

**RESOLUTION NO. R22-06**

**RESOLUTION OF THE CITY COUNCIL AUTHORIZING THE YELLOWSTONE COUNTY TREASURER TO REMOVE THE UNITED STATES POSTAL SERVICE FROM THE OFFICIAL COUNTY TAX ROLLS.**

WHEREAS, representatives from the United States Postal Service notified the Yellowstone County Treasurer that they had wrongly assessed and billed \$1424.30 in light district fees and street maintenance fees on behalf of the City of Laurel; and

WHEREAS, federal law prohibits state and local governments from levying taxes upon the United States Postal Service; and

WHEREAS, based on the federal law prohibiting state and local taxation, the City of Laurel concurs that the taxes were levied in error by Yellowstone County and the request to remove the Postal Service in Laurel from the County Tax Rolls is appropriate.

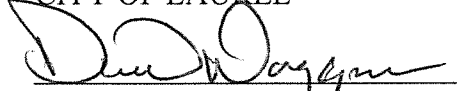
NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Laurel, Montana that the City Council hereby consents and agrees that the United States Postal Service located in Laurel should be removed from the Tax Rolls of Yellowstone County.

Introduced at a regular meeting of the City Council on January 25, 2022, by Council Member Wilke.

PASSED and APPROVED by the City Council of the City of Laurel this 25<sup>th</sup> day of January 2022.

APPROVED by the Mayor this 25<sup>th</sup> day of January 2022.

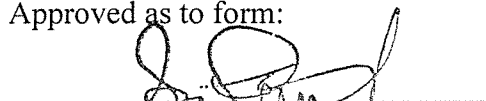
CITY OF LAUREL

  
Dave Waggoner, Mayor

ATTEST:

  
Bethany Langve, Clerk-Treasurer

Approved as to form:

  
Sam S. Painter, Civil City Attorney



November 9, 2021

Yellowstone County Treasurer  
PO Box 35010  
Billings, MT 59107-5010

RE: Parcel ID/Geo Code: 03-0821-09-3-48-01-0000

This is in response to Property Tax Bills received.

The referenced property is owned by the United States Postal Service. The U.S. Postal Service is an "independent establishment of the Executive Branch of the Government of the United States," 39 U.S.C. § 201, and was created pursuant to the constitutional mandate for Congress "to establish Post Offices and Post Roads." U.S. Const. Art. I, Sec. 8, cl. 3. It has been settled since *McCulloch v. Maryland*, 17 U.S. (4 Wheat) 316 (1819) that the Supremacy Clause of the U.S. Constitution, U.S. Const. Art VI, Cl. 2, shields the federal government, its agencies and instrumentalities from all forms of state and local taxation; therefore, the Postal Service is immune from state and local taxation. See *United States v. City of Huntington*, 999 F.2d 71 (4<sup>th</sup> Cir. 1993), *cert denied*, 114 S. Ct. 1048 (1994) ("service fees" charged to the Postal Service as property owner are a tax that cannot be imposed against Postal Service); *United States v. Harford Co.*, Md., 572 F.Supp. 239 (D.Md.1983) (Postal Service immune from special assessments for county water and sewer construction projects); *Mullen Benev. Corp. v. United States*, 290 U.S. 89, 54 S.Ct. 38, 78 L.Ed. 192 (1933) (United States immune from liability for "taxes in the nature of reassessments for sewers and sidewalks."); see also *Federal Reserve Bank v. Metro Center Improvement District # 1*, 657 F.2d 183 (8th Cir.1981), *aff'd*, 455 U.S. 995, 102 S.Ct. 1625, 71 L.Ed.2d 857 (1982) (federal immunity from taxation includes immunity from special assessment on real estate owned by federal instrumentality).

The Postal Service has no objections to paying fees that bear some reasonable relationship to actual use of a service; however, the charges of **\$1,424.30** bear no relationship at all to any services used by the Postal Service. Therefore, the Postal Service respectfully declines to make a payment as it is under no obligation to do so.

Please remove the Postal Service from the property tax rolls and adjust future records accordingly. Thank you for your cooperation in this matter. Please contact me if you have any questions or comments.

Sincerely,



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cc: USPS Attorney – Joseph Fray  
[Joseph.B.Fray@usps.gov](mailto:Joseph.B.Fray@usps.gov)

