



ADMINISTRATIVE RULES OF MONTANA



42.20.102A ADDITIONAL DOCUMENTATION REQUIREMENTS FOR PROPERTY TAX EXEMPTION APPLICATIONS

(1) In addition to the property tax exemption application requirements of ARM 42.20.102, a property owner of record, the property owner's agent, or a federally recognized tribe must submit with its application the additional documentation provided in (2) through (17), as applicable, based on the specific use of the property.

(2) For property used for religious purposes:

(a) proof that the buildings and furnishings are owned by a church and are used for actual religious worship or for the residences of the clergy;

(b) proof that the church's land parcel does not exceed 15 acres or one acre for a clergy residence if the land and improvements are used for educational or youth recreational activities, and are available for public use; and

(c) proof the resident of the parsonage is a member of the clergy, such as a certificate of ordination or license.

(3) For property owned by a federally recognized tribe and used for religious purposes, a copy of the tribal resolution that designates the land and the improvements upon the land, not to exceed 15 acres, as sacred land to be used exclusively for religious purposes.

(4) For property owned and used exclusively for agricultural and horticultural societies, documentation verifying the property is not operated for gain or profit.

(5) For property used exclusively for educational purposes, including dormitories and food service buildings for the use of students in attendance and other structures necessary for the operation and maintenance of an educational institution:

(a) proof the property does not exceed 80 acres;

(b) verification that the organization is not operated for gain or profit;

(c) a copy of the applicant's attendance policy and curriculum with systematic instruction; and

(d) a copy of the lease agreement if the property is not owned by the educational organization.

(6) For property of any acreage used for educational purposes and owned by a tribal corporation created for the sole purpose of establishing schools, colleges, and universities, the documentation stated in (5).

(7) For property used exclusively for nonprofit healthcare facilities:

(a) a copy of the healthcare facility's license from the Department of Public Health and Human Services; and

(b) a copy of the lease agreement if the property is not owned by the non-profit organization.

(8) For property used solely in connection with cemeteries:

(a) documentation of a permanent care and improvement fund as provided in Title 35, chapter 20, part 3, MCA; and

(b) verification that the property is not maintained or operated for gain or profit.

(9) For property owned by a purely public charity with acreage not exceeding 160 acres, or where the applicant is requesting an 8-year exemption for up to 15 acres:

(a) a copy of the lease agreement if leasing the property from a governmental organization; and

(b) verification the property is directly used for purely public charitable purposes.

(10) For property owned by public museums, art galleries, zoos, and observatories:

(a) verification that the property is not operated for gain or profit;

(b) verification that the real and personal property is reasonably necessary for use in connection with the public display or observatory use; and

(c) if the property is owned by individuals, documentation verifying the property is actually used by the governmental entity or nonprofit organization as a part of its public display, held for future display, or used to house or store a public display.

(11) For property owned by an organization that operates facilities exclusively for the care of persons with developmental disabilities, persons with mental illness, or persons with physical or mental impairments that constitute or result in substantial impediments to employment, verification that the organization is not operated for gain or profit.

(12) For property owned by an organization that operates facilities for the care of retired, aged, or chronically ill:

(a) verification that the organization is not operated for gain or profit; and

(b) verification that the residents meet the age and gross household income requirements provided in 15-30-2338, MCA.

(13) For property used for parks and recreational facilities:

(a) verification that the park or recreational facility is open to the public;

(b) verification that the property consists only of land - with no buildings - and is leased to a municipality or taxing unit for less than \$100 a year;

(c) verification that the property, not to exceed 10 acres, is used exclusively as a public park, for recreation, or for landscape beautification purposes; and

(d) if the applicant is a federally recognized tribe, a copy of a tribal resolution that designates the property as park land, not to exceed 640 acres, or to be used exclusively for recreational facilities.

(14) For property used by a veterans' society or organization, as provided in 15-6-203, MCA, and the applicant is other than the society or organization, the applicant must provide a copy of the lease verifying the savings from the property tax exemption is realized by the society or organization.

(15) For property owned by a nonprofit community service organization, the applicant must provide verification that the organization has been an active community service continuously from January 1, 1981, in accordance with 15-6-209(2), MCA.

(16) For property used for low-income housing, as provided in 15-6-221, MCA:

(a) verification that the property is dedicated to providing affordable housing to low-income tenants; and

(b) a copy of the hearing minutes or newspaper notification, that a public hearing was held to consider whether the property meets a community housing need.

(17) For property used for low-income housing and is owned and operated by an entity with the ownership structure described in 15-6-221(1)(a)(i), MCA:

(a) a copy of the IRS tax exemption status letter, if a limited partnership, stating the general partner is a nonprofit corporation with an IRS 501(c)(3) exemption;

(b) a copy of the Montana Board of Housing letter allocating low-income tax credits;

(c) a copy of the deed or other legally binding document that restricts the property's usage;

(d) verification that at least 20 percent of the residential units are rent-restricted and rented to tenants whose household incomes do not exceed 50 percent of the median family income for the county, or at least 40 percent of the residential units are rent-restricted to persons whose household incomes do not exceed 60 percent of the median income for the county;

(e) a letter stating that the property meets a public purpose in providing housing to an underserved population; and

(f) a copy of the owner's partnership or operating agreement, or other documentation, that provides that at the end of the compliance period, as that term is defined in 26 U.S.C. 42, the ownership of the property may be transferred to the nonprofit corporation or housing authority general partner.

(18) For property used for low-income housing and owned and operated by a nonprofit corporation, as described in 15-6-221(1)(b), MCA, the applicant must provide verification that the property was constructed using a home investment partnership program grant.

Authorizing statute(s): 15-1-201, MCA

Implementing statute(s): 15-6-201, 15-6-203, 15-6-209, 15-6-221, 15-6-235, MCA