



BOZEMAN'S BURGEONING TAX BURDEN

Bozeman homeowners and local taxpayers are carrying too much of the local tax burden in an already expensive market.

The High Cost of Taxes in Bozeman

The typical Bozeman homeowner¹ will pay \$2,373 in city taxes and fees each year – and that number's increasing.

CITY BUDGET

Last Year: **\$118** million
This Year: **\$200** million

ANNUAL PROPERTY TAX

2019 Median: **\$812.69** **\$88.03** increase

EXISTING TAX BURDEN

OPEN SPACE BOND

\$20 million over 15 years



2nd Highest Impact Fees in recent study²



PUBLIC SAFETY CENTER

Construction: **\$36.9 million** plus **\$523k** operations



BOZEMAN SCHOOL DISTRICT

New High School **\$125 million** bond
Operating Fees **\$115,000** per year
Building Repair Levy **\$2 mil/year** for 6 years
Existing HS Remodel **\$26 million** bond



FUTURE INCREASES TO THE TAX BURDEN



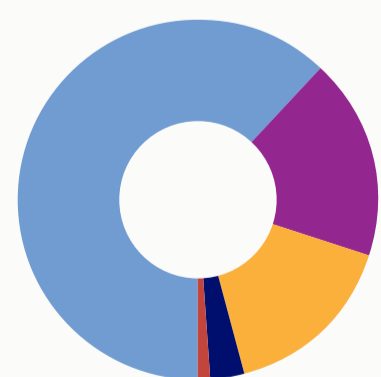
Each year, the City needs to raise money to pay for services, such as public transportation, school and park facilities, and infrastructure maintenance and expansion.

The most equitable way to do this is to charge people what they use (such as in the form of a sales tax or park-use fee) rather than forcing one group to shoulder the entire burden (such as with a property tax, which only impacts property owners). But because City officials need the State Legislature's approval to introduce a local option sales tax, they have few options but to fund services through taxes that they can pass, such as property taxes.

Over time, property owners in Bozeman have been asked to shoulder too much of our local tax burden – and as a result of this – local homeownership has become an impossible dream to achieve for too many people.

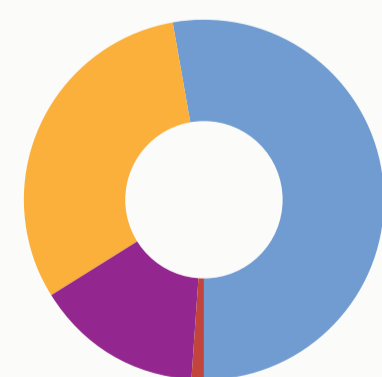
WHERE OUR TAXES GO

Gallatin County



62% Schools
18% County
16% Cities
3% Roads/Library
1% University

City of Bozeman



53% Schools
15% County
31% Cities
- Roads/Library
1% University

OUTSIDE AGENCY REQUESTS

HRDC/Streamline	\$150,000
Mental Health Partnership	\$44,000
Haven	\$30,000
Fork and Spoon	\$25,000
HRDC Warming Center	\$25,000

1. "Typical" is calculated using an average sized lot (7500 square feet), median home of \$292,000, and water use of 10 HCF. This translates to a jump of \$121.70 per year or \$10.14 per month. Surratt, Andrea. The Bozeman City Manager's Recommended Budget for Fiscal Year 2019 open house presentation, June 2019.

2. "Bozeman MT 2018 Comparative Municipal Tax Review." Michael P. Wallner, PhD and Greta M. Linse, MS. weblink.bozeman.net/WebLink8/0/doc/175171/Electronic.aspx

The 13 municipalities studied included Bozeman, Billings, Great Falls, Helena, Kalispell, Missoula, and Whitefish, MT, as well as Bend, OR; Boulder, CO; Flagstaff, AZ; Fort Collins, CO; Juneau, AK; and Sun Valley, ID.

3. https://www.bozemandailychronicle.com/opinions/editorials/funding-for-streamline-needs-long-term-fix/article_2fecfa1-4eec-5cef-bf29-0a03db5bcbf0.html



Let's keep homeownership in Bozeman affordable. We need smart growth strategies and smarter tax policies.

REALTORS® Can Help

As trusted community partners, REALTORS® support healthy, sustainable growth.

Visit KnowYourBozemanTaxes.com for more information about securing a brighter future for Bozeman.