

THE MINUTES OF THE MEETING OF THE HOUSE TAXATION COMMITTEE
Special Session
November 20, 1981

The meeting was called to order at 2:00 p.m. by Chairman Nordvedt. The meeting was held in Room 436 of the State Capitol Building. Roll call was taken and all committee members were present except Representatives Bertelsen, Vinger, Neuman and Harp, who were excused.

HOUSE BILL 15

REPRESENTATIVE JAY FABREGA, District 44, Cascade County, sponsor of HB 15, told the committee that two problems are addressed in this bill. The first problem is when a person pays his delinquent taxes the clerk has to make sure that person doesn't owe more than \$3,000. (Interest on delinquent taxes is 5/6 of 1% per month for the first \$3,000 per taxpayer and 1% per month for each year's delinquent taxes in excess of \$3,000 per taxpayer to 12% per year compounded annually for all delinquent property taxes until such taxes are paid.) The clerk has to go through a lot of records because of the two tier interest system. HB 15 would eliminate that administrative monster. Representative Fabrega said the counties should get back to a system they can work with more easily. Representative Fabrega said the second problem is that it has become fashionable not to pay taxes. The interest rate on borrowing money is so high that people do not borrow money, if needed, in order to pay their taxes. He said HB 15 would set a 1% per month, compounded annually, interest rate and there would no longer be a penalty charge.

REPRESENTATIVE FABREGA said there will be some amendments offered that would add a 2% penalty charge to delinquent taxes on top of the 1% per month interest charge. Representative Fabrega said his primary purpose for introducing HB 15 is to remove the two tier interest system that was created during the 1981 Legislature.

CHAIRMAN NORDVEDT asked for testimony from proponents of HB 15.

MIKE STEPHENS, representing the Montana Association of Counties, spoke in support of HB 15. He said anyone who is slow or avoids payment of property taxes hinders the providing of services and payment of those services on the county level.

DAN MIMES, representing the Montana League of Cities, said that organization is also in support of HB 15.

BUCK O'CONNELL, Cascade County Treasurer, went through some print-outs of delinquent taxpayers and told the committee of the problems incurred by taxpayers who do not pay their taxes on time. He is in support of HB 15.

JIM DAVIS, Vice President of the Montana Treasurers' Association, read a motion presented by the Montana Treasurers' Association during a convention last month. That motion dealt with the legality of the two tier interest system and the association asked the Attorney General to issue a statement on that problem.

CHRIS TWEETEN, Assistant Attorney General of Montana, was assigned to do the research on the opinion requested by the Montana Treasurers' Association. After having done that research, he said the Attorney General supports HB 15 because the problem of the two tier interest system cannot be corrected through the issuance of the Attorney General's opinion. The problems with the split level interest are insurmountable at this time and they feel legislation such as this is essential.

ELLEN FEAVER, Director of the Department of Revenue, urged a do pass of HB 15 to avoid unnecessary costs involved with administering an unworkable law.

MAY JENKINS, Yellowstone County Treasurer, passed out copies of a list of delinquent taxpayers in Yellowstone County. She talked about the large amount of paperwork that is involved with the tracking of the delinquent taxes with the two tier interest and penalty charges. (See EXHIBIT 1)

MICHAEL RALLIS, Butte/Silver Bow Treasurer, also spoke in support of HB 15. (See EXHIBIT 2)

REPRESENTATIVE DARRYL MEYER, District 42, Cascade County, offered an amendment to HB 15. The amendment would be to change the interest of 1% per month to 1 1/2% per month, 18% yearly. He said the change in the interest rate will deter delinquent property taxes to some degree.

REPRESENTATIVE FABREGA passed out copies of Senator Turnage's proposed amendments to HB 15 (see EXHIBIT 3) and said Senator Turnage would not be able to testify before this committee. Representative Fabrega said he would be willing to waive his feelings on the penalty charge until the issue could be dealt with next legislative session.

REPRESENTATIVE FABREGA said he could not recommend this committee act favorably on Senator Turnage's amendments because when he collected signatures for HB 15, the bill did not include the penalty charge of 2%. However, he said Senator Turnage's amendments do have merit and urged the committee to consider the amendments.

REPRESENTATIVE FABREGA said the effective date of HB 15 would be on passage and approval and applies to real and personal property taxes that become due on or after November 30, 1981, or that became due prior to November 30, 1981, and remain unpaid on or after November 30, 1981.

REPRESENTATIVE FABREGA said it would be irresponsible if this special session of the legislature did not address the problem of the two tier interest charges.

CHAIRMAN NORDVEDT opened the meeting to questions from members of the committee.

REPRESENTATIVE HARRINGTON asked if the 1 1/2% per month interest charge wouldn't be too high and would just be adding to inflation. Representative Meyer said HB 15, at 1% per month and no penalty charge, would be a good deal for people who do not pay taxes on time because there would no longer be a penalty charge.

REPRESENTATIVE WILLIAMS asked Representative Fabrega how he felt about the 1 1/2% per month interest charge. Representative Fabrega said philosophically he agrees with the rate but politically he can't agree with it.

The committee was then called into EXECUTIVE SESSION.

EXECUTIVE SESSION - House Bill 15

CHAIRMAN NORDVEDT said he would like to make a motion that this committee recommend keeping the existing law with regards to the 2% penalty charge. He feels local government would be set back if the penalty charge was eliminated.

The motion was voted on and PASSED UNANIMOUSLY.

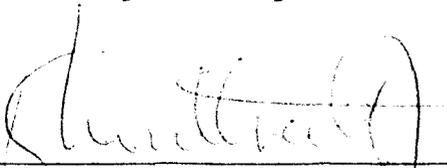
REPRESENTATIVE WILLIAMS moved to accept Senator Turnage's amendments to HB 15.

The motion was voted on and PASSED UNANIMOUSLY.

REPRESENTATIVE WILLIAMS moved HB 15 DO PASS AS AMENDED.

The motion was voted on and PASSED UNANIMOUSLY.

The meeting was adjourned at 2:45 p.m.



KEN NORDVEDT, Chairman



Vicki Lofthouse, Secretary

INTRODUCED BY *[Signature]* 15 *[Signature]*

A BILL FOR AN ACT ENTITLED: "AN ACT TO INCREASE THE INTEREST FOR DELINQUENT PROPERTY TAX PAYMENT FROM 5/6 OF 1 PERCENT PER MONTH FOR THE FIRST \$3,000 PER TAXPAYER OF EACH YEAR'S DELINQUENT TAXES AND 1 PERCENT PER MONTH FOR EACH YEAR'S DELINQUENT TAXES IN EXCESS OF \$3,000 PER TAXPAYER TO 12 PERCENT PER YEAR, COMPOUNDED ANNUALLY FOR ALL DELINQUENT PROPERTY TAXES UNTIL SUCH TAXES ARE PAID; ELIMINATING THE PENALTY FOR DELINQUENCY; AMENDING SECTIONS 15-16-101 THROUGH 15-16-103, 15-16-601, 15-16-701, 15-17-101, 15-17-206, 15-17-303, 15-17-304, 15-17-312, 15-18-108, 15-18-202, 15-18-204, 15-18-401, AND 15-19-403, MCA; AND PROVIDING AN EFFECTIVE DATE AND AN APPLICABILITY DATE."

