

MINUTES OF THE MEETING  
TAXATION COMMITTEE  
MONTANA STATE SENATE

January 28, 1987

The tenth meeting of the Senate Taxation Committee was called to order at 8:05 A.M. on January 28, 1987 by Chairman George McCallum in Room 413/415 of the Capitol Building.

ROLL CALL: All committee members were present.

CONSIDERATION OF SB 145: Senator Jacobson, Senate District 36, presented this bill to the committee. Her written presentation is attached as Exhibit 1.

PROPOSERS: Gordon Morris, representing the Montana Association of Counties, gave testimony in support of this bill. He said the Montana Association of Counties, as well as other elected official associations, did participate in the audit findings and they concur in the audit findings.

Richard Llewellyn, representing the Montana Housing Association, gave testimony in support of this bill. He said it is our view that this bill provides the same kind of treatment for mobile home owners as is afforded to other real property owners in the state of Montana. It is their view that the owners of mobile homes should pay taxes in a timely fashion.

Cort Harrington, representing the Montana County Treasurers' Association, gave testimony in support of this bill. He said a majority of the members of the County Treasurers' Association support this bill.

OPPOSERS: None.

QUESTIONS FROM THE COMMITTEE: None.

Senator Jacobson closed.

CONSIDERATION OF SB 146: Senator Jacobson, Senate District 36, presented this bill to the committee. Her written presentation is attached as Exhibit 2. She told the committee that Bryan Farmer would comment on the fiscal note presented to the committee and attached as Exhibit 3.

PROPONENTS: Bryan Farmer, Legislative Auditor's Office, gave testimony in support of this bill. He said the fiscal note states the monitoring of 56 counties and that was more than what we perceived. Although there certainly will be some feedback, he said they do not feel that it would be one of their duties to insure that they are following the procedure. It would be their duty to insure they understand what is expected, fees needed to be collected, etc. The fiscal note indicates one FTE for the first year and 1/2 an FTE for the second year. He does not know if they have a problem with that. In operating expenses he thinks the fiscal note may be a little high. In putting together the collection manual, MACO has a manual which they have offered for use in insuring that a comprehensive manual is put together for this purpose. They will not be starting from scratch. He does not know what is entailed in travel. He did not envision going out and training the treasurer or monitoring the county treasurers. The rent and utilities charge he does not feel is appropriate as we already pay the rent and utilities on the building currently. He does think this is an important function that can improve the collection at the counties. When people come into office they do not know who to contact and where to go to clarify questions that they have about the law and revisions. He feels that consolidating the function somewhere, creating a central point, that the process of collections can be greatly improved.

Gordon Morris, Montana Association of Counties, gave testimony in support of this bill. He said we do publish a treasurers' handbook, along with the clerk and recorder and commissioner handbook, and it is well received and a good publication. Our handbook is published on a two year basis following each legislative session. He thinks we could look to publishing the manual every two years as opposed to annually.

OPPONENTS: None.

QUESTIONS FROM THE COMMITTEE: Senator Crippen asked why they used the Department of Commerce instead of the Department of Revenue.

Senator Jacobson said the day that decision was made we had a very large hearing and the consensus of the people at the hearing was a preference for the Department of Commerce.

Senator Crippen asked why they would prefer the Department of Commerce over the Department of Revenue.

Senator Jacobson said there were county treasurers at the hearing, other county officials, and state officials and the consensus was that they had a good working relationship with the Department of Commerce and would prefer the Department of Commerce.

Gordon Morris said you have got to realize we are dealing with several state agencies here, not just the Department of Revenue. We deal with the Department of Justice, Department of Commerce, Secretary of State, Department of Revenue; and the Department of Commerce is in an ideal position to simply coordinate on behalf of all those agencies. The Department of Revenue does not have an unusual role in the process any more than any other department.

Senator Mazurek asked Greg Groepper to respond to Senator Crippen's question.

