

MAKE TEMPORARY TRIBAL PROPERTY TAX EXEMPTION PERMANENT

STRENGTHENING MONTANA COMMUNITIES FOR THE FUTURE

Tribal nations are sovereign and have jurisdiction over their land. To honor and promote tribal sovereignty, Montana should:

- Exempt tribally owned fee land from property taxes.



BIG SKY
Brighter Future
Charting the course for a better Montana.



“No one deserves to be taxed unfairly. We need to come together to correct the injustice of tribes paying taxes on our own lands on our own reservations.”

Shelly Fyant, Chairwoman of the
Confederated Salish and Kootenai Tribes

HOW WE GOT HERE

The patchwork of reservation lands in Montana is a product of allotment, an effort by the federal government to break up tribal governments, get rid of reservations, and assimilate American Indians. As intended, allotment hurt tribal economies, cultures, governments, and the overall well-being of American Indians.

Under allotment, the U.S. government took more than 90 million acres of reservation lands from tribal nations and sold it to settlers, often without compensating tribal nations.

Now, most reservations in Montana are made up largely of the parcels of fee land and trust land. The forced allotment of reservation lands opened tribally owned fee land to state and county property taxes.

Yet, in Montana, property that federal, state, and local governments own receives an automatic property tax exemption. Therefore, assessing property taxes on tribally owned fee land is inconsistent treatment and redirects funding that tribal nations could invest in services, like roads and education, that benefit all Montanans.

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ON THE HORIZON

Exempt tribally owned fee land from property taxes. Tribal sovereignty is closely connected to tribal lands. The assessment of property taxes on tribally owned fee land is a legacy of allotment.

Through the Indian Reorganization Act (IRA), Congress attempted to right the wrongs of allotment by allowing tribal nations and the federal government to place land in trust to protect and restore tribal homelands. However, that process can be lengthy and costly for tribal nations.

To facilitate this process, the 2011 Montana Legislature created a temporary property tax exemption for tribally owned fee land that is pending trust status. However, Montana should do more to push back against the legacy of allotment, recognize the political status of tribal nations, and honor its government-to-government relationship with tribal nations.

Montana should look to legislation from Idaho, which broadly exempts property owned by a tribal nation from property taxes. The purpose of that law is to recognize that tribal nations provide essential services and economic contributions to the state and to treat all government properties consistently. The Montana Legislature should take the same approach.



ABOUT BIG SKY BRIGHTER FUTURE

Big Sky Brighter Future is charting a clear course to rebuild our state. This concrete plan for lawmakers has specific proposals to help families, workers, children, and communities, and creates a tax code that works for everyone. Montana cannot go back to the time when families faced barriers to build their best future. We can move our state forward and make it one where we can all live, work, and enjoy all Big Sky Country has to offer. There's a better Montana on the horizon, and this is how we get there.