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA: Section 1. Section 15-16-101, MCA, is amended to read: "15-16-101. Treasurer to publish notice -- manner of publication. (1) Within 10 days after the receipt of the assessment book, the county treasurer must publish a notice specifying:

(a) that one-half of all taxes levied and assessed will be due and payable before 5 p.m. on November 30 next thereafter and that unless paid prior thereto the amount

then due will be delinquent and*
(i) will draw interest at the rate of*
(i) 5/6 of 1% per month from and after such delinquency on the first \$3,000 per taxpayer of each year's tax delinquency; and
(ii) 1% per month year compounded annually from and after such delinquency on each year's tax delinquency in excess of \$3,000 per taxpayer until paid; and
(iii) 2% will be added to the delinquent taxes as a penalty
(b) that one-half of all taxes levied and assessed will be due and payable on or before 5 p.m. on May 31 next thereafter and that unless paid prior to said date said taxes will be delinquent and*
(i) will draw interest at the rate of*
(i) 5/6 of 1% per month from and after such delinquency on the first \$3,000 per taxpayer of each year's tax delinquency; and
(ii) 1% per month year compounded annually from and after such delinquency on each year's tax delinquency in excess of \$3,000 per taxpayer until paid; and
(iii) 2% will be added to the delinquent taxes as a penalty and
(c) the time and place at which payment of taxes may be made.

1 ~~(2). For the purpose of computing interest for periods~~
 2 ~~of less than a full year, the interest shall be computed at~~
 3 ~~the rate of 12 per month, of portion thereof.~~

4 ~~(2)(2)~~ He must send to the last-known address of each
 5 taxpayer written notice, postage prepaid, showing the amount
 6 of taxes and assessments due the current year and the amount
 7 due and delinquent for other years. The written notice shall
 8 include:

- 9 (a) the taxable value of the property;
- 10 (b) the total mill levy applied to that taxable value;
- 11 (c) the value of each mill in that county;
- 12 (d) itemized city services and special improvement
- 13 district assessments collected by the county;
- 14 (e) the number of the school district in which the
- 15 property is located; and
- 16 (f) the amount of the total tax due that is levied as
- 17 city tax, county tax, state tax, school district tax, and
- 18 other tax.

19 ~~(3)(4)~~ The municipality shall, upon request of the
 20 county treasurer, provide the information to be included
 21 under subsection (2)(d) ready for mailing.

22 ~~(4)(5)~~ The notice in every case must be published for
 23 2 weeks in some weekly or daily newspaper published in the
 24 county, if there is one, or if there is not, then by posting
 25 it in three public places. The failure to publish or post

1 notices does not relieve the taxpayer from any of his
 2 liabilities. Any failure to give notice of the tax due for
 3 the current year or of delinquent tax will not affect the
 4 legality of the tax."

5 Section 2. Section 15-16-102, MCA, is amended to read:
 6 "15-16-102. Time for payment -- ~~penalty for delin-~~
 7 ~~quency. All taxes levied and assessed in the state~~
 8 ~~of Montana, except assessments made for special improvements~~
 9 ~~in cities and towns payable under 15-16-103, shall be~~
 10 ~~payable as follows:~~

11 (1) One-half of the amount of such taxes shall be
 12 payable on or before 5 p.m. on November 30 of each year and
 13 one-half on or before 5 p.m. on May 31 of each year.

14 (2) Unless one-half of such taxes are paid on or
 15 before 5 p.m. on November 30 of each year, then such amount
 16 so payable shall become delinquent and:

17 (a) shall draw interest at the rate of
 18 ~~(i) 5 1/2% of -- 1% -- per -- month -- from -- and -- after -- each~~
 19 ~~delinquency -- on the first \$3,000 per taxpayer of each year's~~
 20 ~~tax delinquency until paid~~

21 ~~(ii) 12% per month year compounded annually from~~
 22 ~~and after such delinquency until paid on each year's~~
 23 ~~delinquency in excess of \$3,000 per taxpayer and~~

24 ~~(b) 2% shall be added to the delinquent taxes -- as -- a~~
 25 ~~penalty.~~

1 (3) All taxes due and not paid on or before 5 p.m. on
 2 May 31 of each year shall be delinquent and
 3 (a) shall draw interest at the rate of
 4 (i) 5/6% of 1% per month from and after each
 5 delinquency on the first \$3000 per taxpayer of each year's
 6 tax delinquency until paid and
 7 (ii) 12% per month compounded annually from
 8 and after such delinquency until paid on each year's tax
 9 delinquency in excess of \$3000 per taxpayer and
 10 (b) 2% shall be added to the delinquent taxes as a
 11 penalty.
 12 (4) For the purpose of computing interest for periods
 13 of less than 1 full year, the interest shall be computed at
 14 the rate of 1% per month or portion thereof.
 15 Section 3. Section 15-16-103, MCA, is amended to read:
 16 "15-16-103. Special improvement districts with annual
 17 interest payments -- collection of special assessments for
 18 all special improvements. (1) Special assessments or
 19 installments of special assessments made for special
 20 improvements in towns and cities, the bonds for which annual
 21 interest payments have been specified and that were issued
 22 after July 1, 1981, and that have been duly and regularly
 23 made and levied by resolution according to law, shall be
 24 payable as follows:
 25 (a) One-half of such taxes shall be payable on or

1 before 5 p.m. on November 30 of each year, and in the event
 2 the same are not paid on or before said date, the same shall
 3 be subject to the same interest and penalty for nonpayment
 4 as delinquent property taxes under 15-16-102.
 5 (b) One-half of such taxes shall be payable on or
 6 before 5 p.m. on May 31 of each year, and in the event the
 7 same are not paid on or before said date, the same shall be
 8 subject to the same interest and penalty for nonpayment as
 9 delinquent property taxes under 15-16-102.

10 (2) The collection of special assessments or
 11 installments of special assessments made for special
 12 improvements in towns and cities shall be had and made as
 13 provided by 7-12-4181 as the same is now in force or may be
 14 hereafter amended."

15 Section 4. Section 15-17-303, MCA, is amended to read:
 16 "15-17-303. Assignment of rights of county. (1) At any
 17 time after any parcel of land has been bid upon by the
 18 county as the purchaser thereof for taxes as provided in
 19 15-17-207, the same not having been redeemed, the county
 20 treasurer shall assign all the right of the county therein
 21 acquired at such sale to any person who pays the amount for
 22 which the same was bid, with interest upon the original tax
 23 at the rate of 5/6 of 1% 12% per month on the first \$3000
 24 per taxpayer of each year's delinquent taxes and 1% per
 25 month on each year's delinquent taxes in excess of \$3000

1 ~~per-taxpayer year compounded annually~~ and the amount of all
 2 subsequent delinquent taxes, penalties costs, and interest
 3 as provided by law upon the same from time to time when such
 4 tax became delinquent. ~~For the purpose of computing interest~~
 5 ~~for periods of less than a full year, the interest shall be~~
 6 ~~computed at the rate of 1% per month of period thereof.~~
 7 The county treasurer shall execute to such person a
 8 certificate for such parcel, which may be substantially in
 9 the following form:

10 "I,, the treasurer of the county of, state of
 11 Montana, do hereby certify that at the sale of lands
 12 pursuant to the tax assessment for the year 19... in the
 13 county of and which sale was held on the day of
 14, 19..., for the purpose of liquidating assessment, the
 15 following described parcel of land, situate in the county of
 16, state of Montana, to wit: (insert description) was
 17 duly offered for sale; that there was no purchaser in good
 18 faith for the same as provided by law and no person or
 19 purchaser offered to take the same and pay the taxes, cost,
 20 and charges due as aforesaid. Accordingly, the whole amount
 21 of the property assessed and described as above was struck
 22 off to the county of as purchaser thereof for the sum
 23 of, and the same still remaining unredeemed, and on
 24 this day having paid into the treasury of such county
 25 the amount for which the same was bid, together with all

1 subsequent delinquent taxes, penalties costs, and interest
 2 amounting in all to dollars.