Greg Groepper said the Department does not have a position on the bill. The Local Government Services Division, Department of Commerce, generally is the Division responsible for auditing local governments. He thinks what the audit committee is trying to point out is the people in the position to audit local government might be best equipped to provide guidance. They audit the books and tell them how it should be done but do not have the authority to do anything further.

Senator McCallum said a couple of sessions ago we had a bill transferring the 45 mills back to the state immediately and the county commissioners were upset because it deprived them of interest on the money that they received. He asked Mr. Dooley if this bill mandated that the money picked up on these collections of revenue on behalf of the state be immediately returned to the Department of Commerce.

Donald Dooley said he saw nothing in the bill that addressed that. By law now all moneys that the county collects on behalf of the state are submitted, or are required to be in on the 20th of the following month. The 45 mills are to come in immediately but this bill does not address that.

Senator Jacobson closed.

Senate Taxation Committee  
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CONSIDERATION OF SB 147: Senator Jacobson, Senate District 36, presented this bill to the committee. Her written presentation is attached as Exhibit 4.

PROPOSERS: Larry Majerus, Motor Vehicle Division, rose in support of a proposed amendment to include lien filings in this bill.

OPPOSERS: None.

QUESTIONS FROM THE COMMITTEE: None.

Senator Jacobson closed.

DISPOSITION OF SB 145: Senator Crippen made a motion that SB 145 DO PASS. The motion carried.

DISPOSITION OF SB 146: Senator Hirsch asked the committee if they wanted to consider MACO's suggestion to issue the pamphlet every two years instead of once every year.

Senator Eck said what she thinks that says is revised annually and they would just use a loose-leaf manual that could be updated easily.

Senator Mazurek asked if we would do any harm if we just struck the whole sentence dealing with the manual revision.

John Northey said we were just wanting to insure they are working with a current manual. If there were no changes, it could simply be a letter saying no changes.

Senator Crippen is in agreement with Senator Hirsch and made a motion to amend SB 146 on page 2, line 7, to change "annually" to "biennially". The motion carried.

Senator Crippen made a motion that SB 146 DO PASS AS AMENDED. The motion carried.

DISPOSITION OF SB 147: Amendments to this bill were furnished to the committee and are attached as Exhibit 5.

John Northey, Legislative Auditor's Office, said the amendment does the same thing the rest of the bill does in the area of certain motor vehicle collections as indicated in the amendment. On page 3 of the amendment it provides that fees shall be paid to the county treasurer for deposit and remittance on the 20th of the following month to the state.

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Jim Lear said he could improve the title, clean it up a little.

Senator Brown made a motion to adopt the amendments presented on SB 147, with the clerical changes suggested by Jim Lear. The motion carried.

Senator Brown made a motion that SB 147 DO PASS AS AMENDED. The motion carried.

FURTHER CONSIDERATION OF SB 44: Senator McCallum said he had spoken with Senator Farrell and he stated that Senator Smith's bill does not pertain to his bill in any way. In light of that he requested that the committee consider SB 44 for executive action.

Senator Severson said if it should happen that both bills should pass, then SB 44 should fit with Senator Smith's bill. He said you are talking about almost the same tax. The 11% is in relation to 2 1/2% of whole-sale.

Senator Mazurek said he understands what Senator Farrell is trying to do but he has difficulty passing property tax relief piecemeal such as this bill proposes. He understands the concern but suggests that maybe the committee should work together to structure tax relief across the board.

Senator Eck is in agreement with Senator Mazurek in presenting a whole package on how we are going to give relief and how much relief we will give in order to make it fair for most people.

Senator Neuman asked what the ratio of over the road trucks was in relation to farm trucks that pay this tax.

Greg Groepper said somewhere from 43%-47% are registered to farmers in that bigger class.

Senator Mazurek made a motion that we pass consideration on SB 44. The motion carried.

FURTHER CONSIDERATION OF SB 63: Senator Hirsch said he could not find any middle ground that would help his problem with this bill and for that reason he would oppose the bill. With the January 1 assessment, given the situs of the property, it is especially difficult in his county because the counties next door have very small levies.

