

SENATE BILL NO. 262

INTRODUCED BY WILLIAMS, KNOX, GRINDE

IN THE SENATE

FEBRUARY 2, 1991 INTRODUCED AND REFERRED TO COMMITTEE
 ON TAXATION.

 FIRST READING.

FEBRUARY 13, 1991 COMMITTEE RECOMMEND BILL
 DO PASS. REPORT ADOPTED.

FEBRUARY 14, 1991 PRINTING REPORT.

 SECOND READING, DO PASS.

FEBRUARY 15, 1991 ENGROSSING REPORT.

 THIRD READING, PASSED.
 AYES, 49; NOES, 0.

 TRANSMITTED TO HOUSE.

IN THE HOUSE

FEBRUARY 15, 1991 INTRODUCED AND REFERRED TO COMMITTEE
 ON TAXATION.

FEBRUARY 16, 1991 FIRST READING.

MARCH 19, 1991 COMMITTEE RECOMMEND BILL BE
 CONCURRED IN. REPORT ADOPTED.

APRIL 11, 1991 SECOND READING, CONCURRED IN AS
 AMENDED.

APRIL 12, 1991 THIRD READING, CONCURRED IN.
 AYES, 94; NOES, 3.

 RETURNED TO SENATE WITH AMENDMENTS.

IN THE SENATE

APRIL 17, 1991 RECEIVED FROM HOUSE.

 SECOND READING, AMENDMENTS
 CONCURRED IN.

APRIL 18, 1991 THIRD READING, AMENDMENTS

APRIL 19, 1991

CONCURRED IN.

SENT TO ENROLLING.

REPORTED CORRECTLY ENROLLED.

1 *Senate* BILL NO. *262*
 2 INTRODUCED BY *William Rouse Leroy Hal Carver*
 3

1 provided by a contract approved by the department of
 2 revenue."

-End-

4 A BILL FOR AN ACT ENTITLED: "AN ACT ALLOWING THE BOARD OF
 5 COUNTY COMMISSIONERS TO SET THE INTEREST RATE ON CONTRACTS
 6 FOR THE SALE OF TAX-DEED LAND; PROVIDING THAT THE INTEREST
 7 RATE MAY NOT EXCEED MORE THAN 4 PERCENTAGE POINTS ABOVE THE
 8 PRIME RATE; AND AMENDING SECTION 7-8-2304, MCA."

9
10 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

11 **Section 1.** Section 7-8-2304, MCA, is amended to read:

12 **"7-8-2304. Terms for sale of tax-deed land.** (1) A sale
 13 must be made for cash or, in the case of real property, on
 14 terms that the board of county commissioners approves.

15 (2) (a) If the sale is made on terms, at least 20% of
 16 the purchase price must be paid in cash at the date of sale
 17 and the remainder may be paid in installments extending over
 18 a period not to exceed 5 years. All deferred payments bear
 19 interest at the a rate of-8%-per-annum established by the
 20 board of county commissioners. The rate may not exceed more
 21 than 4 percentage points a year above the prime rate of
 22 major New York banks, as published in the Wall Street
 23 Journal within 7 days prior to the date of sale.

24 (b) If a sale is made on terms, the chairman of the
 25 board shall execute a contract containing the terms that are



APPROVED BY COMMITTEE
ON TAXATION

1 *Senate* BILL NO. *262*
2 INTRODUCED BY *William Rice Larry Hal Garver*

3
4 A BILL FOR AN ACT ENTITLED: "AN ACT ALLOWING THE BOARD OF
5 COUNTY COMMISSIONERS TO SET THE INTEREST RATE ON CONTRACTS
6 FOR THE SALE OF TAX-DEED LAND; PROVIDING THAT THE INTEREST
7 RATE MAY NOT EXCEED MORE THAN 4 PERCENTAGE POINTS ABOVE THE
8 PRIME RATE; AND AMENDING SECTION 7-8-2304, MCA."
9
10 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

11 **Section 1.** Section 7-8-2304, MCA, is amended to read:

12 "7-8-2304. Terms for sale of tax-deed land. (1) A sale
13 must be made for cash or, in the case of real property, on
14 terms that the board of county commissioners approves.

15 (2) (a) If the sale is made on terms, at least 20% of
16 the purchase price must be paid in cash at the date of sale
17 and the remainder may be paid in installments extending over
18 a period not to exceed 5 years. All deferred payments bear
19 interest at the a rate of 8% per annum established by the
20 board of county commissioners. The rate may not exceed more
21 than 4 percentage points a year above the prime rate of
22 major New York banks, as published in the Wall Street
23 Journal within 7 days prior to the date of sale.

