

SENATE BILL NO. 162

INTRODUCED BY MAZUREK

BY REQUEST OF THE REVENUE OVERSIGHT COMMITTEE

IN THE SENATE

JANUARY 20, 1987 INTRODUCED AND REFERRED TO COMMITTEE
ON TAXATION.

FEBRUARY 12, 1987 COMMITTEE RECOMMEND BILL
DO PASS AS AMENDED. REPORT ADOPTED.

FEBRUARY 13, 1987 PRINTING REPORT.

FEBRUARY 16, 1987 SECOND READING, DO PASS AS AMENDED.

FEBRUARY 17, 1987 ENGROSSING REPORT.

FEBRUARY 18, 1987 THIRD READING, PASSED.
AYES, 50; NOES, 0.

TRANSMITTED TO HOUSE.

IN THE HOUSE

FEBRUARY 23, 1987 INTRODUCED AND REFERRED TO COMMITTEE
ON TAXATION.

APRIL 9, 1987 COMMITTEE RECOMMEND BILL BE
CONCURRED IN. REPORT ADOPTED.

APRIL 11, 1987 SECOND READING, CONCURRED IN.

APRIL 13, 1987 THIRD READING, CONCURRED IN.
AYES, 87; NOES, 8.

RETURNED TO SENATE.

IN THE SENATE

APRIL 14, 1987 RECEIVED FROM HOUSE.

SENT TO ENROLLING.

1 Senate BILL NO. 162
 2 INTRODUCED BY J. H. ...
 3 BY REQUEST OF THE REVENUE OVERSIGHT COMMITTEE

4
 5 A BILL FOR AN ACT ENTITLED: "AN ACT GENERALLY REVISING THE
 6 LAWS RELATING TO PROPERTY TAX COLLECTIONS, PROPERTY TAX
 7 DELINQUENCIES, AND THE TAX DEEDING PROCESS; AMENDING
 8 SECTIONS 7-6-4414, 7-21-2104, 15-16-101, 15-16-102,
 9 15-16-111 THROUGH 15-16-115, 15-16-117, 15-16-301 THROUGH
 10 15-16-303, 15-16-305, 15-16-401, 15-16-402, 15-16-404,
 11 15-16-504, 15-16-601, 15-16-701 THROUGH 15-16-704,
 12 15-23-704, 15-24-302, 20-15-403, 76-13-211, 85-7-2152,
 13 85-7-2154 THROUGH 85-7-2156, AND 85-7-2163, MCA; REPEALING
 14 SECTIONS 15-16-116, 15-16-501, 15-16-502, 15-16-505,
 15 15-17-101, 15-17-102, 15-17-111 THROUGH 15-17-113, 15-17-201
 16 THROUGH 15-17-208, 15-17-301 THROUGH 15-17-305, 15-17-311,
 17 15-17-312, 15-17-901 THROUGH 15-17-903, 15-18-101 THROUGH
 18 15-18-108, 15-18-201 THROUGH 15-18-205, 15-18-301 THROUGH
 19 15-18-309, AND 15-18-401 THROUGH 15-18-404, MCA; AND
 20 PROVIDING AN IMMEDIATE EFFECTIVE DATE."

21
 22 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:
 23 NEW SECTION. Section 1. Definitions. Except as
 24 otherwise specifically provided, when terms mentioned in
 25 [sections 1 through 26] are used in connection with

1 taxation, they are defined in the following manner:
 2 (1) "Certificate" or "tax sale certificate" means the
 3 document described in [section 6].
 4 (2) "County" means any county government and includes
 5 those classified as consolidated governments.
 6 (3) "Property tax lien" means a lien acquired by the
 7 payment at a tax sale of all outstanding delinquent taxes,
 8 including penalties, interest, and costs.
 9 (4) "Purchaser" means any person, other than the
 10 person to whom the property is assessed, who pays at the tax
 11 sale the delinquent taxes, including penalties, interest,
 12 and costs, and receives a certificate representing a lien on
 13 the property or who is otherwise listed as the purchaser.
 14 An assignee is a purchaser.
 15 (5) "Tax", "taxes", or "property taxes" means all ad
 16 valorem property taxes, property assessments, fees related
 17 to property, and assessments for special improvement
 18 districts and rural special improvement districts.
 19 (6) "Tax sale" means:
 20 (a) with respect to real property and improvements,
 21 the offering for sale by the county treasurer of a property
 22 tax lien representing delinquent taxes, including penalties,
 23 interest, and costs; and
 24 (b) with respect to personal property, the offering
 25 for sale by the county treasurer of personal property on



1 which the taxes are delinquent or other personal property on
2 which the delinquent taxes are a lien.

