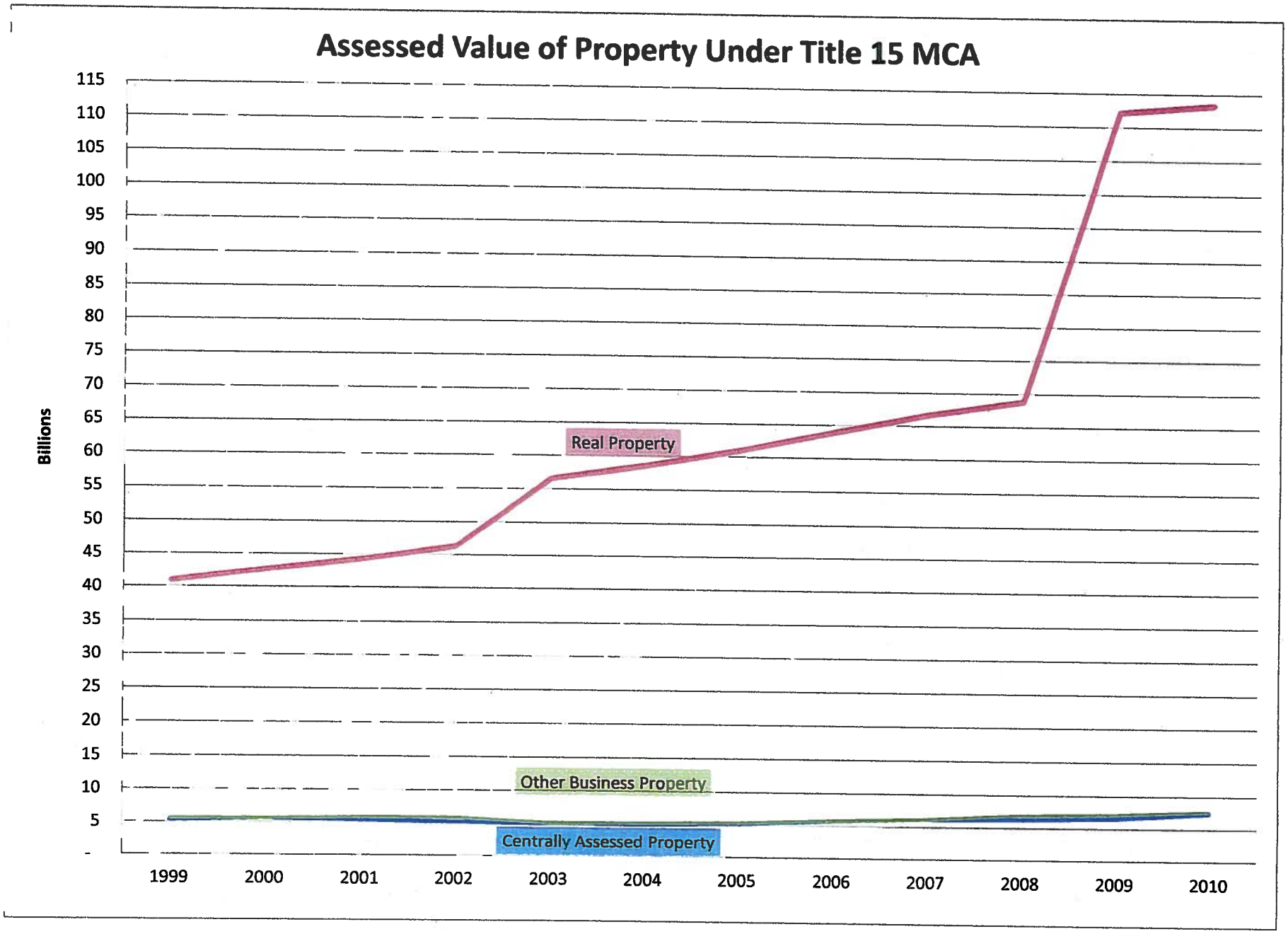
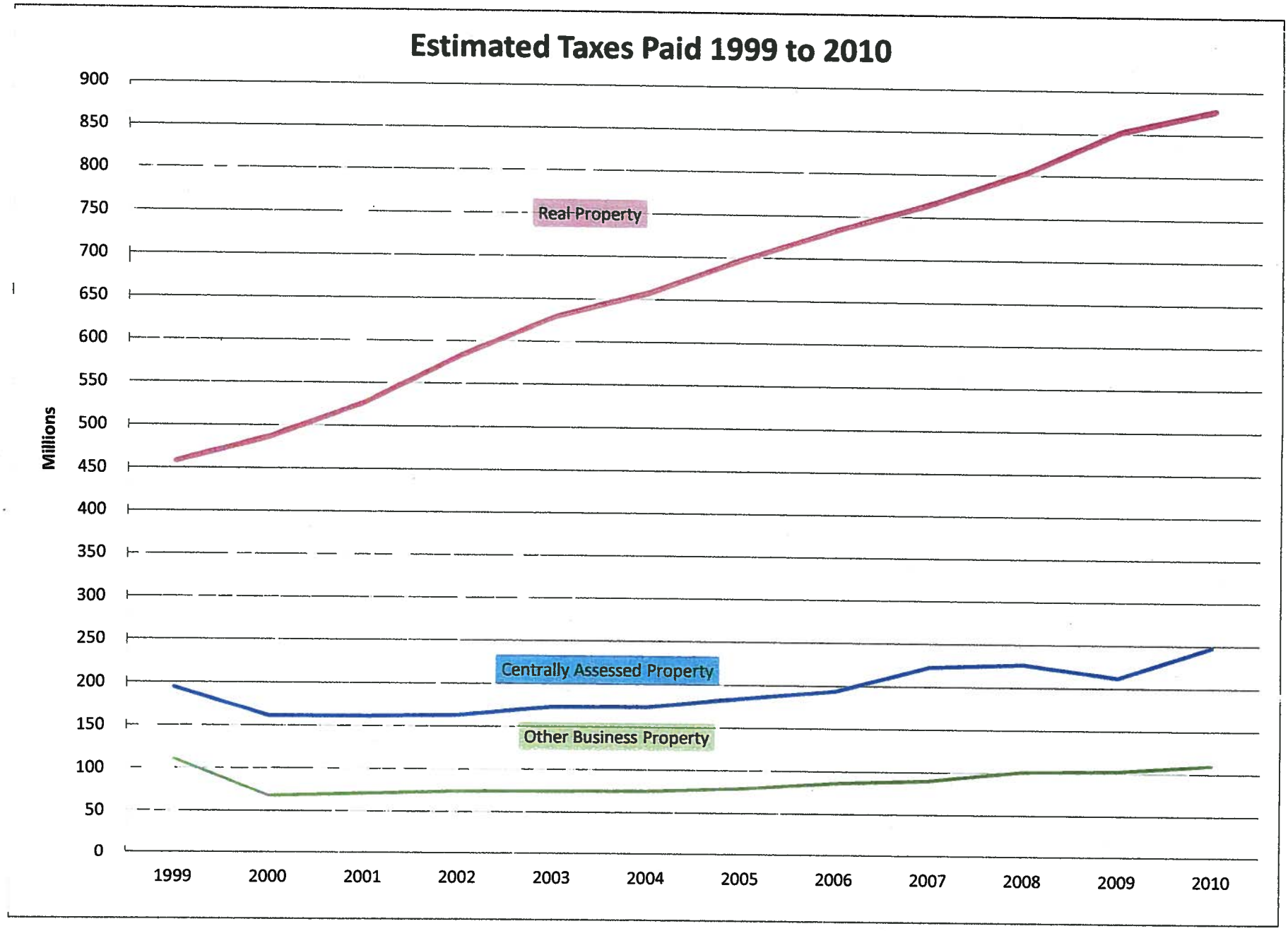
Revenue and Transportation Interim Committee

