

Mill Levies

From Bob Cooper – June 25, 2010

1. Does a levy (qualifying under 15-10-245) allow the County to exceed the mill levy cap as required under 15-10-402? Yes it does.

2. Can a special levy be established that does not require a vote of the people? There appears to be some confusion here involving common use terminology as opposed to language provided in the law. When the County Commission assesses the mills resulting in what is commonly known as the General Fund, a couple of different courses of library support action may occur. The County Commission may divert some of the GF directly to the Library Fund without indicating this specifically on individual taxpayers' assessment notices. Alternatively, the County Commission may separate out a portion of the GF going to the library and specifically indicate this on the taxpayers' assessment notices. Normally, the latter occurs when the County Commission has passed a resolution indicating its intent to provide this GF support, and the level of that support. If a mill levy supporting the library is put in place in accord with 15-10-245 then it will appear as a separate item listing on taxpayers' assessment notices. Thus, under current law, there is no such thing as a "special" levy. The only place the word "special" is used is when a special election is called but this does not mean that the levy in question is a special levy. The levy is simply not a core GF levy and is funding a specific function of government, such as a library. The same levy could also be put to a vote at a regular or primary election. A vote of the people is required for any existing levy increase or new levy that is not part of the local government existing funding (within the cap) or the inflationary adjustment to that funding (allowable expansion of the cap without a vote of the people).

My primary source of assistance in this matter was Kim Smith, Audit Reviewer, Local Government Services Bureau, Montana Department of Administration.