3 Now, therefore, in consideration thereof and pursuant
 4 to the statute in such case made and provided, I do hereby
 5 assign and set over all the right, title, and interest of
 6 the county of, state of Montana, acquired in such lands
 7 under and by virtue of the sale to, his heirs and
 8 assigns forever, together with all the rights, powers, and
 9 privileges of the county of to take steps to receive a
 10 deed thereof or receive payment in case of a redemption;
 11 subject, however, to redemption as provided by law.

12 Witness my hand and official seal of office this
 13 day of, 19....

14 (County Treasurer)"
 15 (2) If the certificate described in subsection (1)
 16 becomes lost by accident or destroyed by the assignee, the
 17 county treasurer shall issue a duplicate certificate to the
 18 assignee after the county treasurer is convinced that the
 19 certificate has been lost or destroyed and after the
 20 assignee has made an affidavit to that effect.

21 (3) The provisions of this section apply to any sale
 22 of land for which a treasurer's deed was not issued by March
 23 5, 1917, and the holder of any certificate described in
 24 subsection (1) has the same rights, powers, and privileges
 25 with regard to securing a deed as any purchaser of land at

1 tax sale may now have.

2 (4) As to any land received by the county in exchange,

3 the same may be sold or leased the same as might have been

4 done with the lands exchanged."

5 Section 5. Section 15-16-601, MCA, is amended to read:

6 "15-16-601. Taxes or penalties illegally collected to

7 be refunded. (1) (a) Any taxes, per--centum interest, and

8 costs paid more than once or erroneously or illegally

9 collected or any amount of tax paid for which a taxpayer is

10 entitled to a refund under 15-16-612 or any part or portion

11 of taxes paid which were mistakenly computed on government

12 bonus or subsidy received by the taxpayer may, by order of

13 the board of county commissioners, be refunded by the county

14 treasurer. Whenever any payment shall have been made to the

15 state treasurer as provided in 15-1-504 and it shall

16 afterwards appear to the satisfaction of the board of county

17 commissioners that a portion of the money so paid should be

18 refunded as herein provided, said board of county

19 commissioners may refund such portion of said taxes,

20 penalties interest, and costs so paid to the state

21 treasurer, and upon the rendering of the report required by

22 15-1-505 the county clerk and recorder shall certify to the

23 state auditor, in such form as the state auditor may

24 prescribe, all amounts so refunded, and in the next

25 settlement of the county treasurer with the state, the state

1 auditor shall give the county treasurer credit for the

2 state's portion of the amounts so refunded.

3 (b) When any part of the taxes, penalties interest, or

4 costs hereinbefore referred to were levied in behalf of any

5 school district or municipal or other public corporation and

6 collected by the county treasurer, the same may be refunded

7 upon the order of the board of county commissioners.

8 (c) No order for the refund of any taxes, license

9 fees, per-centum interest, or costs under this section shall

10 be made except upon a claim therefor, verified by the person

11 who has paid such tax, license fee, penalty interest, or

12 costs or his guardian or, in case of his death, by his

13 executor or administrator, which claim must be filed within

14 10 years after the date when the second half of such taxes

15 would have become delinquent if the same had not been paid.

16 (d) All refunds ordered to be paid by the board of

17 county commissioners shall be paid by the county treasurer

18 out of the general fund of the county, and the county

19 treasurer shall then make such transfers from other county

20 funds and from state, school district, and other public

21 corporation funds in his possession as may be necessary to

22 reimburse the county general fund for payments made

23 therefrom on account of such other funds.

24 (2) Upon the entering of judgment under 15-2-306, the

25 county commissioners of the affected county shall order a

1 refund of such portion of the taxes, ~~interests, costs~~ or
2 license fees as the state tax appeal board has judged should
3 be refunded."

4 Section 6. Section 15-16-701, MCA, is amended to read:
5 "15-16-701. Personal property taxes ten years
6 delinquent -- list. (1) It shall be the duty of each county
7 treasurer to prepare in triplicate and submit to the board
8 of county commissioners of his county, on or before the
9 first Monday of June in each year, a list of personal
10 property taxes which are not a lien on real estate and which
11 have been delinquent for 10 years or more. Said list shall
12 show the following:

13 (a) name and address of the delinquent taxpayer;

14 (b) amount of the delinquent tax ~~plus penalty~~ if
15 any;

16 (c) the year the tax became delinquent.

17 (2) Every county treasurer shall, within the same
18 time, prepare in triplicate and submit to the board of
19 county commissioners of his county a list of all contractual
20 obligations owed to or held by his county for seed grain,
21 feed, or other relief, the collection of which is barred by
22 the statute of limitations, 27-2-202(1). Said list shall
23 show the following:

24 (a) name and address of the person or persons who
25 entered into the contractual obligation;

1 (b) the name of the contractual obligation, as "seed
2 loan", "feed loan", "promissory note", as the case may be;
3 (c) the date of obligation, date when last payment
4 became due, date of last payment thereon, and the date when
5 the collection of the obligation became barred by said
6 statute of limitations."

7 Section 7. Section 15-17-101, MCA, is amended to read:
8 "15-17-101. Publication of notice of tax sales. (1) On
9 or before the last Monday of June of each year, the county
10 treasurer must publish in the manner and for the time
11 prescribed in this section a notice specifying:

12 (a) that at a given time and place (to be designated
13 in the notice), all property in the county upon which
14 delinquent taxes are a lien will be sold at public auction
15 unless prior to said time said delinquent taxes, together
16 with all interest ~~penalties~~ and costs due thereon, are
17 paid;

18 (b) a complete delinquent list of all persons and
19 property in the county now owing taxes, including all city
20 and town property as to which taxes or taxes and assessments
21 are delinquent, is on file in the office of the county
22 treasurer and is subject to public inspection and
23 examination.

24 (2) The publication must be made once a week for 3
25 successive weeks in such newspaper published in the county

1 as the board of county commissioners directs; if there is no
2 newspaper published in the county, then by posting a copy of
3 the list in three public places.

4 (3) The publication must designate the time and place
5 of sale.

6 (4) The time of sale must not be less than 21 or more
7 than 28 days from the first publication, and the place must
8 be in front of the county treasurer's office."

9 Section 8. Section 15-17-208, MCA, is amended to read:
10 "15-17-208. Assignment of county's interest. The
11 interest of the county in any property purchased at a tax
12 sale shall be assigned by the county treasurer as provided
13 by 15-17-303 upon the payment of the taxes, ~~penalties~~
14 costs, and interest specified in said section."

15 Section 9. Section 15-17-302, MCA, is amended to read:
16 "15-17-302. Disposition of money from sale or lease of
17 tax deed lands. All moneys received from the sale or lease
18 of tax deed lands or of any lands received in exchange shall
19 be paid into the county treasury and shall be credited to
20 each fund as the same would have been credited had the
21 moneys so received been paid as taxes upon said land
22 acquired by the county by tax deed or upon the lands
23 exchanged, and any surplus after paying all taxes with
24 interest ~~and penalties~~ shall belong to the county."

