HOUSE BILL NO. 519

INTRODUCED BY SALES

IN THE HOUSE

January 28, 1985	Introduced and referred to Committee on Local Government.
February 13, 1985	Committee recommend bill do pass. Report adopted.
	Bill printed and placed on members' desks.
February 16, 1985	Second reading, do pass.
	Considered correctly engrossed.
February 18, 1985	Third reading, passed.
	Transmitted to Senate.
IN	THE SENATE
February 19, 1985	Introduced and referred to Committee on Local Government.
March 25, 1985	Committee recommend bill be concurred in. Report adopted.
March 28, 1985	Second reading, concurred in.
March 30, 1985	Third reading, concurred in. Ayes, 49; Noes, 0.
	Returned to House.
IN	THE HOUSE
March 30, 1985	Received from Senate.
	Sent to enrolling.
	Reported correctly enrolled.

Montana Legislative Council

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1	HOUSE BILL NO. 519
2	INTRODUCED BY JALES
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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
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transaction enter a covenant running with the land and
 revocable only by mutual consent of the governing body and
 the property owner that the divided land will be used
 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;

(b) any change in use of the land exempted under
subsection (1)(c) for anything other than agricultural
purposes subjects the division to the provisions of this
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 delinguent."
25 Section 2. Section 76-3-303, MCA, is amended to read:

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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 delinguent; 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."."

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APPROVED BY COMM. ON LOCAL GOVERNMENT

1	HOUSE BILL NO. 519	1
2	INTRODUCED BY JALES	2
3		3
4	A BILL FOR AN ACT ENTITLED: "AN ACT REQUIRING PAYMENT OF	4
5	PROPERTY TAXES BEFORE A PARCEL OF LAND MAY BE DIVIDED;	5
6	AMENDING SECTIONS 76-3-207 AND 76-3-303, MCA."	6
7		7
8	BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:	8
9	Section 1. Section 76-3-207, MCA, is amended to read:	9
10	"76-3-207. Subdivisions exempted from review but	10
11	subject to survey requirements exceptions, (1) Except as	11
12	provided in subsection (2), unless the method of disposition	12
13	is adopted for the purpose of evading this chapter, the	13
14	following divisions of land are not subdivisions under this	14
15	chapter but are subject to the surveying requirements of	15
16	76-3-401 for divisions of land not amounting to	16
17	subdivisions:	17
18	(a) divisions made outside of platted subdivisions for	18
19	the purpose of relocating common boundary lines between	19
20	adjoining properties;	20
21	(b) divisions made outside of platted subdivisions for	21
22	the purpose of a gift or sale to any member of the	22
23	landowner's immediate family;	23
24	(c) divisions made outside of platted subdivisions by	24
25	sale or agreement to buy and sell where the parties to the	25

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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 (l)(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: SECOND READING -2-

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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;

(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;

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

(4) that the county treasurer has certified that no
 real property taxes assessed and levied on the land to be
 divided are delinguent; 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-

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1	HOUSE BILL NO. 519	1	transacti
2	INTRODUCED BY	2	revocable
3		3	the prop
4	A BILL FOR AN ACT ENTITLED: "AN ACT REQUIRING PAYMENT OF	4	exclusive
5	PROPERTY TAXES BEFORE A PARCEL OF LAND MAY BE DIVIDED;	5	(d)
6	AMENDING SECTIONS 76-3-207 AND 76-3-303, MCA."	6	subdivisi
7		7	(e)
8	BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:	8	subdivisi
9	Section 1. Section 76-3-207, MCA, is amended to read:	9	aggregati
10	"76-3-207. Subdivisions exempted from review but	10	(2)
11	subject to survey requirements exceptions. (1) Except as	11	(a)
12	provided in subsection (2), unless the method of disposition	12	clerk and
13	is adopted for the purpose of evading this chapter, the	13	increase
14	following divisions of land are not subdivisions under this	14	rearrange
15	chapter but are subject to the surveying requirements of	15	the gove
16	76-3-401 for divisions of land not amounting to	16	the count
17	subdivisions:	17	(b)
18	(a) divisions made outside of platted subdivisions for	18	subsectio
19	the purpose of relocating common boundary lines between	19	purposes
20	adjoining properties;	20	chapter.
21	(b) divisions made outside of platted subdivisions for	21	<u>(3)</u>
22	the purpose of a gift or sale to any member of the	22	unless
23	landowner's immediate family;	23	property
24	(c) divisions made outside of platted subdivisions by	24	<u>are deli</u>
25	sale or agreement to buy and sell where the parties to the	25	Sec

transaction enter a covenant running with the land and
 revocable only by mutual consent of the governing body and
 the property owner that the divided land will be used
 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):

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

<u>(3) No division of land may be made under this section</u>
 <u>unless the county treasurer has certified that no real</u>
 <u>property taxes assessed and levied on the land to be divided</u>
 <u>are delinquent.</u>"
 Section 2. Section 76-3-303, MCA, is amended to read:

THIRD READING -2-HB 519

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

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

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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-

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REFERENCE BILL

1	HOUSE BILL NO. 519	1	transaction enter a covenant running with the land and
2	INTRODUCED BY SALES	2	revocable only by mutual consent of the governing body and
3		3	the property owner that the divided land will be used
4	A BILL FOR AN ACT ENTITLED: "AN ACT REQUIRING PAYMENT OF	4	exclusively for agricultural purposes;
5	PROPERTY TAXES BEFORE A PARCEL OF LAND MAY BE DIVIDED;	5	(d) a single division of a parcel outside of platted
6	AMENDING SECTIONS 76-3-207 AND 76-3-303, MCA."	6	subdivisions when the transaction is an occasional sale;
7		7	(e) for five or fewer lots within a platted
B	BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:	8	subdivision, relocation of common boundaries and the
9	Section 1. Section 76-3-207, MCA, is amended to read:	9	aggregation of lots.
10	"76-3-207. Subdivisions exempted from review but	10	(2) Notwithstanding the provisions of subsection (1):
11	<pre>subject to survey requirements exceptions. (1) Except as</pre>	11	(a) within a platted subdivision filed with the county
12	provided in subsection (2), unless the method of disposition	12	clerk and recorder, any division of lots which results in an
13	is adopted for the purpose of evading this chapter, the	13	increase in the number of lots or which redesigns or
14	following divisions of land are not subdivisions under this	14	rearranges six or more lots must be reviewed and approved by
15	chapter but are subject to the surveying requirements of	15	the governing body, and an amended plat must be filed with
16	76-3-401 for divisions of land not amounting to	16	the county clerk and recorder;
17	subdivisions:	17	(b) any change in use of the land exempted under
18	(a) divisions made outside of platted subdivisions for	18	subsection (1)(c) for anything other than agricultural
19	the purpose of relocating common boundary lines between	19	purposes subjects the division to the provisions of this
20	adjoining properties;	20	chapter.
21	(b) divisions made outside of platted subdivisions for	21	(3) No division of land may be made under this section
22	the purpose of a gift or sale to any member of the	22	unless the county treasurer has certified that no real
23	landowner's immediate family;	23	property taxes assessed and levied on the land to be divided
24	(c) divisions made outside of platted subdivisions by	24	are delinguent."
25	sale or agreement to buy and sell where the parties to the	25	Section 2. Section 76-3-303, MCA, is amended to read:
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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:

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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

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 language conspicuously set out therein: "The real property
 which is the subject hereof has not been finally platted,
 and until a final plat identifying the property has been
 filed with the county clerk and recorder, title to the
 property cannot be transferred in any manner."."

-End-

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