

Mill Levy Election Process and Double Taxation

Initial question from librarian – Where can I find laws about mill levy elections? If we are a city library and asking for a countywide vote when we already have city mills is that double taxation?

Response from Tracy Cook – May 4, 2011

The laws aren't the easiest thing to interpret, so just let me know if you have questions. Here goes....

Mill Levy Election Law - <http://data.opi.mt.gov/bills/mca/15/10/15-10-425.htm>

Procedure for Calculating Levies - <http://data.opi.mt.gov/bills/mca/15/10/15-10-420.htm>

Here is the law about exempting the city when there is a county system. It's not quite the same as your situation, but it will help when you read the attorney general's opinion. It's MCA 22-1-313 - <http://data.opi.mt.gov/bills/mca/22/1/22-1-313.htm>. I found the opinion that talks about Livingston. Basically the attorney general said that a county and a city can levy a tax to support library services. However the city could ask to be exempted from the county levy.

Here's a link to the opinion: <http://www.doj.mt.gov/resources/opinions1997/47-006.asp> Ignore the part about the county only levying 5 mills and the city only levying 7 mills. That no longer applies, but the rest of the opinion does fit. If you do go for a county levy you might want to have a formal agreement with county. It helps establish the relationship between the library and the county. Here's the law that allows you to do that: <http://data.opi.mt.gov/bills/mca/22/1/22-1-315.htm>

I'm attaching the document I mentioned that talks about the mill levy process. It's still correct even though its a couple of years old at this point. -Hope this helps, Tracy

Montana State Library – December 2009 Summary of Mill Levy Process and Related Laws

Questions to consider when thinking about obtaining additional mills for the library

- What are the (short term/long term) consequences of not seeking additional funding?
- What are the (short term/long term) consequences of failing to pass a levy?
- Can taxpayers bear the additional mill?
- What is the overall mill levy? The city and/or county must take all of the mills into account before asking for more. There is a limit on the overall number of mills that a city and/or county can assess.
- Is there enough support for additional mills for the library?
- What should the duration of the levy be?

Process for acquiring additional mills for the library

1. Board asks for additional mill levies
2. If city agrees to increase, it has two options
 - a. Resolution putting a vote on the ballot. Required language can be found in MCA 15-10-425

- b. Petition signed by at least 5% of resident taxpayers asking for a vote to be put on the ballot. Required language for the petition can be found in MCA 15-10-425
3. Upon resolution or receipt of valid petition, issue is put to a vote of the people
4. Library should form a committee comprised of friends and supporters of the library who will campaign for the additional mills.

Current Mill Levy and Inflation

If the library currently has a dedicated mill levy or funds from the general fund, the following laws apply:

1. According to the Big Bill which was passed in 2001 and is reflected in MCA 15-10-420, the library's base budget is the budget from 2001. The library should continue to receive the same level of funding as the base budget plus a small inflationary adjustment that is generally added each year.
2. City and/or county officials should assess the number of mills that will equal that base budget.
3. City and/or county officials can include a small inflationary adjustment without having to go to a vote of the people. The procedure for calculating this amount can be found in MCA 15-10-420.