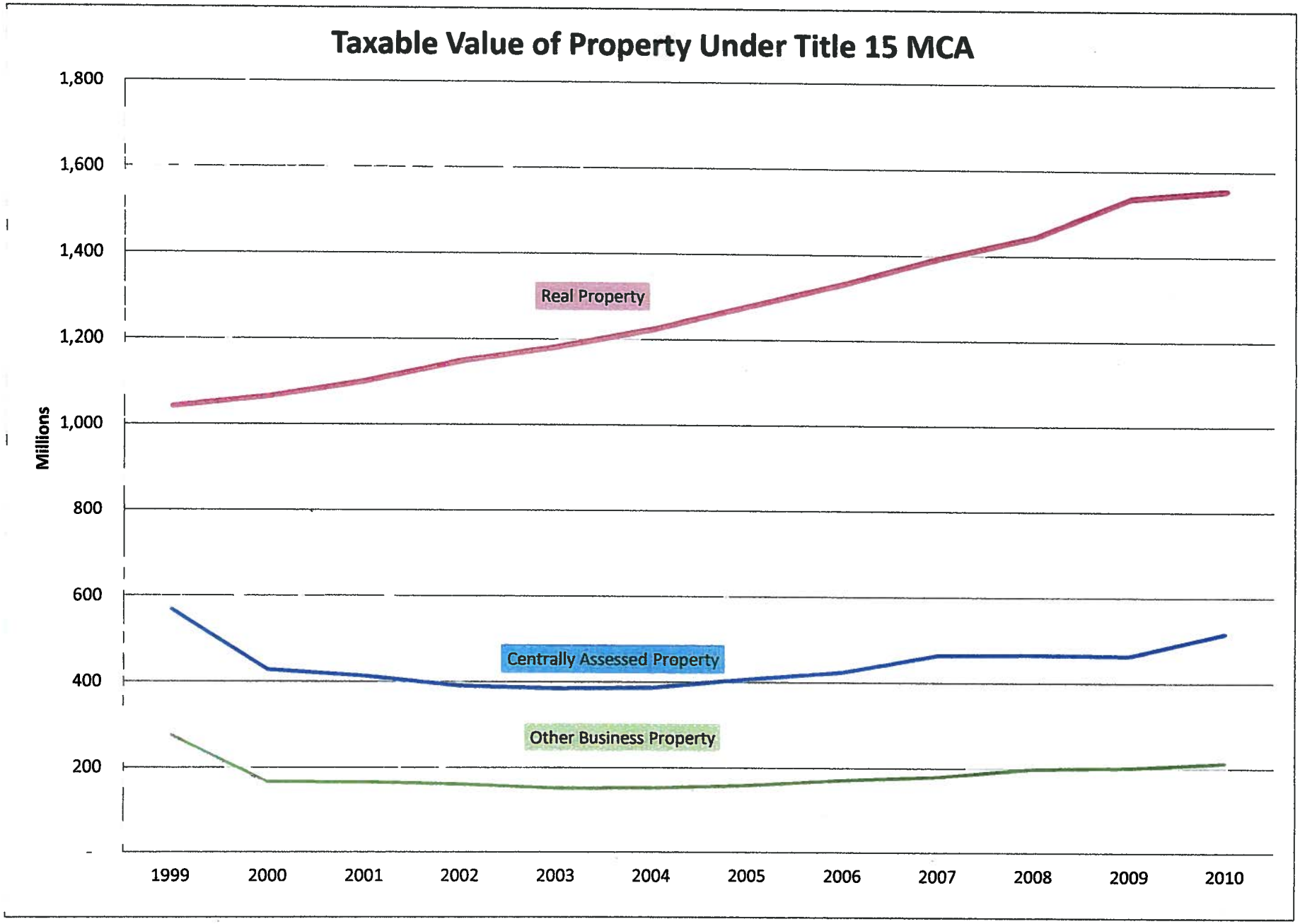
Trends in Property Taxation

Related to SJR17 Study

December 9, 2011


Assessed Value of Property Under Title 15 MCA
Billions
115
110
105
100
95
90
85
80
75
70
65
60
55
50
45
40
35
30
25
20
15
10
5
-
1999
2000
2001
2002
2003
2004
2005
2006
2007
2008
2009
2010
Real Property
Other Business Property
Centrally Assessed Property