3 NEW SECTION. Section 2. Notice of pending tax sale.

4 (1) The county treasurer shall publish or post a notice of
5 pending tax sale. The notice must include:

6 (a) the specific time, date, and place an interest in
7 the property on which the taxes are delinquent will be
8 offered for sale;

9 (b) a statement that the delinquent taxes, including
10 penalties, interest, and costs, are a lien upon the property
11 and that unless the delinquent taxes, penalties, interest,
12 and costs are paid prior to the time of the tax sale, the
13 lien will be offered for sale at the time and place
14 specified in subsection (1)(a).

15 (2) The notice required in subsection (1) must also
16 include a statement that a list of each property on which
17 the taxes are delinquent is on file in the office of the
18 county treasurer and open to inspection. The list must
19 include:

20 (a) the name and address of the person to whom the
21 delinquent taxes are assessed;

22 (b) the amounts of the delinquent taxes, all accrued
23 penalties, interest, and other costs; and

24 (c) a statement that penalties, interest, and costs
25 will be added to delinquent taxes.

1 (3) The notice must be published once a week for 3
2 consecutive weeks in the newspaper designated for county
3 printing as provided in 7-5-2411. If no newspaper is
4 published in the county, the notice must be posted by the
5 county treasurer in three public places. The notice must be
6 first published or posted on or before the last Monday in
7 June.

8 (4) Except as provided in [section 5(2)], the sale may
9 not be held less than 21 days or more than 28 days from the
10 date of first publication or first day the notice is posted.

11 (5) The sale must be held at the county courthouse.

12 (6) Property on which taxes are delinquent but for
13 which proper notification was not made may not be included
14 in the current year's notice and sale. In the event of
15 improper notification, the sale may be held on all property
16 properly noticed.

17 NEW SECTION. Section 3. Copy of notice to be filed
18 with county clerk -- affidavit. (1) Immediately following
19 publication or posting of the notice required in [section
20 2], the county treasurer shall file a copy of the notice
21 with the county clerk. The copy must be accompanied by an
22 affidavit signed by the county treasurer stating:

23 (a) the name of the newspaper and its address of
24 publication; and

25 (b) the dates the notice was published.

1 (2) If no newspaper is published in the county, the
2 affidavit must list the locations and date of the posting
3 required by [section 2].

4 (3) The affidavit filed under subsection (1) or (2) is
5 prima facie evidence of all the facts stated therein.

6 NEW SECTION. Section 4. Irregular assessment. If the
7 county treasurer discovers, prior to the tax sale, that
8 property on which the taxes are delinquent has been
9 irregularly assessed, he may not offer the property or a
10 property tax lien for sale. In such event, the taxes on the
11 property must be listed on the assessment book as
12 uncollected for the year in which they were due, and they
13 must be assessed and collected during the succeeding year as
14 taxes are regularly assessed and collected.

15 NEW SECTION. Section 5. Conduct of tax sale. (1) On
16 the date and at the time and place specified in the notice,
17 the county treasurer shall, except as provided in [section
18 4], begin the tax sale of all property described in the list
19 required in [section 2(2)]. The tax sale must continue
20 until the county treasurer declares it over, but must
21 continue for a period of not less than 1 day. The treasurer
22 is not required to read the list but shall make a copy of
23 the list available for public inspection during regular
24 business hours.

25 (2) The treasurer may postpone the day of commencing

1 the sale on a day-to-day basis without publishing a new
2 notice, provided that the sale is held within 3 weeks from
3 the day first fixed.

4 (3) Property assessed under [section 12] that has not
5 been sold to a purchaser other than the county may, at the
6 discretion of the county treasurer, be offered for sale at
7 tax sales subsequent to the sale at which it was first
8 offered.