25 Section 10. Section 15-17-304, MCA, is amended to

1 read:

2 "15-17-304. Assessment of county tax deed lands. In
3 case a tax sale certificate on property assessed for taxes
4 is purchased by the county or otherwise, under part 2, it
5 must be assessed for taxes the next year in the same manner
6 as if it had not been so purchased. If the taxes resulting
7 from such assessment are not paid when such taxes become
8 due, said property shall again be sold, in manner as above
9 described; and said assessment of such property and the sale
10 of same, when the said taxes have not been paid upon coming
11 due or the property redeemed, shall be continued until the
12 time when such property shall have been redeemed from such
13 sales. No tax deed shall issue to any purchaser other than
14 the county under said sales until the applicant for such tax
15 deed shall have paid and discharged all taxes, ~~penalties~~ and
16 interest accumulated at the time of such application.
17 Purchasers of certificates of tax sale for years subsequent
18 to the oldest outstanding tax sales certificate shall have
19 the same privilege of redemption of such oldest outstanding
20 tax sales certificate as is the privilege of the original
21 owner of the property. Nothing herein contained shall be
22 construed to apply to holders of tax certificates, other
23 than counties, as of February 25, 1937."

25 read:

1 "15-17-312. Voided sale -- refund to purchaser. (1)
 2 Where a sale of land for delinquent taxes thereon is
 3 declared void by judgment of court for irregularity in the
 4 assessment, levy, or sale, the money paid by the purchaser
 5 at the sale or by any assignee of the state, county, city,
 6 town, or district upon taking the assignment shall, with
 7 interest at the rate of 3% per annum from the date of such
 8 payment, be refunded to the purchaser or owner of such tax
 9 certificate upon the order of the chairman of the board of
 10 county commissioners of the county in which such land lies.
 11 (?) The county shall then have a lien upon said
 12 property for the legal taxes on said property for the year
 13 in which it was sold, together with the ~~penalty--and~~
 14 interest; and so much of such money as has been paid to the
 15 state, city, town, or district by the treasurer of such
 16 county shall be charged to the state, city, town, or
 17 district by such treasurer and deducted from the next money
 18 due the state, city, town, or district, respectively, on
 19 account of taxes paid or collected. Purchasers of such
 20 certificate or owners thereof by assignment where sales have
 21 been made by cities or towns which by resolution or
 22 ordinance collect their own taxes instead of having the same
 23 collected by the county treasurer shall be reimbursed in
 24 similar manner and in similar circumstances out of the city
 25 or town treasury upon order of the mayor, with proper

1 charges and deductions against the respective funds of the
 2 said city or town, upon the next collection of taxes by said
 3 city or town.
 4 (3) If such purchaser or owner of such certificate
 5 after such purchase or assignment from the state, county,
 6 city, town, or district has paid the ~~taxes--penalty~~ and
 7 interest upon such piece or parcel of land, he or his
 8 assignee thereof shall have a lien upon such piece or parcel
 9 for the amount of ~~taxes--penalty~~ and interest so paid, with
 10 interest as now provided by law to be collected upon
 11 delinquent taxes, which lien shall have the same priority as
 12 is now provided by law; and if he is in possession of such
 13 piece or parcel of land, he shall not be ejected therefrom
 14 until such amount and interest ~~and--penalty~~ shall be paid."
 15 Section 12. Section 15-18-108, MCA, is amended to
 16 read:
 17 "15-18-108. Distribution of redemption proceeds.
 18 Whenever property sold to the county pursuant to the
 19 provisions of chapter 17 is redeemed as herein provided, the
 20 moneys received on account of such redemption must be
 21 distributed as follows: The original tax ~~and--the--penalty~~ and
 22 interest thereon paid in redemption must be apportioned and
 23 prorated to the credit of all the various funds, including
 24 state, county, school, school district, city, or town, in
 25 the ratio of their respective shares of the original tax.

1 The county treasurer must keep an accurate account of all
 2 money paid in redemption of property sold to the county and
 3 must, on the first Monday of June in each year, make a
 4 detailed report, verified by his affidavit, of each account,
 5 year for year, to the state auditor in such form as the
 6 state auditor may desire. Whenever the county receives from
 7 the county treasurer any grant of property so sold for
 8 taxes, the same shall be recorded by the county clerk and
 9 recorder free of charge, at the request of the county
 10 treasurer and shall be immediately reported by the county
 11 treasurer to the board of county commissioners.*

12 Section 13. Section 15-18-202, MCA, is amended to
 13 read:

14 "15-18-202. Notice of application for tax deed. (1)
 15 The purchaser of property sold for delinquent taxes or his
 16 assignee must, at least 60 days previous to the expiration
 17 of the time for redemption or at least 60 days before he
 18 applies for a deed, serve upon the owner of the property
 19 purchased, if known, and upon the person occupying the
 20 property, if the said property is occupied, and if the
 21 records in the office of the county clerk and recorder show
 22 an unreleased mortgage or mortgages upon the property
 23 purchased, upon the mortgagee or mortgagees named in said
 24 mortgage or mortgages or, if assigned, upon the assignee or
 25 assignees of said mortgage or mortgages, a written notice

1 stating that said property or a portion thereof has been
 2 sold for delinquent taxes, giving the date of sale, the
 3 amount of property sold, the amount for which it was sold,
 4 the amount due, and the time when the right of redemption
 5 will expire or when the purchaser will apply for a tax deed.
 6 The owner of the property or the mortgagee or the assignee
 7 of said mortgagee has the right of redemption indefinitely,
 8 until such notice has been given and the deed applied for,
 9 upon the payment of fees, ~~percentages~~ ~~penalties~~ ~~interest~~,
 10 and costs required by law.

11 (2) Notice of any owner, mortgagee, or assignee of
 12 mortgage shall be given by registered or certified letter
 13 addressed to such mortgagee or assignee at the post-office
 14 address of said owner, mortgagee, or assignee as disclosed
 15 by the mortgage records in the office of the county clerk
 16 and recorder. In case of unoccupied property or a mining
 17 claim, such notice must be by registered or certified mail
 18 deposited in the post office, addressed to any known owner
 19 residing in or outside of said county, with the postage
 20 thereon prepaid, at least 60 days before the expiration of
 21 the time for redemption or at least 60 days before the
 22 purchaser applies for such tax deed, in addition to notice
 23 to the mortgagee or assignee of mortgage in the manner and
 24 as hereby is provided.

25 (3) In all cases where the post-office address of the

1 owner, mortgagee, or assignee is unknown, the applicant
 2 shall publish once a week for 2 successive weeks in a
 3 newspaper published in the county where the property is
 4 situated a notice substantially in the following form:

5 Notice of Application for Tax Deed

6 Notice is hereby given that the undersigned will on the
 7 day of, 19..., apply to the county treasurer
 8 of county for a tax deed to the following described
 9 property, to wit:
 10 (Describe property)

11 Amount due \$.....

12 Date

13, (Applicant)

14 (4) The first publication of such notice must be made
 15 at least 60 days before the date of redemption or
 16 application for said deed.

