The Appeal:
The appeal process is designed to provide taxpayers with the opportunity to contest the valuation placed on property by the Department of Revenue for tax purposes. It is an appeal of the property's appraised values, not an appeal of taxes.

The Process:
The County Board is the first level of independent review of the valuation of your property. In appealing your property valuation, you will want to provide the County Board as much information as possible to assist the County Board in determining the proper valuation of your property.

The Department of Revenue:
The Department of Revenue uses certain standard materials in valuing property in Montana. The Department must make available to you all the information used in valuing your property available to you.

At the Hearing:
You and the Department of Revenue will each have the opportunity to present material to the Board relating to the value of your property. The Board will explain the process at the time of the hearing.

The County Tax Appeal Board:
The Board is a three member Board that is entirely independent of the Department of Revenue. The Board members are appointed by the County Commission.

Updated May 2007

Before the hearing, you may want to:

1. Review your property record card to ensure its accuracy. This information can be obtained from your local appraisal office.

2. Consider bringing exhibits such as:

1. Photographs of your property and comparable properties. Note any defect or damage in your property that impacts the market value.

2. Documented or recorded restrictions imposed against the property that may affect value (building covenants, use restrictions, easements, etc.)

3. Comparable sales information. ***The comparable sales information that was used to value YOUR property can be obtained from the local appraisal office.***

4. For income producing properties (rentals, etc.), rental and expense data from similar properties.

5. Independent fee appraisal (not required)

Any other information that, in your opinion, affects the value of the property being appealed.

How Does the Revenue Department Value Your Property?

1. **Data Collection** – The Department gathers data on all property. The **Property Record Card** shows ownership, size, and influencing factors. It details the age, condition and size of improvements (structures). Department appraisers review and record changes that affect value.
2. **Land Value** – Sales of vacant parcels are used to land values. The **Computer Assisted Land Pricing (CALP)** program assists Department Appraisers in applying land values to all parcels.
3. **COST APPROACH to Value** – Each property has a value based on the cost to replace the structures, less depreciation, plus land value. The replacement cost is affected by items such as size, quality and location.
4. **SALES COMPARISON APPROACH** – Value can be based on sales of similar properties. Comparable sales are selected and differences are adjusted to match your property.
5. **The INCOME APPROACH** –Income and expenses for rental or business property may determine a property's value.
6. **Final Determination of Value** – Department Appraisers must analyze the values from each approach to determine the most appropriate final market value.

Procedure

You must file an appeal with your local County Tax Appeal Board on or before the first Monday in June, or 30 days after receiving your notice of classification and appraisal from the Department of Revenue.

The County Tax Appeal Board will schedule a hearing on the appeal in the county seat of the county in which the property is located. After the hearing, the County Tax Appeal Board will issue a decision on the appeal. If either party is dissatisfied with that decision, an appeal may be made to the State Tax Appeal Board within 30 days of receipt of the County Tax Appeal Board decision.

The value of residential property is based on its "market value;" in other words, the value at which that property would be bought and sold on the open market.

Market value is defined in Montana law in 15-8-111. The law can be found on the web at leg.mt.gov.

Agricultural (class 3) & timber or forest lands (class 10) are valued based on productivity; therefore, the definition does not apply.1 Additional information can be obtained from the local appraisal office

More information is available on our website at www.stab.mt.gov

[1] 15-6-133 MCA. Class three property. 15-6-143 MCA. Class ten property.

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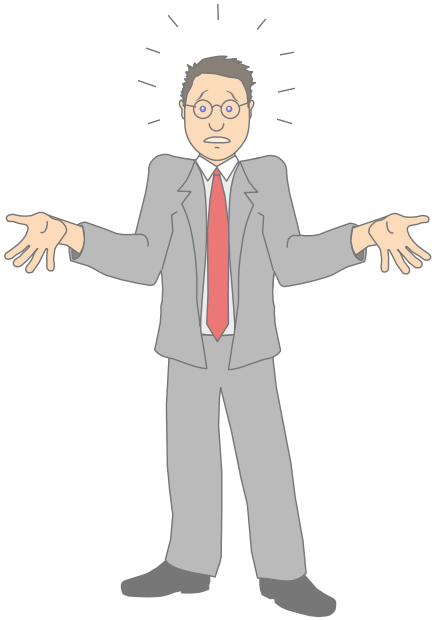
For more information, please contact

the Montana State Tax Appeal Board

406-444-2720 or

www.stab.mt.gov

How do I Prepare for my



REAL ESTATE PROPERTY TAX APPEAL?

Montana Tax Appeal Board

406-444-2720

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