9 NEW SECTION. Section 6. Tax sale certificate. (1)
10 Upon receipt of all delinquent taxes, penalties, interest,
11 and costs, the county treasurer shall prepare a tax sale
12 certificate that must contain:

13 (a) the date on which the property taxes became
14 delinquent;

15 (b) the date on which a property tax lien was sold at
16 a tax sale;

17 (c) the name and address of record of the person to
18 whom the taxes were assessed;

19 (d) a description of the property on which the taxes
20 were assessed;

21 (e) the name and mailing address of the purchaser;

22 (f) the amount paid to liquidate the delinquency,
23 including a separate listing of the amount of the delinquent
24 taxes, penalties, interest, and costs;

25 (g) a statement that the certificate represents a lien

1 on the property that may lead to the issuance of a tax deed
2 for the property;

3 (h) a statement specifying the date on which the
4 purchaser will be entitled to a tax deed; and

5 (i) an identification number corresponding to the tax
6 sale certificate number recorded by the county treasurer as
7 required in [section 7].

8 (2) The certificate must be signed by the county
9 treasurer and delivered to the purchaser. A copy of the
10 certificate must be filed by the treasurer in the office of
11 the county clerk.

12 NEW SECTION. Section 7. Treasurer to record tax
13 sales. Prior to delivering the tax sale certificate to the
14 purchaser, the county treasurer shall make a record of the
15 tax sale. The record must include:

16 (1) the name and address of the purchaser;

17 (2) the date on which the tax lien was purchased;

18 (3) a description of the property on which the
19 certificate is a lien, which description must correspond to
20 the description listed on the certificate;

21 (4) the amount paid to liquidate the delinquency,
22 including a separate listing of the amount of the delinquent
23 taxes, penalties, interest, and costs; and

24 (5) a number identifying the tax sale certificate
25 issued upon payment of the delinquency.

1 NEW SECTION. Section 8. County as purchaser --
2 assignment. (1) If no person pays the delinquent taxes,
3 including penalties, interest, and costs, on the first day
4 of the tax sale, the county is considered to be the
5 purchaser.

6 (2) (a) After the 21st day following the first day of
7 the tax sale, the county treasurer shall identify and list
8 all property that was sold at the tax sale. He shall also
9 record that the county is the purchaser of all property
10 remaining unsold and upon which the taxes remain delinquent.

11 (b) The record of the property in which the county is
12 listed as the purchaser may be made by the treasurer by a
13 separate tax sale certificate of each property or by
14 reference to the property as recorded in the list required
15 under 15-16-301.

16 (3) A property tax lien of the county in any property
17 acquired by the county under subsection (1) must be assigned
18 by the county treasurer as provided in [section 11] upon the
19 payment of all delinquent taxes, including penalties,
20 interest, and costs specified in [section 11].

21 NEW SECTION. Section 9. Resale for nonpayment. (1) If
22 a purchaser other than the county does not pay the
23 delinquent taxes, including penalties, interest, and costs,
24 before 10 a.m. on the next business day following the day
25 of purchase at a tax sale, the property must be made

1 available for sale for the amount of the delinquent taxes,
 2 including penalties, interest, and costs, on the following
 3 business day of the sale, except as provided in subsection
 4 (2).

5 (2) If the sale was made on the last day of the tax
 6 sale and payment was not received as provided in subsection
 7 (1), the county is considered to be the purchaser as
 8 provided in [section 8].

9 NEW SECTION. Section 10. Disposition of money from
 10 tax sale. All money received from purchasers for delinquent
 11 taxes, penalties, interest, and costs must be deposited in
 12 the county treasury. The money received, other than costs,
 13 must be credited to the various funds to which the taxes
 14 would have originally been distributed and in the same
 15 proportion as the taxes would have originally been
 16 distributed. Any money received for costs or any money
 17 remaining after crediting the separate funds must be
 18 deposited to the credit of the county general fund.

19 NEW SECTION. Section 11. Assignment of rights --
 20 form. (1) Any tax sale certificate or other official record
 21 in which the county is listed as the purchaser must be
 22 assigned by the county treasurer to any person who pays to
 23 the county the amount of the delinquent taxes, including
 24 penalties, interest, and costs, accruing from the date of
 25 delinquency.

1 (2) The assignment made under subsection (1) must be
 2 in the form of an assignment certificate in substantially
 3 the following form:

4 I,, the treasurer of County, state of
 5 Montana, hereby certify that a tax sale for tax year 19...,
 6 in the county of, was held on (date), for the
 7 purpose of liquidating delinquent assessments, and I further
 8 certify that a property tax lien for delinquent taxes in the
 9 following property: (insert property description) was
 10 offered for sale and that there was no purchaser of the
 11 property tax lien. Accordingly, the county was listed as
 12 the purchaser as required by [section 8], MCA. As of the
 13 date of this certificate, the delinquency, including
 14 penalties, interest, and costs amounting to \$....., has not
 15 been liquidated by the person to whom the property was
 16 assessed, nor has the delinquency been otherwise redeemed.

