



ADMINISTRATIVE RULES OF MONTANA



36.25.1014 LEASE FEE

- (1) The annual lease fee for the first lease year of an individual cabin site lease will be the greater of:
 - (a) the amount bid by the lessee to secure the lease;
 - (b) the rental rate; or
 - (c) \$800.
- (2) Throughout the term of the lease, the annual lease fee for an individual cabin site lease, after the first lease year, shall be the previous year's rent plus an annually compounded escalator of two percent.
 - (a) The annual lease fee for the duration of the lease shall be compounded and provided within the terms of the lease.
 - (b) If the lease fee is \$800 as provided in (1)(c), the lease fee will not include an annual escalator.
- (3) Any lease renewal will begin a new lease, and a new first lease year.
 - (a) The department will provide lessee notice of any lease fee adjustment by November 1 of the year prior to the renewal lease year.
 - (b) The lessee is solely responsible for contacting DOR if he/she wants to contest the valuation of the leased land. Any adjustment in valuation made by DOR shall be incorporated into the lease fee calculation effective the year following department receipt of a DOR adjustment.
- (4) The lease fee for the first year of a new lease shall be prorated by dividing the full annual lease fee for the first year by 365, then multiplying the result by the number of days between the lease start date and the last day of February.
- (5) Every two years, beginning in 2017, the board will:
 - (a) review the data from all new competitive bids and lease renewals;
 - (b) complete a formal review by a qualified professional economist; and
 - (c) consider whether to revise procedures and/or rental rates.

Authorizing statute(s): 77-1-202, 77-1-204, 77-1-208, 77-1-209, 77-1-235, 77-1-236, MCA

Implementing statute(s): 77-1-208, 77-1-209, 77-1-235, 77-1-236, MCA



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History: NEW, 2016 MAR p. 1020, Eff. 6/4/16.