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Senator Eck asked Greg Groepper on what grounds they would use the statute which would provide an assessment of ten times what the property is assessed at for property evasion.

Mr. Groepper said the statute referred to says willfully concealing for the purpose of evading taxes. He said we haven't done that so he would imagine that it is a hard thing to prove.

Senator Halligan said there are parts of the bill that are worthwhile and should be considered as a fairness issue.

Senator McCallum requested Senator Hirsch, Jim Lear and Greg Groepper to get together to discuss this bill and possibly find a solution to the concerns presented.

DISPOSITION OF SB 89: Senator Eck moved that SB 89 DO NOT PASS. The motion carried unanimously.

ADJOURNMENT: The meeting adjourned at 9:25 A.M.

  
SENATOR GEORGE McCALLUM, Chairman

ah

ROLL CALL

TAXATION

COMMITTEE

50th LEGISLATIVE SESSION -- 1987

Date 1-28-87

NAME	PRESENT	ABSENT	EXCUSED
SENATOR CRIPPEN	✓		
SENATOR NEUMAN	✓		
SENATOR SEVERSON	✓		
SENATOR LYBECK	✓		
SENATOR HAGER	✓		
SENATOR MAZUREK	✓		
SENATOR ECK	✓		
SENATOR BROWN	✓		
SENATOR HIRSCH	✓		
SENATOR BISHOP	✓		
SENATOR HALLIGAN, VICE CHAIRMAN	✓		
SENATOR McCALLUM, CHAIRMAN	✓		

Each day attach to minutes.



EXPLANATION OF SENATE BILL #145

S.B. 145 was introduced by request of the Legislative Audit Committee to clarify when a penalty should be assessed and interest accrued on delinquent mobile home and house trailer property taxes. A recent audit of the collection of state revenues by Montana counties indicated some confusion in the assessment of penalty and interest, and some inconsistency between property taxes on mobile homes and property taxes on other personal and real property.

All property taxes are subject to penalty and interest if not payed when due with the exception of taxes on mobile homes. Taxes on mobile homes are payable in two installments, half 30 days after billing, and half by September 30. Penalty and interest are not assessed on delinquent payments until September 30 of the year in which the tax is assessed. Mobile home owners have no incentive to pay the first installment of their property taxes until September 30 because their is no penalty for the delinquency. This can result in the late payment of property taxes on mobile homes, which in-turn could result in lost interest to both the state and local governments. Several counties, in violation of current legislation, are currently charging penalty and interest on first half payments not paid within 30 days of billing. This bill would provide for penalty and interest charges on unpaid taxes on mobile homes, the same as on unpaid taxes on other property. Local governments have indicated they support this legislation.

SENATE TAXATION  
EXHIBIT NO. 1  
DATE 1-28-87  
BILL NO. SB 145

EXPLANATION OF SENATE BILL #146

S.B. 146 was introduced by request of the Legislative Audit Committee to designate the Department of Commerce the state agency responsible for the coordination of county collection of state revenue, and to require all agencies receiving revenue collected by the counties to coordinate these collections through that department. Montana counties collect over \$60 million of state revenues a year for nineteen state agencies and vocational technical centers. A recent audit of these collections indicated numerous errors and misunderstandings in the collection process. The audit indicated that some agencies have provided forms, procedures manuals, and memoranda to the counties, while others have provided only limited guidance. In addition much of the assistance provided has been in the form of numerous memoranda. This type of document is susceptible to loss and difficult to maintain over time.

The audit noted numerous errors in the collection of revenues including but not limited to improper rate assessments, improper remittance procedures, and improper distributions of collections. During the audit, county treasurers indicated many errors resulted from a lack of communication between the state and the local governments. The laws governing the collection process are numerous and are often confusing and subject to interpretation. Treasurers stated they did not always know who to contact to receive an authoritative statement and they often received more than one answer per question.