17 (5) In all cases due proof of service of notice in
 18 whatever manner given, supported by the affidavit required
 19 by law, must be filed immediately with the clerk and
 20 recorder of the county in which the property is situated and
 21 be kept as a permanent file in his office, and such proof of
 22 notice when so filed shall be prima facie evidence of the
 23 sufficiency of the notice."

24 Section 14. Section 15-18-204, MCA, is amended to
 25 read:

1 "15-18-204. Affidavit of notice. No deed of the
 2 property sold at a delinquent tax sale shall be issued by
 3 the county treasurer to the purchaser of the property until
 4 the proof of service of notice of application for tax deed
 5 has been filed with the county clerk and recorder as
 6 required by 15-18-202. Such purchaser is entitled to receive
 7 the sum of \$3 for the service of said notice and the making
 8 of said affidavit required by 15-18-202, which sum of \$3
 9 must be paid by the redemptioner at the same time and in the
 10 same manner as other costs, percentages, penalties, interest,
 11 and fees are paid."

12 Section 15. Section 15-18-401, MCA, is amended to
 13 read:

14 "15-18-401. Action to quiet title to tax deed property
 15 -- notice. (1) In any action brought to set aside or annul
 16 any tax deed or to quiet title or to determine the rights of
 17 a purchaser, including the county, or his successors to real
 18 property claimed to have been acquired by reason of tax
 19 proceedings or a tax sale, the purchaser or his successor,
 20 upon filing an affidavit, may obtain from the court an order
 21 directed to the person claiming to own the property or to
 22 have any interest in or lien upon said property or a right
 23 to receive the same or claiming rights hostile to the tax
 24 title (which person is herein, for convenience, called the
 25 true owner), commanding him to:

1 (a) deposit in court to the use of the tax purchaser
2 or his successors:

3 (i) the amount of all taxes ~~and~~ interest ~~and~~
4 penalties which would have accrued if said property had been
5 regularly and legally assessed and taxed as the property of
6 said true owner and sold for delinquent taxes and was about
7 to be redeemed by him; and

8 (ii) the amount of all sums reasonably paid thereafter
9 by said purchaser or his successors after 3 years from the
10 date of said tax sale in preserving said property or in
11 making improvements thereon while in possession thereof, as
12 the total amount of said taxes, interest, penalties and
13 improvements is alleged by the plaintiff and as shall appear
14 in said order; or
15 (b) show cause on a date to be fixed in said order,
16 not exceeding 30 days from the date thereof, why such
17 payments should not be made.

18 (2) Said affidavit shall set forth the place of
19 residence of said true owners and whether they are in the
20 state of Montana, if known to the plaintiff, or that the
21 same is not known to the plaintiff.

22 (3) Said order shall be filed with the clerk and
23 recorder and a copy served personally upon all persons shown
24 in said affidavit to be residents of and in the state of
25 Montana, and jurisdiction shall be acquired over all other

1 persons by publishing the same once in a newspaper in the
2 county and by posting the same in three public places in the
3 county at least 10 days before the day fixed for the hearing
4 and by leaving a copy with the county treasurer.*

5 Section 16. Section 15-18-403, MCA, is amended to
6 read:

7 "15-18-403. Title conveyed by deed -- procedure to
8 cure defects. (1) All deeds executed more than 3 years after
9 any tax sale shall be deemed to convey to the grantee the
10 absolute title to the lands described therein as of the date
11 of the expiration of 3 years following the date of sale,
12 including all the right, title, interest, estate, lien,
13 claim, and demand of the state of Montana and of the county
14 in and to said real estate and including the right, if said
15 tax deed or tax sale or any of the tax proceedings upon
16 which said deed may be based shall be attacked and held
17 irregular or void, to recover the unpaid taxes ~~and~~
18 interest ~~and penalties~~ which would accrue if said tax
19 proceedings had been regular and it was desired to redeem
20 said property, free of all encumbrances except the lien for
21 taxes which may have attached subsequent to the sale and
22 except when the land is owned by the United States or the
23 state, in which case it is prima facie evidence of the right
24 of possession accruing as of the date of the expiration of
25 such period for redemption.

1 (2) If any tax deed or deed purporting to be such has
 2 been or shall be issued more than 3 years and 30 days after
 3 any tax sale or attempted tax sale, the grantee may Publish
 4 in any newspaper in the county published at the county seat
 5 or, if none, in any other newspaper, once a week for 2 weeks
 6 a notice entitled "a notice of claim of a tax title" which
 7 shall set forth a description of any property claimed to
 8 have been acquired by a tax deed; an estimate of the amount
 9 due thereon for taxes ~~and interest--and--penalties~~; and a
 10 statement that for further particulars reference is made to
 11 the records in the office of the county treasurer; also the
 12 name of the person claiming to have obtained a tax deed to
 13 said property and the name of the person in whose name said
 14 property was assessed or taxed and a statement that demand
 15 is made that such person shall, within 30 days after the
 16 first publication of said notice, pay to said claimant or to
 17 the county treasurer to his use the amount of the taxes ~~and~~
 18 ~~interest--and--penalties~~ as the same may appear in the
 19 records of the county treasurer or bring a suit to quiet his
 20 title or to set aside said tax deed or deeds. Any mistake in
 21 the amount or in any name specified in said notice shall not
 22 invalidate the same.

23 (3) If, within said period of 30 days, said taxes ~~and~~
 24 ~~interest--and--penalties~~ shall not have been paid or said
 25 suit brought, all defects in the tax proceedings and any

1 right of redemption shall be deemed waived and thereupon the
 2 title to said property described in said notice and in the
 3 tax deed shall be valid and binding, irrespective of any
 4 irregularities, defects, or omissions or total failures to
 5 observe any of the provisions of the statutes of Montana
 6 regarding the assessment, levying of taxes, or sale of
 7 property for taxes and the giving of notices including
 8 notices of redemption, whether or not such omissions or
 9 failures make said proceedings void (other than that the
 10 taxes were not delinquent or have been paid)."
 11 Section 17. Effective date and applicability. This act
 12 is effective on passage and approval and applies to real and
 13 personal property taxes that became due on or after November
 14 30, 1981, or that became due prior to November 30, 1981, and
 15 remain unpaid on or after November 30, 1981.

Yellowstone

28 Individuals name	parcels		amt owing
Carl E Rookhuzer	30	@	\$ 15,166.92
Jewway Inc Charles Spence	25	@	\$ 5,996.92
Gerald Grouse	20	@	\$ 16,271.94
Executive Homes Inc	21	@	\$ 33,972.60
J. G. D Rahn III Et Al	22	@	\$ 1915.99
Rose Gambercht	25	@	\$ 18,415.55
B. O. W. Inc	31	@	\$ 34,074.83
Utah Creek Land Co.	32	@	\$ 36,591.91
Ra Bonnie Realty	39	@	\$ 24,798.96
Victor Kichenback	47	@	\$ 2,959.41
Guerman & Pauck	48	@	\$ 1,584.25
Butt + Chorn Reese	191	@	\$ 55,812.19
Judith + Sam McDonald	219	@	\$ 22,676.47
Triple Q. Development	50	@	\$ 4,401.65
James A + Mary Ussin	28	@	\$ 1,539.97
James H + Betty Duine	37	@	\$ 3,463.16
Geo. Frank + John B Lourteris	22	@	\$ 239.82

Henry Packman & Solomon	32	@	\$	288.77
Terry E + Evelyn Logan + John P. + Darlene Sannon	48	@	\$	2461.70
Anna, Paul, + Patrick Sheridan	83	@	\$	12,662.93
Wm. Sheridan	31	@	\$	3,300.87
Roseann Sheridan	34	@	\$	6,266.06
Sumner Development	164	@	\$	20,725.24
King West Partners	250	@	\$	67,638.24
Monte R Kimble	40	@	\$	47,945.26
Real Estate Mart + Kober Const.	250	@	\$	20,898.46
Paul Court Et. Al.	47	@	\$	2,916.11
Rake Hills Golf Club	283	@	\$	37,181.92
28 Ind. for a Total				<hr/> \$502,168.10

STATEMENT OF DELINQUENT TAXES
YELLOWSTONE COUNTY
County Treasurer

Statement No. D3375 Billings, Mont., _____ 19__

Description: Lot 8 - 1-45-25
• 48

Interest due has been computed to 7200 19__ If not paid by that date, the amount shown below, cannot be accepted, unless there is added \$ _____ for each month or fractional month, thereafter.

