CHAPTER NO. 105

# SENATE BILL NO. 257

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INTRODUCED BY THIESSEN, KVAALEN, OLSON, DAY, WOOD, E. SMITH, H. ROBBINS, WILLIAMS, WYRICK, K. ROBBINS

IN THE SENATE

January 25,	1979	Introduced and referred to Committee on Local Government.
February 7,	1979	Committee recommend bill do pass. Report adopted.
February 8,		Printed and placed on members' desks.
February 9,	1979	Second reading, do pass.
February 10,	1979	Considered correctly engrossed.
February 12,	1979	Third reading, passed. Transmitted to second house.

### IN THE HOUSE

February 13, 1979	Introduced and referred to Committee on Local Government.
March 2, 1979	Committee recommend bill be concurred in. Report adopted.
March 5, 1979	Second reading, concurred in.
March 7, 1979	Third reading, concurred in.

# IN THE SENATE

March 8, 1979 Returned from second house. Concurred in. Sent to enrolling. Reported correctly enrolled.

LC 0478/01

INTRODUCED BY Thing Kraal Olin Day 1 2 E. Smith H. Robbin Williams 3 L FOR AN ACT ENTITLED: "AN ACT TO PROVIDE THAT A BOAS 4 OF COUNTY COMMISSIONERS MAY ALLOCATE TO THE COUNTY ROAD FUND 5 50% OF THE PROCEEDS FROM LEASES BY THE COUNTY OF OIL AND GAS 6 INTERESTS: AMENDING SECTION 7-8-2306, MCA." 7 8

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

NEW SECTION. Section 1. Allocation of proceeds of oil 10 11 and gas leases and reserved royalty interests to county road fund. Each board of county commissioners may allocate to the 12 county road fund not more than 50% of the proceeds from oil 13 and gas leases entered into and royalty interests reserved 14 under Title 82, chapter 10, part 2. 15

Section 2. Section 7-8-2306, MCA, is amended to read: 10 "7-8-2306. Distribution of sale and lease proceeds. 17 18 The proceeds of every sale or lease under this part or part 25 shall be paid over to the county treasurer, who shall 19 apportion and distribute the same in the following manner: 20 (1) (a) Upon a sale of such property. the proceeds of 21 each sale up to the amount of \$10 shall be credited to the Z2 23 county general fund to reimburse such for expenditures made therefrom in connection with the procurement of the tax deed 24 25 and holding of the sale.

1 (b) Upon a sale of the property, if there be any amount remaining of such proceeds after the payment of the 2 amount specified in subsection (1)(a) and such remainder is: з 4 (i) in excess of the aggregate amount of all taxes and 5 assessments accrued against such property for all funds and 6 purposes, without penalty and interest, then so much of such 7 remaining proceeds shall be credited to each fund or purpose 8 as the same would have received had such taxes been paid before becoming delinguent, and all excess shall be credited 9 10 to the general fund of the county; or 11 (ii) is less in amount than the aggregate amount of all 12 taxes and assessments accrued against such property for all 13 funds and purposes, without penalty or interest, such 14 proceeds shall be prorated between such funds and purposes 15 in the proportion that the amount of taxes and assessments 16 accrued against such property for each such fund or purpose 17 bears to the aggregate amount of taxes and assessments

19 (2) Whenever tax-deed lands have been sold and the county has reserved a royalty interest, any sums of money 20 received from such royalty interest shall be credited to the 21 22 general fund of the county except that the board of county 23 commissioners may allocate to the county road fund not more 24 than 50% of the money received from reserved royalty 25 interests.

accrued against such property for all funds and purposes.

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SB 257 -2-INTRODUCED BILL

1 (3) Upon a lease of the property, <u>except as otherwise</u> 2 provided: the amount received as rent, royalty, or otherwise, including interest received on the payments under 3 4 either a sale or lease, shall be apportioned on the current 5 year's levy and shall be credited as earnings of tax-deed 6 property and not considered as a credit to tax-deed accrued accounts as in the case of the principal received from sales 7 of tax-deed lands." 8

Approved by Comm.

on Local Government Lact BILL NO. 257 1 2 with H. Rolding Williams 3 4 A BILL FOR AN ACT ENTITLED: "AN ACT TO PROVIDE THAT A BOAR 5 OF COUNTY COMMISSIONERS MAY ALLOCATE TO THE COUNTY ROAD 50% OF THE PROCEEDS FROM LEASES BY THE COUNTY OF OIL AND GAS 6 7 INTERESTS; AMENDING SECTION 7-8-2306, MCA.\*

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46th Legislature

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:
<u>NEW SECTION</u> Section 1. Allocation of proceeds of oil
and gas leases and reserved royalty interests to county road
fund. Each board of county commissioners may allocate to the
county road fund not more than 50% of the proceeds from oil
and gas leases entered into and royalty interests reserved
under Title 82, chapter 10, part 2.

