



Resolution 26-02

Resolution type: Legislative Directive

A Resolution Supporting Fair Agricultural Land Classification and Taxation Based Upon Actual Land Use

Submitted by: Valley County CD

BACKGROUND DESCRIBING ISSUE

WHEREAS, Montana's agricultural land classification system exists to support and preserve productive farming and ranching operations that contribute to the economic stability, food production, stewardship, and rural heritage of the State of Montana; and

WHEREAS, agricultural tax classifications were established to assist bona fide agricultural producers and working lands actively engaged in agricultural production; and

WHEREAS, increasing amounts of land within Montana are being acquired, subdivided, or transferred into ownership structures that continue to receive agricultural tax classifications while being used primarily for recreational, residential, investment, conservation, or non-agricultural purposes; and

WHEREAS, certain nonprofit organizations, recreational entities, investment groups, and development activities may benefit from reduced agricultural tax valuations while utilizing lands in a manner inconsistent with the intent of agricultural classification laws; and

WHEREAS, the continuation of agricultural tax status on lands not actively used for agricultural production shifts tax burdens onto working agricultural producers, reduces county tax revenues, and negatively impacts funding for local schools, roads, conservation districts, emergency services, and other essential rural government services; and

WHEREAS, Montana counties and local taxing jurisdictions depend upon equitable property tax assessments that reflect the actual use and economic function of the land; and

WHEREAS, preserving productive agricultural land and maintaining fairness within Montana's tax system are essential to sustaining rural communities and the long-term viability of agriculture;

LANGUAGE TO BE INCLUDED IN LEGISLATION DRAFTED BY MACD

NOW, THEREFORE, BE IT RESOLVED that the Valley Conservation District supports legislative and administrative review of Montana agricultural land classification standards to ensure property tax classifications accurately reflect the actual and primary use of the land;

BE IT FURTHER RESOLVED that the Valley Conservation District encourages the Montana Legislature and appropriate state agencies to examine whether properties primarily utilized for recreational, residential, investment, conservation, subdivision development, or non-agricultural purposes should continue to qualify for agricultural tax classifications at reduced valuation rates;

BE IT FURTHER RESOLVED that consideration should be given to requiring periodic verification of active agricultural production, commercial agricultural activity, or bona fide agricultural use in order to maintain agricultural tax classification status;

BE IT FURTHER RESOLVED that the Valley Conservation District supports policies ensuring that landowners utilizing property primarily for non-agricultural purposes contribute property taxes proportionate to the actual use and impact of those lands upon local government services and infrastructure;

BE IT FURTHER RESOLVED that this resolution be forwarded to the Montana Association of Conservation Districts, Montana Legislature, Montana Department of Revenue, county commissions, and appropriate state agencies for consideration.

SPONSOR(S) ACTIONS TO DATE

It has been brought to the attention of our local state representation to the legislature and county commissioners.

HOW WILL YOUR DISTRICT CONTINUE TO SUPPORT, BE INVOLVED WITH, AND TRACK THIS RESOLUTION BEFORE AND DURING THE UPCOMING LEGISLATIVE SESSION?

Valley County Conservation District will stay in contact and communicate with our state representation to the Montana Legislature

ARE THERE ANY EXISTING MACD POLICIES THAT THIS WOULD IMPACT OR INTERACT WITH?

None known.

HOW WOULD THIS POLICY IMPACT MACD?

This resolution would impact MACD legislative capacity.

WOULD THIS POLICY STATEMENT IMPACT THE STATE BUDGET? IF SO, HOW?

Yes, there would be an increase in tax revenue.

MEETING AND DATE ADOPTED BY SPONSORING ENTITY

Valley County Conservation District monthly meeting, June 5, 2026

AUTHORIZED SIGNATURE(S) AND TITLE(S)

Gene Granada, Valley County Conservation District Chairman

Jeff Pattison, VCCD Vice Chairman

Jody Mason, VCCD Secretary

John Bach VCCD Treasurer

Tyler Thieven, Ron Stoneberg, Jeff Sather, VCCD Supervisors