The audit recommended assigning the responsibility of communicating procedures and interpretations to one state agency. The state agencies responsible for the revenues would still have the power to establish collection policies and would be responsible for interpreting the laws governing proper collection. The Department of Commerce would then act as a liaison between the agencies and the local governments. The counties would have one place to go with

SENATE TAXATION  
EXHIBIT NO. 2  
DATE 1-28-87  
BILL NO. SB-146

problems and concerns and the agencies would have one authority through which information could be sent to the counties. This would create consistency in the collection process and minimize errors created by misinterpretation.

The county treasurers responding to the audit supported the recommendation and expressed interest in the Local Government Assistance Division at the Department of Commerce being the liaison agency.

In compliance with a written request, there is hereby submitted a Fiscal Note for SB146, as introduced.

DESCRIPTION OF PROPOSED LEGISLATION:

Requiring the Department of Commerce to coordinate collection of revenue by counties on behalf of the state by preparing and distributing to county treasurers a manual setting forth the procedures and forms to be used and to revise the manual annually.

ASSUMPTIONS:

- That coordinating collection of revenue by counties on behalf of the state will be accomplished, to the extent possible, in conjunction with maintenance of the uniform budgeting, accounting and reporting system (BARS). However, additional costs will be incurred above and beyond existing BARS maintenance contracts (35 out of 56 counties).
- Operating costs would be highest the first year in order to prepare and distribute a county collections manual. The manual must be revised annually.
- All 56 counties will be served and monitored.

FISCAL IMPACT: FY88

	Current Law	Proposed Law	Difference
Expenditures:			
General Fund			
Personal Services	\$ 0	\$ 22,000	\$ 22,000
Operating Expenses	0	24,200	24,200
TOTAL	\$ 0	\$ 46,200	\$ 46,200

FY89

	Current Law	Proposed Law	Difference
	\$ 0	\$ 11,000	\$ 11,000
	0	10,100	10,100
	\$ 0	\$ 21,100	\$ 21,100

**NON-FUNCTION**  
*4/14/87*

EFFECT ON COUNTY OR OTHER LOCAL REVENUE OR EXPENDITURES:

No impact.

LONG-RANGE EFFECTS OF PROPOSED LEGISLATION:

Better controls exercised by county treasurers over revenues collected by Montana counties and subsequently transmitted to the state. More uniform application of state agency collection procedures. These collections are approximately 65 million per year.

TECHNICAL OR MECHANICAL DEFECTS IN PROPOSED LEGISLATION OR CONFLICTS WITH EXISTING LEGISLATION:

None noted.

*David L. Hunter* DATE 1/26/87

DAVID L. HUNTER, BUDGET DIRECTOR  
Office of Finance and Program Planning

JUDY JACOBSON, PRIMARY SPONSOR

Fiscal Note for SB146, as introduced.

EXHIBIT NO. 3

DATE 1-26-87

BILL NO. SB-146

DATE

EXPLANATION OF SENATE BILL #147

S.B. 147 was introduced by request of the Legislative Audit Committee to provide for remittance directly to the state treasurer of certain fees collected for the state by Montana counties. Currently, inheritance taxes are remitted to the Department of Revenue and certain motor vehicle fees are remitted directly to the Department of Justice, Registrar's Bureau. A recent audit of the collection of state revenues by Montana counties determined that while there is a system in place for remittance of county revenue collections to the State Treasurer, certain revenues are sent directly to the state agencies receiving the funds. This results in extra work for the county personnel because additional remittances must be prepared, and to the state agencies because the collections must be recorded and deposited to the state treasury.

The audit recommended that the law be changed to allow direct remittance of these revenues to the State Treasurer with other county collections on the standard monthly county collection report to the credit of the receiving agencies. The Departments of Revenue and Justice, as well as the county treasurers, concurred with the recommendation.