Section 2. Section 7-8-2306, MCA, is amended to read: 10 "7-8-2306. Distribution of sale and lease proceeds. 17 18 The proceeds of every sale or lease under this part or part 19 25 shall be paid over to the county treasurer, who shall 20 apportion and distribute the same in the following manner: 21 (1) (a) Upon a sale of such property. the proceeds of 22 each sale up to the amount of \$10 shall be credited to the 23 county general fund to reimburse such for expenditures made 24 therefrom in connection with the procurement of the tax deed 25 and holding of the sale.

(b) Upon a sale of the property, if there be any 1 2 amount remaining of such proceeds after the payment of the 3 amount specified in subsection (1)(a) and such remainder is: (i) in excess of the aggregate amount of all taxes and 5 assessments accrued against such property for all funds and purposes, without penalty and interest, then so much of such 6 7 remaining proceeds shall be credited to each fund or purpose 8 as the same would have received had such taxes been paid Q 'before becoming delinquent, and all excess shall be credited 10 to the general fund of the county; or (ii) is less in amount than the aggregate amount of all 11

12 taxes and assessments accrued against such property for all 13 funds and purposes, without penalty or interest, such 14 proceeds shall be prorated between such funds and purposes 15 in the proportion that the amount of taxes and assessments 16 accrued against such property for each such fund or purpose 17 bears to the aggregate amount of taxes and assessments 18 accrued against such property for all funds and purposes.

19 (2) Whenever tax-deed lands have been sold and the 20 county has reserved a royalty interest, any sums of money 21 received from such royalty interest shall be credited to the 22 general fund of the county <u>except that the board of county</u> 23 <u>commissioners may allocate to the county road fund not more</u> 24 <u>than 50% of the money received from reserved royalty</u> 25 <u>interests</u>.

-2- SECOND READING

1 (3) Upon a lease of the property, except as otherwise 2 provided: the amount received as rent. royalty. or 3 otherwise, including interest received on the payments under either a sale or lease, shall be apportioned on the current 4 year's levy and shall be credited as earnings of tax-deed 5 property and not considered as a credit to tax-deed accrued 6 7 accounts as in the case of the principal received from sales 8 of tax-deed lands."

Greet BILL NO. 257 Lines Kvaale Olem De 1 2 E. Smith H. Robbin Williamo 3 A BILL FOR AN ACT ENTITLED: "AN ACT TO PROVIDE THAT A BOJ 4 OF COUNTY COMMISSIONERS MAY ALLOCATE TO THE COUNTY ROAD FUND 5 50% OF THE PROCEEDS FROM LEASES BY THE COUNTY OF DIL AND GAS 6 INTERESTS: AMENDING SECTION 7-8-2306, MCA.\* 7 8

9 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA: 10 <u>NEW SECTION</u> Section 1. Allocation of proceeds of oil 11 and gas leases and reserved royalty interests to county road 12 fund. Each board of county commissioners may allocate to the 13 county road fund not more than 50% of the proceeds from oil 14 and gas leases entered into and royalty interests reserved 15 under Title 82, chapter 10, part 2.

Section 2. Section 7-8-2306, MCA, is amended to read: 16 #7-8-2306. Distribution of sale and lease proceeds. 17 The proceeds of every sale or lease under this part or part 18 19 25 shall be paid over to the county treasurer, who shall 20 apportion and distribute the same in the following manner: 21 (1) (a) Upon a sale of such property, the proceeds of 22 each sale up to the amount of \$10 shall be credited to the county general fund to reisburse such for expenditures made 23

24 therefrom in connection with the procurement of the tax deed 25 and holding of the sale.

