

SENATE BILL NO. 263

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, 96; NOES, 1.

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. *263*
 2 INTRODUCED BY *William Huix Larry Hal Casper*

3
 4 A BILL FOR AN ACT ENTITLED: "AN ACT TO PROVIDE THAT THE
 5 GENERAL FUND OF A COUNTY IS TO BE REIMBURSED FOR TAX SALE
 6 EXPENSES BEFORE ANY DISTRIBUTION OF THE PROCEEDS OF A
 7 TAX-DEED SALE IS MADE; AND AMENDING SECTION 7-8-2306, MCA."

8
 9 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

10 **Section 1.** Section 7-8-2306, MCA, is amended to read:

11 "7-8-2306. Distribution of sale and lease proceeds. The
 12 proceeds of every each sale or lease under this part or part
 13 shall must be paid over to the county treasurer, who
 14 shall apportion and distribute the same proceeds in the
 15 following manner:

16 (1) (a) Upon a sale of such the property, the proceeds
 17 of each sale up-to-the-amount-of-\$10-shall must be credited
 18 to the county general fund to--reimburse--such for
 19 reimbursement of expenditures made therefrom from it in
 20 connection with the procurement of the tax deed and holding
 21 of the sale.

22 (b) Upon a sale of the property, if there be is any
 23 amount money remaining of-such-proceeds after the payment of
 24 the amount specified in subsection (1)(a) and such the
 25 remainder is:

1 (i) in excess of the aggregate amount of all taxes and
 2 assessments accrued against such the property for all funds
 3 and purposes, without penalty and interest, then so as much
 4 of such the remaining proceeds shall must be credited to
 5 each fund or purpose as the-same each fund or purpose would
 6 have received had such the taxes been paid before becoming
 7 delinquent, and all excess shall must be credited to the
 8 general fund of the county; or

9 (ii) is less in amount than the aggregate amount of all
 10 taxes and assessments accrued against such the property for
 11 all funds and purposes, without penalty or interest, such
 12 the proceeds shall must be prorated between such the funds
 13 and purposes in the proportion that the amount of taxes and
 14 assessments accrued against such the property for each such
 15 fund or purpose bears to the aggregate amount of taxes and
 16 assessments accrued against such the property for all funds
 17 and purposes.

18 (2) Whenever If tax-deed lands have been sold and the
 19 county has reserved a royalty interest, any sums of money
 20 received from such the royalty interest shall must be
 21 credited to the general fund of the county, except that the
 22 board of county commissioners may allocate to the county
 23 road fund not more than 50% of the money received from
 24 reserved royalty interests.

25 (3) Upon a lease of the property, except as otherwise

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1 provided, the amount received as rent, royalty, or
2 otherwise, including interest received on the payments under
3 either a sale or lease, ~~shall~~ must be apportioned on the
4 current year's levy and ~~shall~~ must be credited as earnings
5 of tax-deed property and not considered as a credit to
6 tax-deed accrued accounts as in the case of the principal
7 received from sales of tax-deed lands."

-End-

STATE OF MONTANA - FISCAL NOTE

Form BD-15

In compliance with a written request, there is hereby submitted a Fiscal Note for SB0263, as introduced.

DESCRIPTION OF PROPOSED LEGISLATION:

An act to provide that the general fund of a county is to be reimbursed for tax sale expenses before any distribution of the proceeds of a tax-deed sale is made; and amending section 7-8-2306, MCA.

ASSUMPTIONS:


1. Proposed legislation does not affect the revenues or expenditures of any state agency.

FISCAL IMPACT:


None

EFFECT ON COUNTY OR OTHER LOCAL REVENUES OR EXPENDITURES:

The proposed legislation does not impact local revenues or expenditures. Proposed amendments to 7-8-2306, MCA, conform to amendments made by Chapter 587, Laws of 1987. The 1987 amendments stipulated that the general fund of a county is to be reimbursed for tax sale expenses before any distribution of the proceeds of a tax-deed sale.

 2-7-91

ROD SUNDSTED, BUDGET DIRECTOR DATE
Office of Budget and Program Planning

 2/8/91

BOB WILLIAMS, PRIMARY SPONSOR DATE
Fiscal Note for SB0263, as introduced. **SB 263**

APPROVED BY COMMITTEE
ON TAXATION

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2 INTRODUCED BY *William Kux Larry Lee Casper*

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-End-

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2 INTRODUCED BY William Hux Larry Van Causas
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-End-

HOUSE COMMITTEE OF THE WHOLE AMENDMENT
Senate Bill 263
Representative Grinde

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

Mr. Chairman: I move to amend Senate Bill 263 (third reading copy -- blue).

Signed: Larry A. Grinde
Representative Grinde

And, that such amendments to Senate Bill 263 read as follows:

1. Title, line 7.

Following: "MADE;"

Strike: "AND"

Following: "MCA"

Insert: "; AND PROVIDING AN EFFECTIVE DATE"

2. Page 3, line 8.

Following: line 7

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

ADOPT

REJECT

HOUSE

SB 263

1 SENATE BILL NO. 263

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8 received from sales of tax-deed lands."

9 NEW SECTION. SECTION 2. EFFECTIVE DATE. [THIS ACT] IS
10 EFFECTIVE JULY 1, 1991.

-End-