



ADMINISTRATIVE RULES OF MONTANA

42.22.117 METHODOLOGY FOR PREPARATION OF SALES ASSESSMENT RATIO STUDY

- (1) In order to implement the statutory direction to prepare an annualized sales assessment ratio study of all commercial and industrial real property and improvements, each January 1, the department will employ the following methodology.
- (2) The department will endeavor to follow the sales assessment ratio study principles set forth in a document en-titled Sales Assessment Ratio Study Preparation published by the international association of assessing officers. In the event that that publication is insufficient for purposes of the ratio study preparation, the department reserves the right to employ other statistically accepted methods for purposes of preparing the study.
- (3) The department will rely upon the sales information which is reflected on realty transfer certificates filed pursuant to 15-7-302, MCA, for purposes of a sales assessment ratio study. The sales for all commercial and industrial property shall be identified in the department's computer system.
 - (a) The department shall rely upon the expertise and the judgment of its various appraisers in order to determine whether a particular sale is suitable for inclusion in the study. That judgment is exercised when the appraiser checks the appropriate block on the realty transfer certificate reflecting that the sale is a valid sale.
 - (b) The department will rely upon the sales confirmation process which is set forth in the document entitled Sales Assessment Ratio Study Preparation.
 - (c) For purposes of the sales assessment ratio study, the department shall rely upon all valid realty transfer certificate sales information for the preceding calendar year.
- (4) The department may engage the services of various statisticians, experts, and other persons in order to facilitate the preparation of the sales assessment ratio study.
- (5) When the department has prepared the annual sales assessment ratio study, it will be published. The final document will be available upon request to interested parties.
- (6) When the department has determined the overall assessed to market value ratio for all commercial and industrial real property and improvements in Montana, it shall integrate that factor into the formula set forth in 15-6-145, MCA.
- (7) The sales assessment ratio study will be conducted solely for the purpose of determining the tax rate applicable to class 12 properties.

Implementing statute(s): 15-6-145, MCA

History: NEW, 1985 MAR p. 2034, Eff. 12/27/85; AMD, 1993 MAR p. 3061, Eff. 12/24/93; AMD, 1999 MAR p. 2914, Eff. 12/17/99.