

THE COMPLETE TEXT OF CONSTITUTIONAL INITIATIVE NO. 121 (CI-121)

BE IT ENACTED BY THE PEOPLE OF THE STATE OF MONTANA:

Section 1. Article VIII, section 3, of The Constitution of the State of Montana is amended to read:

“Section 3. Property tax administration -- limitation. (1) The Subject to this section, the state shall appraise, assess, and equalize the valuation of all property which is to be taxed in the manner provided by law.

(2) Except as provided in this section, the assessed valuation of residential property shall be the amount determined by the state in 2019.

(3) The value of residential property may be reassessed annually on January 1 of each year. If residential property is not newly constructed or significantly improved or did not have a change of ownership since January 1, 2019, the change in revised assessed valuation for a year may not exceed the lower of the following:

(a) two percent of the valuation for the prior year; or

(b) the percent change in the consumer price index, U.S. city average, all urban consumers, using the 1982-84 base of 100, as published by the bureau of labor statistics of the United States department of labor.

(4) After January 1, 2019, whenever residential property is newly constructed or significantly improved or has a change of ownership, it must be assessed by the state at its fair market value with subsequent changes to that assessment made in accordance with the limits in subsections (3)(a), (3)(b), and this subsection (4).

(5) The legislature shall limit the total amount of ad valorem taxes assessed against residential property and such limit shall not exceed one percent of the valuation established by this section.

(6) The legislature shall define “residential property” and provide for the application and implementation of subsections (2) through (5), and it may provide for acquisition valuation of other real property.

NEW SECTION. Section 2. Severability. If a part of [this act] is invalid, all valid parts that are severable from the invalid part remain in effect. If a part of [this act] is invalid in one or more of its applications, the part remains in effect in all valid applications that are severable from the invalid applications.

NEW SECTION. Section 3. Applicability. [This act] applies to property tax years beginning after December 31, 2023.

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