

MORE THAN \$30 MILLION IN PROPERTY TAX REFUNDS ISSUED TO HOMEOWNERS

The Montana Department of Revenue has issued about \$30.6 million in property tax refunds to 86,720 Montana households, department officials said on Friday.

The department began processing claims for the \$400 property tax refund on August 27. To date, about 160,000 refund applications have been received.

We are delighted with the response from Montana homeowners, and we're working hard to process the claims as quickly as possible," said revenue director Dan Bucks.

About 87,000 of the applications received were electronically filed on the department's website at mt.gov/revenue. The department is encouraging electronic filing of the application form for the fastest refund. To date, about 90% of those who e-filed have received their refunds.

Electronic filing really does get the refund into the homeowner's hands quickly," said Bucks.

Nearly 73,000 of the applications were paper applications that the department received by mail. So far, only about 10% of paper filers have received their refunds.

That's because paper applications take considerably longer to process, due to the extra labor that is required, he explained.

If you filed your refund claim on paper, please be assured that we are processing it as quickly as we possibly can," said Bucks. Department employees are working overtime, including evenings and Saturdays, to keep up with the mailbags full of paper refund applications that arrive daily. In addition to the department's own employees, other state agencies have agreed to lend a hand to the effort.

We thank those other state agencies who have generously agreed to help us," said Bucks.

The 160,000 applications received by the department represent nearly two thirds of the 254,000 homeowners who are expected to qualify for the tax refund.

The 2007 Montana Legislature passed the law to refund up to \$400 of property taxes paid in 2006 for a property owner's principal residence, subject to certain qualifications. The refunds are expected to provide nearly \$100 million in property tax relief to residential homeowners.

To qualify for the refund, a Montana property owner must meet the statutory requirements. Under the requirements, the property owner must have:

- Been the owner of residential property in 2006.

- Lived in the property as a principal residence for at least 7 months during 2006.
- Paid 2006 property taxes on the principal residence.

Provisions in the law allow members of family farm and ranch corporations who own at least 20% of the corporation to qualify, if they meet the residency requirement.

The department expects most homeowners to qualify for a full \$400 tax refund. To do so, the homeowner must have paid at least \$400 in property taxes in tax year 2006. Exceptions under the law allow a homeowner to add property taxes paid in 2005 and 2004 to meet the \$400 refund amount, if the property taxes on the principal residence were less than \$400 in 2006.

Homeowners who paid less than \$400 in combined property taxes on the principal residence in 2006, 2005 and 2004 may claim a refund for the amount of property taxes that were paid.

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FOR IMMEDIATE RELEASE

Date: September 7, 2007

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