SENATE TAXATION  
EXHIBIT NO. 4  
DATE 1-28-87  
BILL NO. SB-147

Amend Senate Bill No. 147, introduced copy

1. Title, line 8.

Following: "COLLECTIONS"

Insert: ", THE \$3 FEE FOR FILING A SECURITY INTEREST AGAINST A MOTOR VEHICLE, and THE \$3 FEE FOR ISSUANCE OF A CERTIFIED COPY OF A CERTIFICATE OF OWNERSHIP SUBJECT TO A SECURITY INTEREST"

2. Title, line 10.

Following: "SECTIONS"

Insert: "61-3-103,"

Following: "61-3-203"

Insert: ", "

3. Page 1.

Following: line 12

Insert: "Section 1. Section 61-3-103, MCA, is amended to read:

"61-3-103. Filing of security interests, rights, procedure, fees. (1) No security interest in a motor vehicle shall be valid as against creditors, subsequent purchasers, or encumbrancers unless a lien notice, on a form approved by the department, that shows a security interest has been created, has been filed with the department as provided in this section. The department shall not file any security interest or other lien unless it is accompanied by or specified in the application for a certificate of ownership of the vehicle encumbered. If the approved notice form is transmitted to the department, the security agreement or other lien instrument that creates the security interest must be retained by the secured party. A copy of the security agreement is sufficient as a lien notice if it contains the name and address of the debtor and the secured party, the complete vehicle description, amount of lien, and is signed by the debtor. The department shall file the security interest or lien by entering the name and address of the secured party upon the face of the certificate of ownership. The department shall mail a statement certifying to the filing of a security interest or lien to the secured party. The department shall mail the certificate of ownership to the owner at the address given on the certificate; however, if the transfer of ownership and filing of the security interest are paid for by a creditor or secured party, the department shall return the certificate of ownership to the county treasurer where the vehicle is to be registered. The owner of a motor vehicle is the person entitled to operate and possess such motor vehicle.

(2) A security interest in a motor vehicle held as inventory by a dealer licensed under the provisions of 61-4-101, must be perfected in accordance with Title 30, chapter 9, and no endorsement on the certificate of title is necessary for perfection.

SENATE TAXATION

EXHIBIT NO. 5

DATE 1-28-87

BILL NO SB-147

(3) Whenever a security interest or lien is filed against a motor vehicle that is subject to two security interests previously perfected by filing under this section, the department shall endorse on the face of the certificate of ownership, "NOTICE. This motor vehicle is subject to additional security interests on file with the Department of Justice." No other information regarding such additional security interests need be endorsed on the certificate.

(4) Satisfactions or statements of release filed with the department under this chapter shall be retained by it for a period of 8 years after receipt, after which they may be destroyed.

(5) The filing of a security interest or other lien, as herein provided, perfects a security interest which has attached at the time the certificate of ownership noting such interest is issued. Issuance of a certificate of ownership constitutes constructive notice to subsequent purchasers or encumbrancers, from the time of filing, of the existence of the security interest.

(6) Upon default under a chattel mortgage or conditional sales contract covering a motor vehicle, the mortgagee or vendor has the same remedies as in the case of other personal property. In case of attachment of motor vehicles all the provisions of 27-18-413, 27-18-414, and 27-18-804 shall be applicable except that deposits must be made with the department.

(7) A conditional sales vendor or chattel mortgagee or assignee who fails to file a satisfaction of a chattel mortgage, assignment, or conditional sales contract within 15 days after receiving final payment shall be required to pay the department the sum of \$1 for each day thereafter that he fails to file such satisfaction.

(8) Upon receipt of any liens, or notice of liens dependent on possession, or attachments, etc., against the record of any motor vehicle registered in this state, the department shall within 24 hours mail to the owner, conditional sale vendor, mortgagees, or assignees of any thereof a notice showing the name and address of the lien claimant, amount of the lien, date of execution of lien, and in the case of attachment the full title of the court and the action and the name of the attorneys for the plaintiff and/or attaching creditor.

(9) It shall not be necessary to refile with the department any instruments on file in the offices of the county clerk and recorders at the time this law takes effect.

