

Tax Facts & Comparisons

Montana

Taxes are complicated. Each state's tax code is a multifaceted system with many moving parts, and Montana is no exception. The Tax Foundation produces a number of rankings that evaluate states on tax structures and overall tax burdens. Here's how Montana scores.



Tax Foundation Rankings of Montana

State Business Tax Climate Index

6th
best

Montana ranks 6th out of the 50 states on the Tax Foundation's 2014 *State Business Tax Climate Index*, which annually compares the states' tax systems on over 100 variables that impact business. Last year, Montana ranked 7th.

Montana's individual income tax ranks 20th best, its corporate income tax ranks 18th best, its sales tax ranks 3rd best, its property tax ranks 8th best, and its unemployment insurance tax ranks 18th best.

Neighboring states' ranks: Idaho (19th), Wyoming (1st), North Dakota (25th), South Dakota (2nd)

State-Local Tax Burdens Rank

38th
highest

Estimated at 8.6% of income, Montana's 2011 state-local tax burden ranks 38th highest nationally, below the national average of 9.8%. Montana taxpayers pay \$3,137 per capita in state and local taxes.

Neighboring states' ranks: Idaho (24th), Wyoming (50th), North Dakota (36th), South Dakota (48th)

Tax Freedom Day®

2015
April
17

In 2014, Montana taxpayers worked 107 days into the year until April 17 to pay their total tax bill, ranking 20th highest nationally.

That's 7 days before national Tax Freedom Day (April 21), the day when Americans finally have earned enough money to pay their total tax bill for the year.

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Montana Taxes at a Glance

Each state uses a variety of tax tools to raise revenue, including individual income taxes, property taxes, and sales taxes, among others. Here are some facts on how Montana structures their different tax types:

Note: All collections listed on this page are combined state and local tax collections as reported by the Census Bureau's Government Finance Division. For all ranks, 1 indicates highest among the 50 states.

General Info		Rank	Nat. Avg.
Income per capita	\$36,407	38th	\$43,735
Federal aid as % of gen. revenue	37%	6th	32.8%
State debt per capita	\$5,746	43rd	\$3,678

Individual Income Tax		
Number of brackets		7
Bottom income bracket rate		1.00%
Bottom bracket kick in		\$0
Top income tax rate		6.90%
Top bracket kick in		\$17,000
Collections per capita (2012)		\$899
Collections rank (2012)		28th

Property Tax	
Collections per capita (2012)	\$1,377
Collections rank (2012)	18th
Property taxes paid as share of owner-occupied housing value (2013)	0.86%
Property taxes paid percent rank (2013)	28th

Sources of State & Local Tax Collections

	Montana	All States.
Property Tax	38%	32%
Sales Tax	0%	23%
Corporate Income Tax	4%	4%
Individual Income Tax	25%	22%
Other	33%	20%

Corporate Income Tax		
Number of brackets		1
Top corporate tax rate		6.75%
Collections per capita (2012)		\$132
Collections rank (2012)		23rd

Sales Tax	
State rate	0.00%
State + average local rate	0.00%
State + average local rank	N/A
Collections per capita (2011)	\$0
Collections rank (2011)	N/A

Excise Taxes	Rate	Rank
Gasoline taxes and fees	27.8¢ per gallon	22nd
Cigarette taxes	\$1.70 per pack	18th
Spirits taxes	\$9.74 per gallon	11th
Beer taxes	\$0.14 per gallon	39th
Cell phone taxes	6.00%	47th

Other Taxes	Rate	Exemption
Gross receipts tax	None	N/A
Capital stock tax	None	N/A
Inheritance tax	None	N/A
Estate tax	None	N/A

About the Tax Foundation



The Tax Foundation is the nation's leading independent tax policy research organization. Since 1937, our principled research, insightful analysis, and engaged experts have informed smarter tax policy at the federal, state, and local levels. Our Center for

State Tax Policy is routinely relied upon for presentations, testimony, and media appearances on state tax and fiscal policy, and our website is a comprehensive resource for information on tax and spending policy in each U.S. state.

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