



Lake County Commissioners

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LAKE COUNTY

106 4th Ave. E.

Polson, Mt. 59860

Dear County Taxpayer,

You may be aware that Lake County, along with 49 other counties, joined in a lawsuit against the State of Montana this past fall contesting the levying of 95 mills established by the Legislature in 2001 to satisfy the State's responsibility for equality in education. This year, the Department of Revenue (DOR) initially calculated that 77.9 mills, rather than the traditional 95 mills, would produce the revenue necessary to meet the equality in education requirement. The reduction of 95 mills to 77.9 was due to a statewide dramatic increase in property values.

Shortly after releasing the 77.9 mill calculation to the counties, DOR issued a new calculation ordering the counties to collect the full 95 mills. Lake County refused to levy the 95 mills and mailed tax statements to residents reflecting the initial calculation of 77.9 mills. Soon after, the Montana Association of Counties, an organization that advocates for Montana counties, sought original jurisdiction from the Montana Supreme Court to contest the DOR 95 mill calculation as a violation of law, and in that action the State of Montana with the Montana Supreme Court asking the Court to order the 49 counties to collect 95 mills. The State did this knowing that the additional \$78.8 million collected statewide would be added to the State's growing budget surplus and would not be sent to the schools. The Lake County Commissioners decided to join the lawsuit with the other counties with the hope of reducing the amount of taxpayer bills believing that the counties would prevail in the litigation.

Ultimately, The Supreme Court sided with the State in the litigation. Due to this decision, from which there is no appeal, additional tax statements will be mailed this spring adjusting the 77.9 mills to 95 as ordered by the Court. The additional amount will be due May 31, when the second half of 2023 taxes are due.

Sincerely,

BOARD OF LAKE COUNTY COMMISSIONERS

Gale Decker, Chairman

Steve Stanley, Member

William D. Barron, Member