(10) A fee of \$3 shall be paid to the department to file any security interest or other lien against a motor vehicle. The \$3 fee shall include and cover the cost of filing a satisfaction or release of the security interest and also the cost of entering such satisfaction or release on the records of the department and deleting the endorsement of the security interest from the face of the certificate of ownership. A fee of \$3 shall be paid to the department

EXHIBIT NO. 5

DATE 1-28-87

for issuing a certified copy of a certificate of ownership subject to a security interest or other lien on file in the office of the department, or for filing an assignment of any security interest or other lien on file with the department. All fees provided for in this section shall be deposited paid by the department to the county treasurer for deposit in the motor vehicle recording account of the state special revenue fund in accordance with 15-1-504."

Renumber: subsequent sections

SENATE TAXATION

EXHIBIT NO. 5

DATE 1-28-87

BILL NO. SB-147

# STANDING COMMITTEE REPORT

.....January 28,..... 19. 37.....

MR. PRESIDENT

We, your committee on.....SENATE TAXATION.....

having had under consideration.....SENATE BILL..... No. 145.....

first reading copy ( white )  
color

## CLARIFYING INTEREST AND PENALTY FOR DELINQUENT TAXES ON MOBILE HOMES

Respectfully report as follows: That.....SENATE BILL..... No. 145.....

DO PASS

DO NOT PASS

.....SENATOR GEORGE McCALLUM..... Chairman.

# STANDING COMMITTEE REPORT

January 29, 1937

MR. PRESIDENT

We, your committee on SENATE TAXATION  
having had under consideration SENATE BILL No. 146  
first reading copy ( white )  
color

DEPT OF COMMERCE TO COORDINATE COLLECTION OF REVENUE  
FOR STATE BY COUNTIES

Respectfully report as follows: That SENATE BILL No. 146

be amended as follows:

1. Page 2, line 7.  
Following: "least"  
Strike: "annually"  
Insert: "biennially"

AND AS AMENDED

DO PASS

~~DO NOT PASS~~

SENATOR GEORGE McCALLUM, Chairman.

# STANDING COMMITTEE REPORT

SB147

January 28, 1977

MR. PRESIDENT

## TAXATION

We, your committee on .....  
Senate Bill ..... 147  
having had under consideration..... No.....  
first ..... white  
\_\_\_\_\_ reading copy ( \_\_\_\_\_ )  
color

### CHANGE MANNER COUNTY PERMITS MOTOR VEHICLE CERTIFICATE FEE & INHERITANCE TAX

Respectfully report as follows: That..... Senate Bill..... No..... 147.....  
BE AMENDED AS FOLLOWS:

1. Title, line 6.  
Following: "REMIT"  
Insert: "INHERITANCE TAX COLLECTIONS, THE \$3 FEE FOR FILING  
A SECURITY INTEREST AGAINST A MOTOR VEHICLE, THE \$3 FEE  
FOR ISSUANCE OF A CERTIFIED COPY OF A CERTIFICATE OF  
OWNERSHIP SUBJECT TO A SECURITY INTEREST, AND"
2. Title, line 8.  
Following: "REGISTRATION"  
Strike: "AND INHERITANCE TAX COLLECTIONS"
3. Title, line 10.  
Following: "SECTIONS"  
Insert: "61-3-103,"  
Following: "61-3-203"  
Insert: " ,"

~~DO NOT~~

~~DO NOT~~

.....  
Chairman.

CONTINUED

January 18,

19 87

4. Page 1.

Following: line 12

Insert: "Section 1. Section 61-3-103, MCA, is amended to read:

