



# 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 homeowner<sup>1</sup> 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



**2<sup>nd</sup> Highest Impact Fees** in recent study<sup>2</sup>



### 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



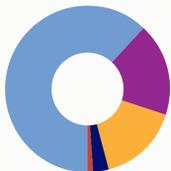
Each year, the City needs to raise money to pay for services, such as public transportation, school and park facilities, and infrastructure maintenance and expansion.

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

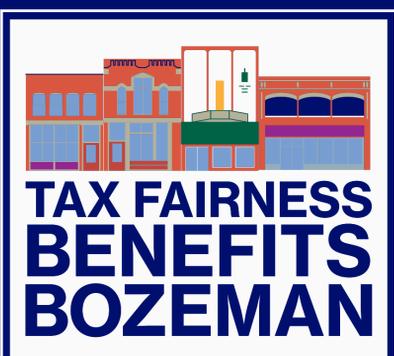
HRDC/Streamline	\$150,000
Mental Health Partnership	\$44,000
Haven	\$30,000
Fork and Spoon	\$25,000
HRDC Warming Center	\$25,000

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](http://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](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.

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