NOTICE: THIS STATEMENT MUST BE RETURNED WITH REMITTANCE

Assessed in Year of	Tax Sale Certificate	Pym't	Original Tax	Penalty	Per Cent	Interest	Total Due
1977		1st	27	01		0 09	37
		2nd	27	01		08	36
1978		1st	54	01		13	68
		2nd	54	01		11	66
1979		1st	61	01		10	72
		2nd	61	01		07	69
1980		1st	56	01		04	61
		2nd	56	01		02	59
		1st					
		2nd					

**STATEMENT OF DELINQUENT TAXES
YELLOWSTONE COUNTY
County Treasurer**

Statement No. D 3507 Billings, Mont., Nov. 1981

*Henry J. & Clara Spelman;
Solomon & Elsie S
Rte 4, Central Ave Bldg, Mt.*

Description: NW NW 1/4 26 1N 23 40

Interest due has been computed to _____ 19____. If not paid by that date, the amount shown below, cannot be accepted, unless there is added \$ _____ for each month or fractional month, thereafter.

NOTICE: THIS STATEMENT MUST BE RETURNED WITH REMITTANCE

Assessed in Year of	Tax Sale Certificate	Pym't	Original Tax	Penalty	Per Cent	Interest	Total Due
1978		1st	2 15	04		52	2 71
		2nd	2 14	04		43	2 61
1979		1st	2 63	05		42	3 10
		2nd	2 62	05		31	2 98
1980		1st	2 45	05		20	2 70
		2nd	2 44	05		10	2 59
1981		1st	1 77				
		2nd	1 75				
		1st					
		2nd					

1980 TAX CODE NO.

D 3375

NT 1980 - Yellowstone County

15, Montana 59103
rears.

Taxes on real estate may be paid in two installments, the first installment on or before November 30th of each year and the second installment on or before May 31st following. If the first installment is not paid on or before November 30th then the amount of this FIRST INSTALLMENT ONLY, becomes delinquent. If the SECOND INSTALLMENT is not paid on or before May 31st following, then the amount of this second installment only becomes delinquent. When either installment becomes delinquent, a penalty of 2 percent is immediately added thereto, together with interest at the rate of 2/3 of 1 percent per month until paid. BOTH INSTALLMENTS MAY BE PAID AT ONE TIME on or before November 30th, if so desired.

City special improvement taxes and State Hall insurance assessments cannot be split in two payments but must be paid with first installment.

TAXABLE VALUE	S.D. CODE	TAX	TAXABLE VALUE	S.D. CODE	TAX
6	07	1.12			
TOTAL ASSESSED		6	1ST HALF GEN. TAX		56
20			2ND HALF GEN. TAX		56
			GENERAL TAX		1.12

DESCRIPTION	SPECIAL CODE	1ST HALF	2ND HALF	TOTAL SPECIAL

THIS PROPERTY DELINQUENT			

CITY TAX - THIS IS A BREAKDOWN OF WHERE YOUR GENERAL TAX DOLLAR GOES -			
& OTHER CHARGES	COUNTY TAX	STATE TAX	SCHOOL TAX
	26		83
		03	

PAY	DUE NOV. 30, 1980	PAY	DUE MAY 31, 1981	OR	TOTAL TAX DUE
1st HALF	56	2nd HALF	56	PAY TOTAL	1.12

PAY-MENT 1
PAY-MENT 2

3375 00

WORD FARMS
6th ST. W.
GGS, MT. 59102

8 1 4S 25 .48
D 3375

carefully before paying. See that all legal descriptions are covered. ALL the property on which you intend to pay and if Treasurer is not responsible for payments made on wrong lots so made cannot be refunded. Taxpayers will confer a assist this office by reporting any changes necessary to BEFORE NOVEMBER 15.

1ST	2ND

T 1979 - Yellowstone County

Montana 59103

as.

1979 TAX CODE NO.

D 03375

Taxes on real estate may be paid in two installments, the first installment on or before November 30th of each year and the second installment on or before May 31st following. If the first installment is not paid on or before November 30th then the amount of this FIRST INSTALLMENT ONLY becomes delinquent. If the SECOND INSTALLMENT is not paid on or before May 31st following, then the amount of this second installment only becomes delinquent. When either installment becomes delinquent, a penalty of 2 percent is immediately added thereto, together with interest at the rate of 2/3 of 1 percent per month until paid. BOTH INSTALLMENTS MAY BE PAID AT ONE TIME on or before November 30th, if so desired.

City special improvement taxes and State Hail Insurance assessments cannot be split in two payments but must be paid with first installment.

3375 00

FORD FARMS
16th ST. W.
MSS, MT. 59102

T 8 1 43 25 D 3375 .43

TAXABLE VALUE	S.D. CODE	TAX	TAXABLE VALUE	S.D. CODE	TAX
6 07		1.22			
TOTAL ASSESSED		TOTAL TAXABLE	1ST HALF GEN. TAX	2ND HALF GEN. TAX	GENERAL TAX
20		6	51	51	1.22
DESCRIPTION		SPECIAL CODE	1ST HALF	2ND HALF	TOTAL SPECIAL

City Treasurer is not responsible for errors or omissions made on wrong property.

1ST	2ND

THIS PROPERTY DELINQUENT

CITY TAX - THIS IS A BREAKDOWN OF WHERE YOUR GENERAL TAX DOLLAR GOES -			
& OTHER CHARGES	COUNTY TAX	STATE TAX	SCHOOL TAX
	27	04	01
PAY 1st HALF	PAY 2nd HALF	OR	TOTAL TAX DUE
51	51	51	122

PAYMENT 1
PAYMENT 2

NT 1978 - Yellowstone County

is, Montana 59103
reas.

1978 TAX CODE NO. D 3375

Taxes on real estate may be paid in two installments, the first installment on or before November 30th of each year and the second installment on or before May 31st following. If the first installment is not paid on or before November 30th then the amount of this FIRST INSTALLMENT ONLY becomes delinquent. If the SECOND INSTALLMENT is not paid on or before May 31st following, then the amount of this second installment only becomes delinquent. When either installment becomes delinquent, a penalty of 2 percent is immediately added thereto, together with interest at the rate of 2/3 of 1 percent per month until paid. BOTH INSTALLMENTS MAY BE PAID AT ONE TIME on or before November 30th, if so desired.

E: If your taxes are paid by a Lending
WARD this Notice IMMEDIATELY.

