

Proposed Budget **2025 Biennium** **Governor Gianforte**

Governor Greg Gianforte released his proposed budget on November 15, 2022 for the upcoming biennium that includes a plan to use the state's estimated \$1B surplus to invest in major state-run facilities and reduce income and property taxes. The governor touted this budget as being "pro-jobs" with a budget in mind for Montanans. The state has an estimated \$1B-plus surplus from the infusion of federal money that came into Montana in an effort to offset the financial hit from the pandemic. Gianforte said he'll propose spending that on paying off state debt and investing in overhauling the Montana State Hospital in Warm Springs and state prison in Deer Lodge. That includes \$300M to address issues with the facility at Warm Springs, as well as across the state to improve the community treatment options for those who aren't institutionalized.

Key Highlights:

- Decreasing the state's top income tax rate to 5.9% from 6.5%.
- Providing Montana property owners \$500M in property tax relief over the next two years.
- A child tax credit of \$1,200 per child per year for families with kids under 6 years old.
- A \$5,000 adoption tax credit.
- Allocating \$300M to the state's behavioral health care system, including investments in the Montana State Hospital in Warm Springs.
- Allocating nearly \$200M to repair and expand capacity at the Montana State Prison.
- Providing permanent funding for eight drug treatment courts around the state.
- Allocating \$200M toward local water and sewer infrastructure for municipalities that meet development density goals.
- Allocating \$100M for road and bridge repairs.
- Putting additional money in the state's rainy-day fund and fire suppression fund.
- Allocating \$10M per year for increased active forest management programs.
- Expanding the state business equipment tax exemption threshold from \$300,000 to \$1M.
- Expanding the Montana Trades Education Credit.
- Increasing the cap of the Big Sky Scholarship program and allocating more funding to increase starting teacher pay.
- Funding for 16 new highway patrol officers and criminal investigators and six additional prosecutors in the state Department of Justice.
- Paying off the state's current general obligation debt by 2023.

To review the proposed budget in full or by agency funding, please click [here](#).