17 There having been no liquidation of the delinquency or
 18 other redemption, I hereby assign all rights, title, and
 19 interest of the county of, state of Montana, acquired
 20 in such property by virtue of the sale to (name and
 21 address of assignee) to proceed to obtain a tax deed to the
 22 property or receive payment in case of redemption as
 23 provided by law.

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

1 NEW SECTION. Section 14. Voided sale -- refund --
 2 limitation on action for royalty interest. (1) If a tax sale
 3 held under the provisions of [sections 1 through 15] is
 4 declared void by a court for irregularity in the assessment,
 5 levy, or sale, the money paid by the purchaser at the sale
 6 or by any assignee must be refunded, with interest at the
 7 rate payable upon delinquencies as provided in 15-16-102
 8 from the date of the payment, to the purchaser or owner of
 9 the tax sale certificate, together with any penalty paid by
 10 the purchaser.

11 (2) Following the payment of a refund as provided in
 12 subsection (1), the county is considered the purchaser and
 13 has a property tax lien upon the property for the legal
 14 taxes on the property accruing from the date of delinquency,
 15 plus penalties and interest as provided in 15-16-102. Any
 16 money refunded that was received as provided in [section 6]
 17 and distributed by the treasurer to the state or a city,
 18 town, or district, respectively, must be charged to the
 19 state, city, town, or district by the treasurer and deducted
 20 from the next money due the state, city, town, or district,
 21 respectively, on account of taxes paid or collected. A
 22 purchaser of a property tax lien or owner thereof by
 23 assignment where sales have been made by a city or town
 24 which by resolution or ordinance collects its own taxes
 25 instead of having the same collected by the county treasurer

1 must be reimbursed in similar manner and in similar
 2 circumstances out of the city or town treasury upon order of
 3 the mayor or, where applicable, the city manager or chairman
 4 of the city commission. The city or town clerk or city or
 5 town treasurer, as appropriate, shall make proper charges
 6 and deductions against the respective funds of the city or
 7 town upon the next collection of taxes by the city or town.

8 (3) The purchaser has a lien upon the property for the
 9 amount of taxes, penalties, interest, and costs paid, with
 10 the interest to be at the rate specified for delinquencies
 11 in 15-16-102. If the purchaser is in possession of the
 12 property and resides thereon, he may not be ejected from the
 13 property until his lien has been liquidated.

14 (4) All affirmative defenses at law or equity,
 15 including but not limited to estoppel, laches, and adverse
 16 possession, may apply in a suit brought to challenge the
 17 title to a royalty interest in land claimed to have been
 18 acquired by a county by tax deed.

19 (5) An action against a county to recover a royalty
 20 interest in land acquired by the county by tax deed must be
 21 brought within the period prescribed in 27-2-210.

22 NEW SECTION. Section 15. Sale of personalty for
 23 delinquent taxes -- fee -- disposition of proceeds -- unsold
 24 property. (1) The tax on personal property may be collected
 25 and payment enforced by the seizure and sale of any personal

1 property in the possession of the person assessed. Seizure
 2 and sale are authorized at any time after the date the taxes
 3 become delinquent or by the institution of a civil action
 4 for its collection in any court of competent jurisdiction.
 5 A resort to one method does not bar the right to resort to
 6 any other method. Any of the methods provided may be used
 7 until the full amount of the tax is collected.

8 (2) The provisions of 15-16-113 and this section apply
 9 to a seizure and sale under subsection (1).

10 (3) A sale under subsection (1) must be at public
 11 auction. The minimum bid for any property offered for sale
 12 must be of a sufficient amount to pay the delinquent taxes,
 13 including penalties, interest, and costs.

14 (4) For seizing and selling personal property, the
 15 treasurer shall charge \$25, plus the mileage allowance
 16 provided by law to the sheriff, plus reasonable expenses for
 17 seizing, handling, keeping, or caring for any property so
 18 seized. The charge and other costs may only be charged when
 19 property is actually seized and offered for sale or sold.