Estimated Taxes Paid 1999 to 2010
Millions
900
850
800
750
700
650
600
550
500
450
400
350
300
250
200
150
100
50
0
1999
2000
2001
2002
2003
2004
2005
2006
2007
2008
2009
2010
Real Property
Centrally Assessed Property
Other Business Property


Taxable Value of Property Under Title 15 MCA
Millions
1,800
1,600
1,400
1,200
1,000
800
600
400
200
-
1999
2000
2001
2002
2003
2004
2005
2006
2007
2008
2009
2010
Real Property
Centrally Assessed Property
Other Business Property

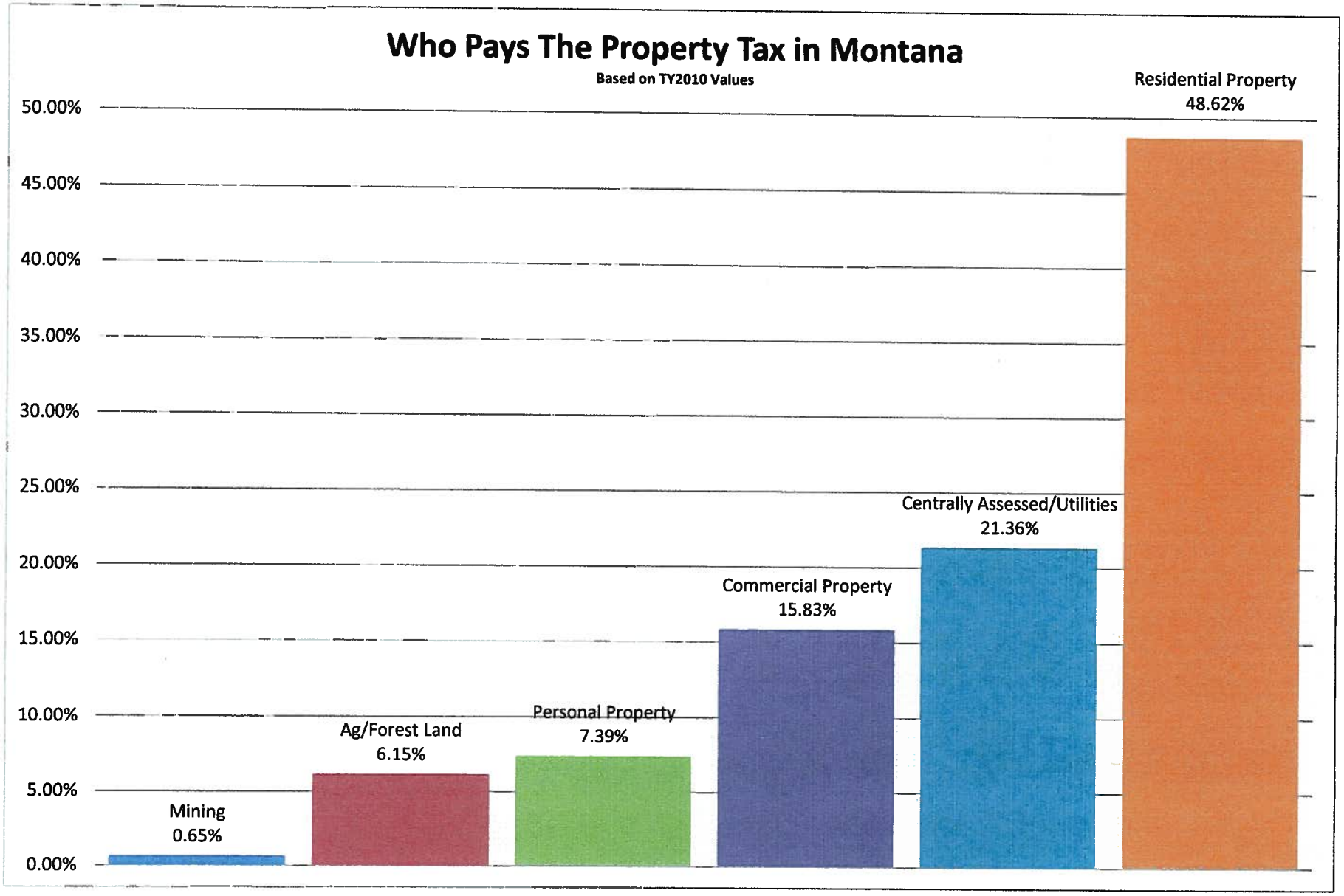

Who Pays The Property Tax in Montana
Based on TY2010 Values
50.00%
45.00%
40.00%
35.00%
30.00%
25.00%
20.00%
15.00%
10.00%
5.00%
0.00%
Mining
0.65%
Ag/Forest Land
6.15%
Personal Property
7.39%
Commercial Property
15.83%
Centrally Assessed/Utilities
21.36%
Residential Property
48.62%

Table 1

Estimated Change in Property Taxes Owed If the Actual Purchase Price of BNSF Was Used to Value the Company

		Actual TY2010 Taxes	Estimated Taxes	Shift in Taxes
Class 1	Net proceeds	1,261,359	1,238,536	(22,823)
Class 2	Gross proceeds	6,771,689	6,649,163	(122,526)
Class 3	Agricultural land	73,158,564	71,834,848	(1,323,716)
Class 4	Residential	603,867,331	592,941,081	(10,926,251)
Class 4	Commercial	196,539,491	192,983,346	(3,556,145)
Class 5	Rural Electric & Telephone Co-op / Pollution Controls	17,702,391	17,382,087	(320,303)
Class 7	Non-centrally assessed utilities	851,666	836,257	(15,410)
Class 8	Business equipment	91,794,255	90,133,349	(1,660,906)
