

**Resolution #2018-3**

**REMOVING CAP ON INCREASES IN MILL LEVY**

BACKGROUND

Cities and towns are only authorized to impose a mill levy that is sufficient to generate the amount of property taxes actually assessed in the prior year plus one-half of the average rate of inflation for the prior 3 years. Cities and towns cannot financially survive with this limitation on the mill levy to one-half of a rolling 3 year average of the rate of inflation. Expenses incurred by cities and towns are not limited to any similar cap.

ACTION

The League will strategically sponsor legislation to remove the restrictions on the cities' and towns' mill levy authority currently imposed under Title 15, chapter 10, part 4, MCA.