"61-3-103. Filing of security interests, rights, procedures, fees. (1) No security interest in a motor vehicle shall be valid as against creditors, subsequent purchasers, or encumbrancers unless a lien notice, on a form approved by the department, that shows a security interest has been created, has been filed with the department as provided in this section. The department shall not file any security interest or other lien unless it is accompanied by or specified in the application for a certificate of ownership of the vehicle encumbered. If the approved notice form is transmitted to the department, the security agreement or other lien instrument that creates the security interest must be retained by the secured party. A copy of the security agreement is sufficient as a lien notice if it contains the name and address of the debtor and the secured party, the complete vehicle description, amount of lien, and is signed by the debtor. The department shall file the security interest or lien by entering the name and address of the secured party upon the face of the certificate of ownership. The department shall mail a statement certifying to the filing of a security interest or lien to the secured party. The department shall mail the certificate of ownership to the owner at the address given on the certificate; however, if the transfer of ownership and filing of the security interest are paid for by a creditor or secured party, the department shall return the certificate of ownership to the county treasurer where the vehicle is to be registered. The owner of a motor vehicle is the person entitled to operate and possess such motor vehicle.

(2) A security interest in a motor vehicle held as inventory by a dealer licensed under the provisions of 61-4-101, must be perfected in accordance with Title 30, chapter 9, and no endorsement on the certificate of title is necessary for perfection.

(3) Whenever a security interest or lien is filed against a motor vehicle that is subject to two security interests previously perfected by filing under this section, the department shall endorse on the face of the certificate of ownership, "NOTICE. This motor vehicle is subject to additional security interests on file with the Department of Justice." No other information regarding such additional security interests need be endorsed on the certificate.

(4) Satisfactions or statements of release filed with the department under this chapter shall be retained by it for a period of 3 years after receipt, after which they may be destroyed.

CONTINUED

January 30, 19 37

(5) The filing of a security interest or other lien, as herein provided, perfects a security interest which has attached at the time the certificate of ownership noting such interest is issued. Issuance of a certificate of ownership constitutes constructive notice to subsequent purchasers or encumbrancers, from the time of filing, of the existence of the security interest.

(6) Upon default under a chattel mortgage or conditional sales contract covering a motor vehicle, the mortgagee or vendor has the same remedies as in the case of other personal property. In case of attachment of motor vehicles all the provisions of 27-18-413, 27-18-414, and 27-18-804 shall be applicable except that deposits must be made with the department.

(7) A conditional sales vendor or chattel mortgagee or assignee who fails to file a satisfaction of a chattel mortgage, assignment, or conditional sales contract within 15 days after receiving final payment shall be required to pay the department the sum of \$1 for each day thereafter that he fails to file such satisfaction.

(8) Upon receipt of any liens, or notice of liens dependent on possession, or attachments, etc., against the record of any motor vehicle registered in this state, the department shall within 24 hours mail to the owner, conditional sales vendor, mortgagees, or assignees of any thereof a notice showing the name and address of the lien claimant, amount of the lien, date of execution of lien, and in the case of attachment the full title of the court and the action and the name of the attorneys for the plaintiff and/or attaching creditor.

(9) It shall not be necessary to refile with the department any instruments on file in the offices of the county clerk and recorders at the time this law takes effect.

(10) A fee of \$3 shall be paid to the department to file any security interest or other lien against a motor vehicle. The \$3 fee shall include and cover the cost of filing a satisfaction or release of the security interest and also the cost of entering such satisfaction or release on the records of the department and deleting the endorsement of the security interest from the face of the certificate of ownership. A fee of \$3 shall be paid the department for issuing a certified copy of a certificate of ownership subject to a security interest or other lien on file in the office of the department, or for filing an assignment of any security interest or other lien on file with the department. All fees provided for in this section shall be deposited by the department paid to the county treasurer for deposit in the motor vehicle recording account of the state special revenue fund in accordance with 15-1-504."

Renumber: subsequent sections

**AND AS AMENDED**  
**DO PASS**

Senator McCallum

# STANDING COMMITTEE REPORT

January 23, 1927

MR. PRESIDENT

We, your committee on SENATE TAXATION

having had under consideration SENATE BILL No. 39

first reading copy ( white )  
color

**REDUCING THE RESOURCE INDEMNITY TRUST TAX RATE FROM  
0.5% to 0.1%**

Respectfully report as follows: That SENATE BILL No. 39

**SENATE**

DO NOT PASS

SENATOR GEORGE McCALLUM, Chairman.