24 (b) If a sale is made on terms, the chairman of the
25 board shall execute a contract containing the terms that are

1 provided by a contract approved by the department of
2 revenue."

-End-



SECOND READING
SB 262

1 *Senate* BILL NO. *262*
 2 INTRODUCED BY *William R. King, Lynn Hal Casper*
 3

1 provided by a contract approved by the department of
 2 revenue."

-End-

4 A BILL FOR AN ACT ENTITLED: "AN ACT ALLOWING THE BOARD OF
 5 COUNTY COMMISSIONERS TO SET THE INTEREST RATE ON CONTRACTS
 6 FOR THE SALE OF TAX-DEED LAND; PROVIDING THAT THE INTEREST
 7 RATE MAY NOT EXCEED MORE THAN 4 PERCENTAGE POINTS ABOVE THE
 8 PRIME RATE; AND AMENDING SECTION 7-8-2304, MCA."
 9

10 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

11 **Section 1.** Section 7-8-2304, MCA, is amended to read:

12 "7-8-2304. Terms for sale of tax-deed land. (1) A sale
 13 must be made for cash or, in the case of real property, on
 14 terms that the board of county commissioners approves.

15 (2) (a) If the sale is made on terms, at least 20% of
 16 the purchase price must be paid in cash at the date of sale
 17 and the remainder may be paid in installments extending over
 18 a period not to exceed 5 years. All deferred payments bear
 19 interest at the a rate of 8% per annum established by the
 20 board of county commissioners. The rate may not exceed more
 21 than 4 percentage points a year above the prime rate of
 22 major New York banks, as published in the Wall Street
 23 Journal within 7 days prior to the date of sale.

24 (b) If a sale is made on terms, the chairman of the
 25 board shall execute a contract containing the terms that are

HOUSE COMMITTEE OF THE WHOLE AMENDMENT
Senate Bill 262
Representative Grinde

April 10, 1991 2:00 pm
Page 1 of 1

Mr. Chairman: I move to amend Senate Bill 262 (third reading copy -- blue).

LARRY H. GRINDE
Signed: *Larry H. Grinde*
Representative Grinde

And, that such amendments to Senate Bill 262 read as follows:

1. Title, line 6.

Strike: "AND"

Following: "MCA"

Insert: "; AND PROVIDING AN EFFECTIVE DATE"

2. Page 2, line 3.

Following: line 2

Insert: "NEW SECTION. Section 2. Effective date. [This act] is effective on July 1, 1991."

ADOPT

REJECT

HOUSE

SB 262

1 SENATE BILL NO. 262

2 INTRODUCED BY WILLIAMS, KNOX, GRINDE

3
4 A BILL FOR AN ACT ENTITLED: "AN ACT ALLOWING THE BOARD OF
5 COUNTY COMMISSIONERS TO SET THE INTEREST RATE ON CONTRACTS
6 FOR THE SALE OF TAX-DEED LAND; PROVIDING THAT THE INTEREST
7 RATE MAY NOT EXCEED MORE THAN 4 PERCENTAGE POINTS ABOVE THE
8 PRIME RATE; AND AMENDING SECTION 7-8-2304, MCA; AND
9 PROVIDING AN EFFECTIVE DATE."

10
11 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

12 **Section 1.** Section 7-8-2304, MCA, is amended to read:

13 **"7-8-2304. Terms for sale of tax-deed land.** (1) A sale
14 must be made for cash or, in the case of real property, on
15 terms that the board of county commissioners approves.

16 (2) (a) If the sale is made on terms, at least 20% of
17 the purchase price must be paid in cash at the date of sale
18 and the remainder may be paid in installments extending over
19 a period not to exceed 5 years. All deferred payments bear
20 interest at the a rate of 8% per annum established by the
21 board of county commissioners. The rate may not exceed more
22 than 4 percentage points a year above the prime rate of
23 major New York banks, as published in the Wall Street
24 Journal within 7 days prior to the date of sale.

25 (b) If a sale is made on terms, the chairman of the

1 board shall execute a contract containing the terms that are
2 provided by a contract approved by the department of
3 revenue."

4 NEW SECTION. SECTION 2. EFFECTIVE DATE. [THIS ACT] IS
5 EFFECTIVE JULY 1, 1991.

-End-