ILED THIS NOTICE MUST
nt ACCOMPANY PAYMENT

3375 00

CORD FARMS
6th ST. W.
903. Wf. 59102

18 1 45 25 D 3375 .43

ity Treasurer is not responsible
ents made on wrong property.

1ST	
2ND	

City special improvement taxes and State Hail Insurance assessments cannot be split in two payments but must be paid with first installment.

TAXABLE VALUE	S.D. CODE	TAX	TAXABLE VALUE	S.D. CODE	TAX
6	07	1.08			
TOTAL ASSESSED		TOTAL TAXABLE	1ST HALF GEN. TAX	2ND HALF GEN. TAX	GENERAL TAX
20	6	6	54	54	1.08

DESCRIPTION	SPECIAL CODE	1ST HALF	2ND HALF	TOTAL SPECIAL

THIS PROPERTY DELINQUENT

CITY TAX - THIS IS A BREAKDOWN OF WHERE YOUR GENERAL TAX DOLLAR GOES -	
8 & OTHER CHARGES	COUNTY TAX
	STATE TAX
	SCHOOL TAX
	27
	06
	75

PAY 1st HALF	DUE NOV. 30, 1978	PAY 2nd HALF	DUE MAY 31, 1979	TOTAL TAX DUE
54	54	54	54	108

PAY-
MENT 1
PAY-
MENT 2

1977 TAX CODE NO.

Taxes on real estate may be paid in two installments, the first installment on or before November 30th of each year and the second installment on or before May 31st following. If the first installment is not paid on or before November 30th then the amount of this FIRST INSTALLMENT ONLY becomes delinquent. If the SECOND INSTALLMENT is not paid on or before May 31st following, then the amount of this second installment only becomes delinquent. When either installment becomes delinquent, a penalty of 2 percent is immediately added thereto, together with interest at the rate of 2 1/2 of 1 percent per month until paid. BOTH INSTALLMENTS MAY BE PAID AT ONE TIME on or before November 30th, if so desired.

City special improvement taxes and State Hat insurance assessments cannot be split in two payments but must be paid with first installment.

TAXABLE VALUE	S.D. CODE	TAX	TAXABLE VALUE	S.D. CODE	TAX
TOTAL ASSESSED			TOTAL TAXABLE		
			1ST HALF GEN. TAX		
			2ND HALF GEN. TAX		
			GENERAL TAX		
DESCRIPTION					
		SPECIAL CODE	1ST HALF		2ND HALF
					TOTAL SPECIAL

2ND

Insurer is not responsible made on wrong property.

CITY TAX - THIS IS A BREAKDOWN OF WHERE YOUR GENERAL TAX DOLLAR GOES -
 & OTHER CHARGES | COUNTY TAX | STATE TAX | SCHOOL TAX

PAY DUE NOV. 30. 1977 PAY DUE MAY 31. 1978 OR TOTAL TAX DUE
 1st HALF PAY 2nd HALF PAY TOTAL

PAY-
MENT 1

PAY-
MENT 2

WITNESS STATEMENT

Name MICHAEL RALLIS Date 11-20-81
Address BUTTE, MONTANA Support ?
Representing BUTTE SILVER BOW TREASURER Oppose ?
Which Bill ? HB 15 Amend ?

Comments:

Interest Rates on the Taxpayer at 10% for first \$3000⁰⁰ + 12% over \$3000⁰⁰ isn't fair or feasible as there are too many variables.

A flat 12% a year on Real property is feasible as it covers everybody at a fair rate.

Also, it should be on the property instead of the Owner.

Please leave prepared statement with the committee secretary.

1. Title, line 9.
Following: line 8
Strike: "12"
Insert: "1"
Following: "PER"
Strike: "YEAR COMPOUNDED ANNUALLY"
Insert: "MONTH"

2. Title, line 10 through line 14.
Following: "PAID;"
Strike: line 10 through ", MCA" on line 14 in their entirety
Insert: "amending sections 15 -16 -101, 15-16-102 AND 15-17-303, MCA"

3. Pages 1 through 24.
Strike: all of the bill following the enacting clause
Insert:

Ken Nordvedt
Chapman and
Jay Tobrega
We are soon to
vote on the Gas Tax
bill - I can not leave
now -

I respectfully ask
that the House Taxation
Committee consider these
amendments -
I will try to be there as
soon as possible

Section 1. Section 15-16-101, MCA, is amended to read:

"15-16-101. Treasurer to publish notice -- manner of publication. (1) Within 10 days after the receipt of the assessment book, the county treasurer must publish a notice specifying:

(a) that one-half of all taxes levied and assessed will be due and payable before 5 p.m. on November 30 next thereafter and that unless paid prior thereto the amount then due will be delinquent and:

(i) will draw interest at the rate of:

(A) ~~5/6 of 1% per month from and after such delinquency on the first \$3,000 per taxpayer of each year's tax delinquency and~~

(B) 1% per month from and after such delinquency on each year's tax delinquency in excess of \$3,000 per taxpayer until paid and

(ii) 2% will be added to the delinquent taxes as a penalty;

(b) that one-half of all taxes levied and assessed will be due and payable on or before 5 p.m. on May 31 next thereafter and that unless paid prior to said date said taxes will be delinquent and:

(i) will draw interest at the rate of:

(A) ~~5/6 of 1% per month from and after such delinquency on the first \$3,000 per taxpayer of each year's tax delinquency and~~

(B) 1% per month from and after such delinquency on each year's tax delinquency in excess of \$3,000 per taxpayer until paid and

(ii) 2% will be added to the delinquent taxes as a penalty; and

(c) the time and place at which payment of taxes may be made.

(2) He must send to the last-known address of each taxpayer written notice, postage prepaid, showing the amount of taxes and assessments due the current year and the amount due and delinquent for other years. The written notice shall include:

(a) the taxable value of the property;

(b) the total mill levy applied to that taxable value;

(c) the value of each mill in that county;

(d) itemized city services and special improvement district assessments collected by the county;

(e) the number of the school district in which the property is located; and

(f) the amount of the total tax due that is levied as city tax, county tax, state tax, school district tax, and other tax.

(3) The municipality shall, upon request of the county treasurer, provide the information to be included under subsection (2)(d) ready for mailing.

(4) The notice in every case must be published for 2 weeks in some weekly or daily newspaper published in the county, if there is one, or if there is not, then by posting it in three public places. The failure to publish or post notices does not relieve the taxpayer from any of his liabilities. Any failure to give notice of the tax due for the current year or of delinquent tax will not affect the legality of the tax."

Section 2. Section 15-16-102, MCA, is amended to read:

"15-16-102. Time for payment -- penalty for delinquency. All taxes levied and assessed in the state of Montana, except assessments made for special improvements in cities and towns payable under 15-16-103, shall be payable as follows:

(1) One-half of the amount of such taxes shall be payable on or before 5 p.m. on November 30 of each year and one-half on or before 5 p.m. on May 31 of each year.

(2) Unless one-half of such taxes are paid on or before 5 p.m. on November 30 of each year, then such amount so payable shall become delinquent and

(a) shall draw interest at the rate of

~~(i) 5/6 of 1% per month from and after each delinquency on the first \$3,000 per taxpayer of each year's tax delinquency until paid; and~~

~~(ii) 1% per month from and after such delinquency until paid on each year's tax delinquency in excess of \$3,000 per taxpayer; and~~

(b) 2% shall be added to the delinquent taxes as a penalty.

