



**MONTANA
ADMINISTRATIVE
REGISTER**



MONTANA TAX APPEAL BOARD

NOTICE OF PROPOSED RULEMAKING

MAR NOTICE NO. 2025-365.1

Summary

Procedures for an informal review of class four residential property

Hearing Date and Time

Friday, October 31, 2025, at 9:00 a.m.

Hearing Information

The board will hold a public hearing at 560 North Park Avenue, Suite 201, Helena, Montana.

Virtual Hearing Information

<https://mt-gov.zoom.us/j/86171656990?pwd=5k143skXUTW5tp3D3woOfKKzo7hzWe.1>

Comments

Please submit all comments using the contact information below or mtab@mt.gov. Comments must be received by Monday, November 10, 2025, at 5:00 p.m.

Accommodations

The agency will make reasonable accommodations for persons with disabilities who wish to participate in this rulemaking process or need an alternative accessible format of this notice. Requests must be made by Friday, October 24, 2025, at 5:00 p.m.

Contact

Montana Tax Appeal Board
406-444-9570
mtab@mt.gov

Rulemaking Actions

ADOPT

The rule proposed to be adopted is as follows:

NEW RULE 1 CLASS FOUR RESIDENTIAL PROPERTY APPEALS; OPTIONAL INFORMAL REVIEW

- (1) A taxpayer filing an appeal with the Montana Tax Appeal Board (board) in accordance with 15-2-301(1)(b), MCA, for Class Four residential property may elect to have the appeal heard informally.
- (2) A taxpayer elects an informal review of their appeal:
 - (a) on the MTAB 801 appeal form when filing their appeal;
 - (b) by filing a motion with the Board prior to the initial scheduling conference that sets the appeal schedule; or
 - (c) by requesting an informal review during the scheduling conference and confirming their election in writing.
- (3) An election for an informal review is irrevocable after the initial scheduling conference.
- (4) The informal review may be conducted in person or via telephonic or video conferencing methods.
- (5) No dispositive motions, such as motions to dismiss or motions for summary judgment, may be filed during an informal review.
- (6) During an informal review, the board may limit the exchange of information. Each party shall disclose the names of any proposed witnesses and provide copies of all proposed exhibits to the board and the opposing party in accordance with the schedule. If a party fails to disclose any witnesses or exhibits prior to the informal review hearing, the board may exclude its admittance into the proceedings. All properly disclosed exhibits will be admitted into the record. Either party may still object to exhibits. The board may allow undisclosed rebuttal exhibits only to counter opposing evidence.
- (7) At an informal review hearing, each party may present witnesses and exhibits, cross-examine opposing witnesses, and provide closing statements. While equal

time will be allotted to the parties for presentations, the board may allocate that time at its discretion.

- (8) The board's decisions made under an informal review are final and binding on all parties and are not subject to reconsideration, further appeal, or judicial review. Decisions issued through the board's informal review process are unpublished and shall not be considered binding precedent.

Authorizing statute(s): 2-4-201, 15-2-301, MCA

Implementing statute(s): 15-2-301, 15-15-104, MCA

Reasonable Necessity Statement

The Montana Tax Appeal Board (MTAB) proposes to adopt a new rule to implement SB 302, which delegates the rulemaking authority to create an informal hearing process for class four residential property. This new rule will create a uniform procedure for a taxpayer to request and receive an informal hearing. The legislature set the basis for an informal review process and this rule will establish the procedure. The procedure is as follows:

- Section (1) authorizes a taxpayer to elect an informal review in lieu of a formal hearing. The board contends that a cross reference to controlling authority for the informal process is informational and beneficial to taxpayers.
- Section (2) sets forth the procedure and applicable deadlines for a taxpayer to elect an informal review. During the appeal process, the board provides three opportunities to choose an informal review and the procedural instructions for this irrevocable election will be helpful for the taxpayer. The procedure provided in (2)(c) may also increase the number of informal review elections based on information the taxpayer receives during a scheduling conference with the board and representatives from the Department of Revenue.
- Section (3) provides that the election of an informal review becomes irrevocable following the initial scheduling conference. Upon commencement of the informal process, the taxpayer waives procedural safeguards associated with formal adjudication, including discovery, dispositive motions, and the right to revert to formal hearing. The taxpayer also waives the right to judicial appeal. The board contends this is a necessary reiteration of the irrevocable nature of an informal review.
- Section (4) prescribes the manner in which informal hearings will be conducted. Given the non-appealable nature of informal decisions, in-person hearings may not be required.
- Section (5) eliminates dispositive motions from informal proceedings, thereby ensuring the taxpayer's appeals are not delayed or impeded by formal legal motions. The board contends that without a restriction on dispositive motions, an informal review could

easily change into a more substantive procedural process and become burdensome for some taxpayers.

- Section (6) removes formal discovery procedure from the informal process and substitutes a streamlined method for the exchange of information. While formal exhibit admission procedures are waived, parties retain the right to object to proposed evidence. The taxpayer's inability to appeal to district court lessens the necessity of a formal evidentiary record allowing for a quicker and less formal hearing process.
- Section (7) defines the structure and length of the informal hearing. While the format generally mirrors that of a formal hearing, the board has discretion to determine the length of the proceeding. Equal time for presentations will be afforded to both parties. This section gives the taxpayers guidelines on the hearing process and how time will be allotted during the hearing.
- Section (8) clarifies that informal review decisions are final and not subject to appeal under the governing statute. Due to the abbreviated procedural framework and absence of formal discovery, the resulting record may be limited. Accordingly, decisions issued through this process are not intended to establish legal precedent or alter existing law.

Small Business Impact

The proposed new rule will only affect MTAB's hearing procedures relating to class four residential property and no appeal will be heard informally unless selected by the appellant. Additionally, informal review is not available for commercial properties.

Bill Sponsor Notification

The bill sponsor, Daniel Zolnikov, was notified by mail and email on August 8, 2025.

Interested Persons

MTAB maintains a list of interested persons who wish to receive notices of rulemaking actions proposed by this agency. Persons who wish to have their name added to the list shall make a written request that includes the name, e-mail, and mailing address of the person to receive notices and specifies for which program the person wishes to receive notices. Notices will be sent by e-mail unless a mailing preference is noted in the request. Written requests may be mailed or delivered to the contact person above or may be made by completing a request form at any rules hearing held by MTAB.

Rule Reviewer

Travis Brown, Rule Reviewer

Approval

Travis Brown, Chair, Montana Tax Appeal Board