supporting documentation within defined deadlines before the department will calculate taxes and certify taxable values for tax year 2016.

Creation or Change in a Taxing Jurisdiction
Governing bodies are required to submit formal notification of the creation of a new taxing jurisdiction or a change in an existing jurisdiction "by January 1 of the year in which the taxes are to be levied." (15-10-321, Montana Code Annotated (MCA)).

The department recognizes signed resolutions as "formal notification." Supporting documentation includes, at a minimum, maps and parcel information for that taxing jurisdiction. The approved resolutions and accompanying documentation must be received on or before January 1 of the year in which the taxes are levied.

For tax year 2016, all resolutions and pertinent documentation that verify compliance with all legal requisites must be submitted to the local revenue office by January 1, 2016, so the department can review the documentation and calculate taxes for tax year 2016.

Creation or Amendment of a Tax Increment Financing District (TIFD)
Whenever a local government creates or amends a tax increment financing district (TIFD), the local government must provide formal notice to the department of the creation or amendment "no later than February 1 of the calendar year following the creation of the TIFD",(Administrative Rules of Montana (ARM) 42.19.1402(3)). Local governments must notify the department of the creation or amendment by providing the information identified in ARM 42.19.1402 through 1406 before the department can certify a tax increment financing district.

Local governments must provide notification of the creation or amendment of any TIFDs with a base date of January 1, 2015 no later than February 1, 2016. For TIFDs with a base date of January 1, 2016, local governments must provide the notice no later than February 1, 2017.

It is the governing bodies' responsibility to comply with all the pertinent legal requisites within the established deadlines. Please contact the manager of your local revenue office if you have any questions.

Thank you!