(3) All taxes due and not paid on or before 5 p.m. on May 31 of each year shall be delinquent and

(a) shall draw interest at the rate of

~~(i) 5/6 of 1% per month from and after such delinquency on the first \$3,000 per taxpayer of each year's tax delinquency until paid; and~~

~~(ii) 1% per month from and after such delinquency until paid on each year's tax delinquency in excess of~~

~~\$3,000-per-taxpayer~~ and

(b) 2% shall be added to the delinquent taxes as a penalty."

Section 3. Section 15-17-303, MCA, is amended to read:

"15-17-303. Assignment of rights of county. (1) At any time after any parcel of land has been bid upon by the county as the purchaser thereof for taxes as provided in 15-17-207, the same not having been redeemed, the county treasurer shall assign all the right of the county therein acquired at such sale to any person who pays the amount for which the same was bid, with interest upon the original tax at the rate of ~~5/6~~ of 1% per month on the first ~~---\$3,000---~~ per taxpayer of each year's delinquent taxes and 1% per month on each year's delinquent taxes in excess of ~~---\$3,000---~~ per taxpayer and the amount of all subsequent delinquent taxes, penalties, costs, and interest as provided by law upon the same from time to time when such tax became delinquent. The county treasurer shall execute to such person a certificate for such parcel, which may be substantially in the following form:

"I,, the treasurer of the county of, state of Montana, do hereby certify that at the sale of lands pursuant to the tax assessment for the year 19.. in the county of and which sale was held on the day of, 19.., for the purpose of liquidating assessment, the following described parcel of land, situate in the county of, state of Montana, to wit: (insert description) was duly offered for sale; that there was no purchaser in good faith for the same as provided by law and no person or purchaser offered to take the same and pay the taxes, cost, and charges due as aforesaid. Accordingly, the whole amount of the property assessed and described as above was struck off to the county of as purchaser thereof for the sum of, and the same still remaining unredeemed, and on this day having paid into the treasury of such county the amount for which the same was bid, together with all subsequent delinquent taxes, penalties, costs, and interest amounting in all to dollars.

Now, therefore, in consideration thereof and pursuant to the statute in such case made and provided, I do hereby assign and set over all the right, title, and interest of the county of, state of Montana, acquired in such lands under and by virtue of the sale to, his heirs and assigns forever, together with all the rights, powers, and privileges of the county of to take steps to receive a deed thereof or receive payment in case of a redemption; subject, however, to redemption as provided by law.

Witness my hand and official seal of office this day of, 19...

..... (County Treasurer)"

(2) If the certificate described in subsection (1) becomes lost by accident or destroyed by the assignee, the county treasurer shall issue a duplicate certificate to the

assignee after the county treasurer is convinced that the certificate has been lost or destroyed and after the assignee has made an affidavit to that effect.

(3) The provisions of this section apply to any sale of land for which a treasurer's deed was not issued by March 5, 1917, and the holder of any certificate described in subsection (1) has the same rights, powers, and privileges with regard to securing a deed as any purchaser of land at tax sale may now have.

(4) As to any land received by the county in exchange, the same may be sold or leased the same as might have been done with the lands exchanged."

Section 4. Effective date and applicability. This act is effective on passage and approval and applies to real and personal property taxes that become due on or after November 30, 1981, or that became due prior to November 30, 1981, and remain unpaid on or after November 30, 1981.

WITNESS STATEMENT

Name Mary Jenkins Date 11/20/81
Address 2612 Adelphi Ln Support ? X
Representing Yellowstone County Oppose ?
Which Bill ? HB 15 Amend ?

Comments:

Support for 12% interest and
eliminating the \$3,000⁰⁰ factor.

Please leave prepared statement with the committee secretary.

WITNESS STATEMENT

Name John Davis Date _____

Address 117 Upton Bellefontaine Support ?

Representing Montana Treasurers Association Oppose ? _____

Which Bill ? HR 15 Amend ? _____

Comments:

READ A MOTION PASSED BY THE MONTANA
TREASURERS ASSOCIATION AT THE CONVENTION IN
LEWISTON

Please leave prepared statement with the committee secretary.

WITNESS STATEMENT

Name C. L. Buck O'Connell Date _____
Address H. Falls Support ? X
Representing Cascade County Oppose ? _____
Which Bill ? H.B. 15 Amend ? _____

Comments:

To present documents on debtors
to be for Cascade Co. and how the
two tier system will affect our collections.

Please leave prepared statement with the committee secretary.

VISITORS' REGISTER

HOUSE _____ TAXATION _____ COMMITTEE - SPECIAL SESSION

HB 15

Date 11-20-81

SPONSOR Fabrizio

NAME	RESIDENCE	REPRESENTING	SUPPORT	OPPOSE
W. J. ...	2612 ...	Co. Treas.	X	
Mike ...	Butte	Butte ... COUNTY TREASURER	X	
...	Butte	...	X	
...	X	
...	Helena	...	X	
Buck O'Connell	Great Falls	Co. Treasurer	X	
...	Helena	Dept of ...	X	
Chris ...	Helena	A ...	X	
Paul ...	Helena	...	X	
Mike ...	Helena	M & Co	X	
...	Great Falls		X	
...	Helena	...		
Darryl Meyer	St Falls		X	

IF YOU CARE TO WRITE COMMENTS, ASK SECRETARY FOR LONGER FORM.

PLEASE LEAVE PREPARED STATEMENT WITH SECRETARY.

STANDING COMMITTEE REPORT

November 20

19 81

MR. SPEAKER:

We, your committee on TAXATION

having had under consideration HOUSE Bill No. 15

A BILL FOR AN ACT ENTITLED: "AN ACT TO INCREASE THE INTEREST FOR DELINQUENT PROPERTY TAX PAYMENT FROM 5/6 OF 1 PERCENT PER MONTH FOR THE FIRST \$3,000 PER TAXPAYER OF EACH YEAR'S DELINQUENT TAXES AND 1 PERCENT PER MONTH FOR EACH YEAR'S DELINQUENT TAXES IN EXCESS OF \$3,000 PER TAXPAYER TO 12 PERCENT PER YEAR COMPOUNDED ANNUALLY FOR ALL DELINQUENT PROPERTY TAXES UNTIL SUCH TAXES ARE PAID; ELIMINATING THE PENALTY FOR DELINQUENCY; AMENDING SECTIONS 15-16-101 THROUGH 15-16-103, 15-16-601, 15-16-701, 15-17-101, 15-17-208, 15-17-303, 15-17-304, 15-17-312, 15-18-108, 15-18-202, 15-18-204, 15-18-401, AND 15-18-403, MCA; AND PROVIDING AN EFFECTIVE DATE AND AN APPLICABILITY DATE."

Respectfully report as follows: That HOUSE Bill No. 15
BE AMENDED AS FOLLOWS:

1. Title, line 9.

Following: line 8

Strike: "12"

Insert: "1"

Following: "PER"

Strike: "YEAR COMPOUNDED ANNUALLY"

Insert: "MONTH"

2. Title, line 10 through line 14.

Following: "PAID;"

Strike: line 10 through ",MCA" on line 14 in their entirety

Insert: "AMENDING SECTIONS 15-16-101, 15-16-102 AND 15-17-303, MCA"

3. Pages 1 through 24.

Strike: all of the bill following the enacting clause

Insert: Attachment

DO PASS AS AMENDED