1 (b) Upon a sale of the property, if there be any 2 amount remaining of such proceeds after the payment of the amount specified in subsection (1)(a) and such remainder is: 3 4 (i) in excess of the aggregate amount of all taxes and 5 assessments accrued against such property for all funds and 6 purposes, without penalty and interest, then so much of such 7 remaining proceeds shall be credited to each fund or purpose R as the same would have received had such taxes been paid 9 before becoming delinguent, and all excess shall be credited 10 to the general fund of the county; or

11 (ii) is less in amount than the accrecate amount of all 12 taxes and assessments accrued against such property for all 13 funds and purposes, without penalty or interest, such proceeds shall be prorated between such funds and purposes 14 15 in the proportion that the amount of taxes and assessments 16 accrued against such property for each such fund or purpose 17 bears to the aggregate amount of taxes and assessments 18 accrued against such property for all funds and purposes.

19 (2) Whenever tax-deed lands have been sold and the 20 county has reserved a royalty interest, any sums of money 21 received from such royalty interest shall be credited to the 22 general fund of the county <u>except that the board of county</u> 23 <u>commissioners may allocate to the county road fund not more</u> 24 <u>than 501 of the money received from reserved royalty</u> 25 <u>interests</u>.

> -2- SB257 THIRD READING

1 (3) Upon a lease of the property, except as otherwise orovided, the amount received as rent, royalty, or 2 otherwise, including interest received on the payments under 3 either a sale or lease, shall be apportioned on the current 4 year's levy and shall be credited as earnings of tax-deed 5 6 property and not considered as a credit to tax-deed accrued 7 accounts as in the case of the principal received from sales of tax-deed lands.\* 8

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1 and holding of the sale.

2 (b) Upon a sale of the property, if there be any 3 amount remaining of such proceeds after the payment of the amount specified in subsection (1)(a) and such remainder is: 5 (i) in excess of the appreciate amount of all taxes and assessments accrued against such property for all funds and 6 7 purposes, without penalty and interest, then so much of such remaining proceeds shall be credited to each fund or purpose 8 as the same would have received had such taxes been paid 9 10 before becoming delinguent, and all excess shall be credited 11 to the general fund of the county; or 12 (ii) is less in amount than the aggregate amount of all 13 taxes and assessments accrued against such property for all funds and purposes, without penalty or interest, such 14 proceeds shall be prorated between such funds and purposes 15 16 in the proportion that the amount of taxes and assessments 17 accrued against such property for each such fund or purpose 18 bears to the aggregate amount of taxes and assessments 19 accrued against such property for all funds and purposes. 20 (2) Whenever tax-deed lands have been sold and the county has reserved a royalty interest, any sums of money 21 22 received from such royalty interest shall be credited to the 23 general fund of the county except that the board of county 24 commissioners\_\_may\_allocate\_to\_the\_county\_road\_fund\_not\_more 25 than 503 of the money received from reserved royalty

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3 E. SMITH. H. ROBBINS, WILLIAMS, WYRICK, K. ROBBINS 4 5 A BILL FOR AN ACT ENTITLED: "AN ACT TO PROVIDE THAT A BOARD OF COUNTY COMMISSIONERS MAY ALLOCATE TO THE COUNTY ROAD FUND 6 50% OF THE PROCEEDS FROM LEASES BY THE COUNTY OF GIL AND GAS 7 INTERESTS: AMENDING SECTION 7-8-2306+ MCA." 8 9 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA: 10 11 NEW SECTION. Section 1. Allocation of proceeds of oil and gas leases and reserved royalty interests to county road 12 13 fund. Each board of county commissioners may allocate to the 14 county road fund not more than 50% of the proceeds from oil 15 and gas leases entered into and royalty interests reserved 16 under Title 82, chapter 10, part 2. 17 Section 2. Section 7-8-2306, MCA, is amended to read: 18 "7-8-2306. Distribution of sale and lease proceeds. 19 The proceeds of every sale or lease under this part or part 20 25 shall be paid over to the county treasurer, who shall 21 apportion and distribute the same in the following manner: 22 (1) (a) Upon a sale of such property, the proceeds of each sale up to the amount of \$10 shall be credited to the 23 county general fund to reimburse such for expenditures made 24 25 therefrom in connection with the procurement of the tax deed

SENATE BILL NO. 257

INTRODUCED BY THIESSEN, KVAALEN, OLSON, DAY, WOOD,

REFERENCE BILL

SB 257

### \$8 0257/02

SB 257

#### 1 interests.

Z (3) Upon a lease of the property, except as otherwise 3 provided, the amount received as rent, royalty, or 4 otherwise, including interest received on the payments under 5 either a sale or lease, shall be apportioned on the current year's levy and shall be credited as earnings of tax-deed 6 7 property and not considered as a credit to tax-deed accrued accounts as in the case of the principal received from sales 8 of tax-deed lands.\* q