20 (5) On payment of the price bid for any property sold
 21 as provided in this section, delivery of the property, with
 22 a bill of sale, vests the title of the property in the
 23 purchaser.

24 (6) (a) All money collected from the sale of property
 25 in liquidation of the delinquency, including delinquent

1 taxes, penalties, and interest, but not costs, must be
 2 credited by the treasurer to the appropriate funds.

3 (b) Any money collected in excess of the delinquent
 4 tax penalties and interest must be returned to the person
 5 owning the property prior to the sale, if known. If the
 6 person does not claim the excess immediately following the
 7 sale, the treasurer shall deposit the money in the county
 8 treasury for a period of 1 year from the date of sale. If
 9 the person has not claimed the excess within 1 year from the
 10 date of sale, the county treasurer shall deposit the amount
 11 in the county general fund and the person has no claim to it
 12 thereafter.

13 (7) Any property seized for the purpose of liquidating
 14 a delinquency by a tax sale that remains unsold following a
 15 sale may be left at the place of sale at the risk of the
 16 owner.

17 NEW SECTION. Section 16. Time for redemption --
 18 interested party. (1) Redemption of a property tax lien
 19 acquired at a tax sale or otherwise may be made by the
 20 owner, the holder of an unrecorded or improperly recorded
 21 security interest, the occupant of the property, or any
 22 interested party within 36 months from the date of the first
 23 day of the tax sale or within 60 days following the giving
 24 of the notice required in [section 21], whichever is later.

25 (2) For the purposes of [sections 16 through 26], an

1 "interested party" includes a mortgagee, holder of a
 2 contract for deed, lienholder, or other person who has a
 3 properly perfected security interest in the property duly
 4 recorded with the county clerk. A person having an interest
 5 in property on which there is a property tax lien but which
 6 interest is not properly recorded is not an interested party
 7 for the purposes of [sections 16 through 26].

8 NEW SECTION. Section 17. Redemption from property tax
 9 lien. In all cases where a property tax lien has been
 10 acquired, the purchaser may pay the subsequent taxes
 11 assessed against the property. Upon the redemption of the
 12 property from the property tax lien, the redemptioner shall,
 13 in addition to the amount for which the property tax lien
 14 was sold, including penalties, interest, and costs, pay the
 15 subsequent taxes paid by the purchaser with interest
 16 thereon, at the rate established for delinquent taxes in
 17 15-16-102, from the date of the payment of the taxes,
 18 penalties, interest, and costs.

19 NEW SECTION. Section 18. Treasurer to record
 20 redemptions. Upon payment of all delinquent taxes, including
 21 penalties, interest, and costs, by the person to whom taxes
 22 were assessed or his agent to the county treasurer and
 23 refunded to the person listed as purchaser as provided in
 24 [section 6(1)(e)], [section 7], or [section 8] or
 25 distributed as provided in [section 19], the word

1 "redeemed", the date, and the name of the redemptioner must
 2 be marked on the tax sale certificate or in the record
 3 required in [section 8] by the county treasurer.

4 NEW SECTION. Section 19. Distribution of redemption
 5 proceeds. (1) When a property tax lien for which the county
 6 is listed as purchaser is redeemed, the money received from
 7 the redemption, including penalties and interest but not
 8 costs, must be distributed to the credit of the various
 9 funds to which the taxes would have originally been
 10 distributed and in the same proportion as the taxes would
 11 have originally been distributed.

12 (2) (a) When a property tax lien for which the
 13 recorded purchaser is other than the county is redeemed, the
 14 money received from the redemption, including penalties and
 15 interest but not costs, must be distributed to the person
 16 listed as the purchaser on the tax sale certificate and in
 17 the record kept by the county treasurer.

18 (b) (i) The distribution must be made by certified
 19 mail by the county treasurer to the purchaser at the address
 20 listed on the tax sale certificate as provided in [section
 21 6(1)(e)].

22 (ii) If the money distributed to the purchaser is
 23 returned unopened to the county treasurer, the treasurer
 24 shall publish once a week for 2 consecutive weeks in the
 25 official newspaper of the county a notice stating that:

1 (A) the county treasurer is in possession of money
2 belonging to the purchaser for the redemption of the
3 delinquency on the property named in the tax sale
4 certificate;

5 (B) the money will be held by the county treasurer for
6 a period of 1 year from the date of publication; and

7 (C) if the money is not claimed by the purchaser
8 within the 1-year period, the purchaser relinquishes all
9 claim to the money and the money will be credited to the
10 county general fund.

