

HIGH TAXES, LOW WAGES FOR BOZEMAN RESIDENTS

Many Bozeman citizens face a high cost of living that outpaces annual income. The City needs ways to raise revenue – but is currently only looking at its residents to foot the bill, when it's a debt shared by all tourists and visitors to our city.

Bozeman's Quick Growth Has Led to Affordability Challenges

MEDIAN SALES PRICE
\$375,110
AFFORDABLE PURCHASE PRICE*
\$301,000 *for household making median income

This adds up to a

\$74,110
AFFORDABILITY GAP¹

High Taxes and Fees to Build Take a Heavy Toll on Local Residents

A recent study of 13 comparable municipalities² found that Bozeman has steeper property taxes and fees to build – and a lower median household income – than many similar mountain towns.

The typical Bozeman homeowner will pay

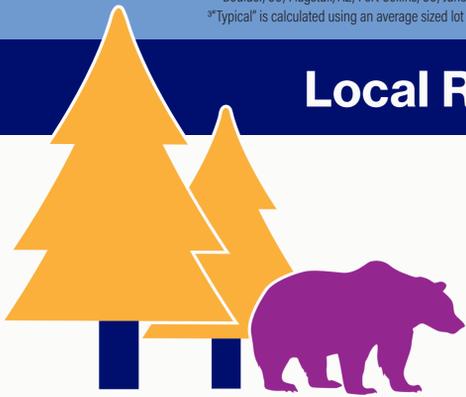
\$2,373
in city taxes and fees each year³
– and that number is **increasing.**

¹City of Bozeman 2018 Housing Needs Assessment <https://www.bozeman.net/city-projects/community-housing-action-plan/community-housing-needs-assessment>

²Bozeman MT 2018 Comparative Municipal Tax Review. Michael P. Wallner, PhD and Greta M. Linse, MS. weblink.bozeman.net/WebLink3/0/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.

³Typical* 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.

Local Residents Are Paying for Services Tourists Use

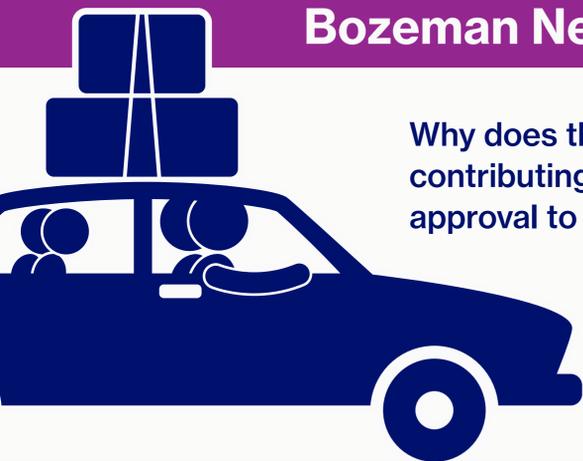


In many similar markets, tourists and visitors help pay for the services they use through sales taxes, park use fees, etc. – revenue from which would go toward park maintenance, infrastructure repairs, and even affordable housing needs.

The top 6 municipalities with the greatest revenue per capita, not surprisingly, have a local option sales or resort tax in their communities. But in Bozeman, many of the services tourists use when visiting our community are a direct result of property tax revenues.

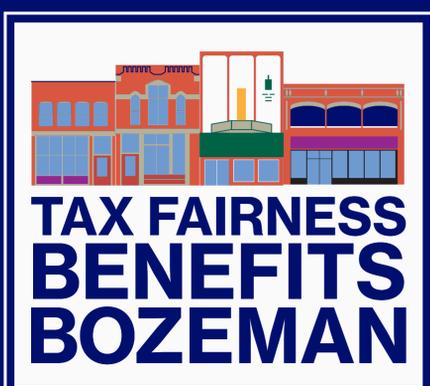


Bozeman Needs More Ways to Generate Revenue



Why does the City rely so heavily on revenue from locals? A primary contributing factor is that City officials need the State Legislature's approval to introduce a local option sales tax.

For a sustainable thriving economy, Bozeman needs everyone who benefits from and enjoys our community to help pay for it, and not rely on local residents to solely shoulder the burden.



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

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