

HOUSE BILL NO. 645

Introduced: 02/04/83

Referred to Committee on Taxation: 02/04/83

Hearing: 2/15/83

Report: 02/15/83, Do Pass

2nd Reading: 02/18/83, Do Pass

3rd Reading: 02/22/83, Do Pass

Transmitted to Senate: 2/22/83

Referred to Committee on Taxation: 3/1/83

Hearing: 3/14/83

Report: 3/18/83, Be Not concurred In. Report Adopted.

Bill Killed

1 House BILL NO. 645  
2 INTRODUCED BY Schul  
3

4 A BILL FOR AN ACT ENTITLED: "AN ACT REQUIRING PAYMENT OF  
5 PROPERTY TAXES BEFORE A PARCEL OF LAND MAY BE DIVIDED;  
6 AMENDING SECTIONS 76-3-207 AND 76-3-303, MCA."  
7

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

9 Section 1. Section 76-3-207, MCA, is amended to read:

10 "76-3-207. Subdivisions exempted from review but  
11 subject to survey requirements -- exceptions. (1) Except as  
12 provided in subsection (2), unless the method of disposition  
13 is adopted for the purpose of evading this chapter, the  
14 following divisions of land are not subdivisions under this  
15 chapter but are subject to the surveying requirements of  
16 76-3-401 for divisions of land not amounting to  
17 subdivisions:

18 (a) divisions made outside of platted subdivisions for  
19 the purpose of relocating common boundary lines between  
20 adjoining properties;

21 (b) divisions made outside of platted subdivisions for  
22 the purpose of a gift or sale to any member of the  
23 landowner's immediate family;

24 (c) divisions made outside of platted subdivisions by  
25 sale or agreement to buy and sell where the parties to the

1 transaction enter a covenant running with the land and  
2 revocable only by mutual consent of the governing body and  
3 the property owner that the divided land will be used  
4 exclusively for agricultural purposes;

5 (d) a single division of a parcel outside of platted  
6 subdivisions when the transaction is an occasional sale;

7 (e) for five or fewer lots within a platted  
8 subdivision, relocation of common boundaries and the  
9 aggregation of lots.

10 (2) Notwithstanding the provisions of subsection (1):

11 (a) within a platted subdivision filed with the county  
12 clerk and recorder, any division of lots which results in an  
13 increase in the number of lots or which redesigns or  
14 rearranges six or more lots must be reviewed and approved by  
15 the governing body, and an amended plat must be filed with  
16 the county clerk and recorder;

17 (b) any change in use of the land exempted under  
18 subsection (1)(c) for anything other than agricultural  
19 purposes subjects the division to the provisions of this  
20 chapter.

21 ~~(3) No division of land may be made under this~~  
22 ~~section until all property taxes assessed, levied, and due~~  
23 ~~on the land involved have been paid."~~

24 Section 2. Section 76-3-303, MCA, is amended to read:

25 "76-3-303. Contract for deed permitted if buyer

1   protected. Notwithstanding the provisions of 76-3-301, after  
2   the preliminary plat of a subdivision has been approved or  
3   conditionally approved, the subdivider may enter into  
4   contracts to sell lots in the proposed subdivision if all of  
5   the following conditions are met:

6       (1) that under the terms of the contracts the  
7   purchasers of lots in the proposed subdivision make any  
8   payments to an escrow agent which must be a bank or savings  
9   and loan association chartered to do business in the state  
10   of Montana;

11       (2) that under the terms of the contracts and the  
12   escrow agreement the payments made by purchasers of lots in  
13   the proposed subdivision may not be distributed by the  
14   escrow agent to the subdivider until the final plat of the  
15   subdivision is filed with the county clerk and recorder;

16       (3) that the contracts and the escrow agreement  
17   provide that if the final plat of the proposed subdivision  
18   is not filed with the county clerk and recorder within 2  
19   years of the preliminary plat approval, the escrow agent  
20   shall immediately refund to each purchaser any payments he  
21   has made under the contract; and

22       ~~(4) that all property taxes assessed, levied, and due~~  
23   ~~on the land have been paid; and~~

24       (4)(5) that the contracts contain the following  
25   language conspicuously set out therein: "The real property

1   which is the subject hereof has not been finally platted,  
2   and until a final plat identifying the property has been  
3   filed with the county clerk and recorder, title to the  
4   property cannot be transferred in any manner." "

-End-

Approved by committee  
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(2) that under the terms of the contracts and the escrow agreement the payments made by purchasers of lots in the proposed subdivision may not be distributed by the escrow agent to the subdivider until the final plat of the subdivision is filed with the county clerk and recorder;

(3) that the contracts and the escrow agreement provide that if the final plat of the proposed subdivision is not filed with the county clerk and recorder within 2 years of the preliminary plat approval, the escrow agent shall immediately refund to each purchaser any payments he has made under the contract; and

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-End-