11 (3) The publication required in subsection (2)(b)(ii)
12 must be made at least annually, but the 1-year period
13 described in subsection (2)(b)(ii)(B) may not begin until
14 the date of publication.

15 (4) The county treasurer shall keep an accurate
16 account of all money paid in redemption, including a
17 separate accounting of other delinquent taxes, interest,
18 penalties, and costs, and when and to whom distributed.

19 NEW SECTION. Section 20. Tax deed -- fee. (1) Except
20 as provided in subsection (3), if the property tax lien is
21 not redeemed in the time allowed under [section 16], the
22 county treasurer shall grant the purchaser a tax deed for
23 the property. The deed must contain the same information as
24 is required in a tax sale certificate under [section 6],
25 except the description of the property must be the full

1 legal description, and a statement that the property tax
2 lien was not redeemed during the redemption period provided
3 in [section 16].

4 (2) (a) Except as provided in subsection (2)(b), the
5 county treasurer shall charge the purchaser \$25 plus all
6 actual costs incurred by the county in giving the notice or
7 assisting another purchaser or assignee in giving the notice
8 required in [section 21] for making the deed, which fee must
9 be deposited in the county general fund.

10 (b) If the purchaser is the county, no fee may be
11 charged for making the deed.

12 (c) Reasonable costs incurred by the county in
13 searching the county records to identify persons entitled to
14 notice are considered part of the actual costs of the notice
15 provided in subsection (2)(a).

16 (3) If the purchaser is the county and no assignment
17 has been made, the county treasurer may not issue a tax deed
18 to the county unless the board of county commissioners, by
19 resolution, directs him to issue a tax deed.

20 (4) Deeds issued to purchasers must be recorded by the
21 county clerk as provided in Title 7, chapter 4, part 26,
22 except that when the county is the purchaser and subsequent
23 tax deed holder, the county clerk may not charge a fee for
24 recording the deed.

25 NEW SECTION. Section 21. Notice -- proof of notice --

1 penalty for failure to notify. (1) Not more than 60 days
2 prior to and not more than 60 days following the expiration
3 of the redemption period provided in [section 16], a notice
4 must be given as follows:

5 (a) for each property for which there has been issued
6 to the county a tax sale certificate or for which the county
7 is otherwise listed as the purchaser or assignee, the county
8 clerk shall notify all persons considered interested parties
9 in the property and the current occupant of the property, if
10 any, that a tax deed may be issued to the county unless the
11 property tax lien is redeemed prior to the expiration date
12 of the redemption period; or

13 (b) for each property for which there has been issued
14 a tax sale certificate to a purchaser other than the county,
15 or for which an assignment has been made, the purchaser or
16 assignee, as appropriate, shall notify all persons
17 considered interested parties in the property, if any, that
18 a tax deed will be issued to the purchaser or assignee
19 unless the property tax lien is redeemed prior to the
20 expiration date of the redemption period.

21 (2) If the county is the purchaser, no assignment has
22 been made, and the board of county commissioners has not
23 directed the county treasurer to issue a tax deed during the
24 period described in subsection (1), but the board of county
25 commissioners at a time subsequent to the period described

1 in subsection (1) does direct the county treasurer to issue
2 a tax deed, the county treasurer must provide notification
3 to all interested parties and the current occupant, if any,
4 in the manner provided in subsection (1)(a). The
5 notification required under this subsection must be made not
6 less than 60 days or more than 90 days prior to the date on
7 which the county treasurer will issue the tax deed.

8 (3) (a) If a purchaser other than the county or an
9 assignee fails or neglects to give notice as required by
10 subsection (1)(b), which failure or neglect is evidenced by
11 failure of the purchaser or assignee to file proof of notice
12 with the county clerk as required in subsection (7), the
13 county treasurer shall proceed to give notice in the manner
14 provided in subsection (1)(a).

15 (b) Notice given under this subsection (3) must be
16 given not less than 60 days or more than 90 days prior to
17 the date on which the county treasurer will issue the tax
18 deed.

19 (c) A purchaser or assignee who fails to give notice
20 as required by subsection (1)(b), thereby forcing
21 notification to be given under this subsection (3), must be
22 charged a penalty of \$500 plus all actual costs of
23 notification incurred by the county proceeding under this
24 subsection (3).

