

Learning about Mill Levies and HB231/SB542



August 5, 2025

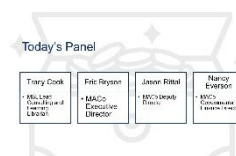
Webinar Recording

- Recorded on August 5, 2025
- [Watch the Video](#)



Agenda

- Learn about House Bill 231 and Senate Bill 542
- Changes to property taxes
- Actions needed if you have a voted levy



Summary

HB 231 is going into effect this year (FY 2026). This bill mandates that local government entities need to choose between recalculating their fixed voted mills or transitioning to a dollar amount with inflationary rates as outlined in MCA 15-10-420 ("Procedure for Calculating Levy").

Libraries with voted mills need to make a decision and take action on one of two choices. This legislation does not affect general mills.

SB 542 is going into effect next year (FY 2027). This bill changes the property tax rates for different categories of property, with the intention of raising taxes on higher property values and second homes.

The combination of these bills means that libraries need to make a decision about which tax option to choose while keeping in mind that property tax rates will change next year. The composition of your county's property tax revenues will determine how these rate changes will affect the library's voted tax values.

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Reset mills calculation:

Option One: Transition to MCA 15-10-420 and receive the dollar amount of your FY 2025 mill values, plus inflation in the amount of 4% average over the last 4 years.

MACo recommends this option as the most stable for most counties, as well as the easiest to explain to voters.

Option Two: Retain a fixed voted mill by taking your FY 2025 actual assessed/allowed revenue and dividing it by the FY 2026 taxable value of a mill to determine how many mills you can lock in. If your library board votes to reset your mills, you should write a memo to document the decision for institutional knowledge.

If taxable value in your county increases, your mills would need to decrease to match this dollar amount. If taxable value decreases, your mills would need to increase. Either way, if you lock in a set number of mills then that may fluctuate in value in the coming years.

Library districts in particular should pass a resolution on which option they are choosing, though it is probably a good idea for all library boards to create a memo to document their decision for future reference.

What should libraries do?

1. Retrieve the Department of Revenue certified values for the library from FY 2025
 - a. <https://svc.mt.gov/dor/property/cov#/208>
2. Get the FY26 Excel form and plug in the values
 - a. <https://sfds.mt.gov/LGSB/Budget-Resources>
3. Double-check your math with your clerk
4. The library board needs to vote on their choice and submit it to the county.

The decision needs to be made before the first Thursday following the first Tuesday in September (MCA 7-6-4024). Therefore, library boards should vote on their choice at their August meeting.

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Links from Chat

- <https://www.mtcounties.org/policy/property-taxes-in-montana/>
- <https://www.mtcounties.org/news/legislative-updates/hb-231-sb-542-summary-of-property-tax-changes-2025/>
- 15-10-420, MCA
https://archive.legmt.gov/bills/mca/title_0150/chapter_0100/part_0040/section_0200/0150-0100-0040-0200.html
- 15-10-425, MCA
https://archive.legmt.gov/bills/mca/title_0150/chapter_0100/part_0040/section_0250/0150-0100-0040-0250.html
- Town Hall Recording <https://youtu.be/q5v7UOMo2rU?feature=shared>
- Get My Rebate <https://revenue.mt.gov/taxes/property-tax-rebate/>
- Get GeoCodes from the Cadastral <https://svc.mt.gov/msl/cadastral/>
- MACo <https://www.mtcounties.org/>
- MSL Evaluation Form <https://forms.office.com/g/ffUuzbA8qn>

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Resources

[FY26 Mill Levy Computation Form and History \(xls file - forced download\)](#)

FY26 Mill Levy Computation Form and History

SB 542 Reset Mills Calculation

SB 542 Reset Mills Calculation

Questions?

[Contact your MSL Consultant](#)