

1 HOUSE BILL NO. 519
2 INTRODUCED BY JALGS

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 section
22 unless the county treasurer has certified that no real
23 property taxes assessed and levied on the land to be divided
24 are delinquent."

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



1 "76-3-303. Contract for deed permitted if buyer
2 protected. Notwithstanding the provisions of 76-3-301, after
3 the preliminary plat of a subdivision has been approved or
4 conditionally approved, the subdivider may enter into
5 contracts to sell lots in the proposed subdivision if all of
6 the following conditions are met:

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

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

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

23 (4) that the county treasurer has certified that no
24 real property taxes assessed and levied on the land to be
25 divided are delinquent; and

1 ~~(4)~~(5) that the contracts contain the following
2 language conspicuously set out therein: "The real property
3 which is the subject hereof has not been finally platted,
4 and until a final plat identifying the property has been
5 filed with the county clerk and recorder, title to the
6 property cannot be transferred in any manner."."

-End-

APPROVED BY COMM.
ON LOCAL GOVERNMENT

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SECOND READING

HB 519



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