Class 9	Non-Electrical Gen & Pipeline Porperty	141,356,255	138,798,584	(2,557,671)
Class 10	Timber Land	3,201,136	3,143,215	(57,921)
Class 12	Rail Road/Airline Property	25,929,304	47,930,839	22,001,535
Class 13	Telecommunication/Electrical Gen. Property	75,579,074	74,211,562	(1,367,512)
Class 14	Renewable Energy Proerpty	3,888,215	3,817,863	(70,353)
	Total Taxes	1,241,900,729	1,241,900,729	0

Table 2

Estimated Change in Property Taxes Owed If the Valuation of Centrally Assessed Property was Changed

		Actual TY2010 Taxes	Estimated Taxes	Shift in Taxes
Class 1	Net proceeds	1,261,359	1,398,060	136,701
Class 2	Gross proceeds	6,771,689	7,505,580	733,891
Class 3	Agricultural land	73,158,564	81,087,225	7,928,661
Class 4	Residential	603,867,331	669,312,290	65,444,958
Class 4	Commercial	196,539,491	217,839,730	21,300,239
Class 5	Rural Electric & Telephone Co-op / Pollution Controls	17,702,391	19,620,912	1,918,521
Class 7	Non-centrally assessed utilities	851,666	943,967	92,301
Class 8	Business equipment	91,794,255	101,742,585	9,948,330
Class 9	Non-Electrical Gen & Pipeline Porperty	141,356,255	78,337,967	(63,018,287)
Class 10	Timber Land	3,201,136	3,548,063	346,928
Class 12	Rail Road/Airline Property	25,929,304	14,369,714	(11,559,590)
Class 13	Telecommunication/Electrical Gen. Property	75,579,074	41,885,030	(33,694,043)
Class 14	Renewable Energy Proerpty	3,888,215	4,309,606	421,391
	Total Taxes	1,241,900,729	1,241,900,729	0