25 (4) The notice required under subsections (1) through

1 (3) must be made by certified mail to each interested party
 2 and the current occupant, if any, of the property. The
 3 address to which the notice must be sent is, for each
 4 interested party, the address disclosed by the records in
 5 the office of the county clerk and, for the occupant, the
 6 street address or other known address of the subject
 7 property.

8 (5) In all cases in which the address of an interested
 9 party is not known, the county clerk shall, within the
 10 period described in subsection (1), or not less than 60 days
 11 or more than 90 days prior to the date upon which the county
 12 treasurer will otherwise issue a tax deed, whichever is
 13 appropriate, publish once a week for 2 successive weeks in
 14 the official newspaper of the county or such other newspaper
 15 as the board of county commissioners may by resolution
 16 designate, a notice containing the information contained in
 17 subsection (6), plus:

18 (a) the name of the interested party for whom the
 19 address is unknown;

20 (b) a statement that the address of the interested
 21 party is unknown;

22 (c) a statement that the published notice meets the
 23 legal requirements for notice of a pending tax deed
 24 issuance; and

25 (d) a statement that the interested party's rights in

1 the property may be in jeopardy.

2 (6) The notices required by subsections (1) through
 3 (3) and (5) must contain the following:

4 (a) a statement that a property tax lien exists on the
 5 property as a result of a property tax delinquency;

6 (b) a description of the property on which the taxes
 7 are or were delinquent, which description must be the same
 8 as the description of the property on the tax sale
 9 certificate or in the record described in [section 8(2)(b)];

10 (c) the date that the property taxes became
 11 delinquent;

12 (d) the date that the property tax lien attached as
 13 the result of a tax sale;

14 (e) the amount of taxes due, including penalties,
 15 interest, and costs, as of the date of the notice of pending
 16 tax deed issuance, which amount must include a separate
 17 listing of the delinquent taxes, penalties, interest, and
 18 costs that must be paid for the property tax lien to be
 19 liquidated;

20 (f) the name and address of the purchaser;

21 (g) the name of the assignee if an assignment was made
 22 as provided in [section 11];

23 (h) the date that the redemption period expires or
 24 expired;

25 (i) a statement that if all taxes, penalties,

1 interest, and costs are not paid to the county treasurer on
 2 or prior to the date on which the redemption period expires
 3 or on or prior to the date on which the county treasurer
 4 will otherwise issue a tax deed that a tax deed may be
 5 issued to the purchaser on the day following the date on
 6 which the redemption period expires or on the date on which
 7 the county treasurer will otherwise issue a tax deed; and

8 (j) the business address and telephone number of the
 9 county treasurer who is responsible for issuing the tax
 10 deed.

11 (7) In all cases, proof of notice in whatever manner
 12 given must be filed by the county clerk, purchaser, or
 13 assignee, as appropriate, with the county clerk not less
 14 than 30 days following the mailing or publication of the
 15 notice. Once filed, the proof of notice is prima facie
 16 evidence of the sufficiency of the notice.

17 (8) A county or any officer of a county may not be
 18 held liable for any error of notification.

19 NEW SECTION. Section 22. Form of tax deed -- prima
 20 facie evidence. (1) The form of a tax deed issued under the
 21 provisions of [sections 16 through 26], executed by a county
 22 treasurer, must be made in substance as follows:

23 This deed is made by (name of county treasurer),
 24 county treasurer of the county of (name of county), in
 25 the state of Montana, to (name of purchaser, his agent,

1 or assignee), as provided by the laws of the state of
 2 Montana:

3 Whereas, there was assessed for (year) the
 4 following real property: (description of the property); and

5 Whereas, the taxes for (year) levied against the
 6 property amounted to \$....; and

7 Whereas, the taxes were not paid and a property tax
 8 lien for the payment of the taxes attached and was sold to
 9 (name of purchaser, his agent, or assignee) on
 10 (date, including year) for the sum of \$...., which amount
 11 included delinquent taxes in the amount of \$...., penalties
 12 in the amount of \$...., interest in the amount of \$...., and
 13 other costs in the amount of \$....; and

14 Whereas, a tax sale certificate was duly issued and
 15 filed or the sale otherwise recorded as required by law; and

16 Whereas, not less than 60 days or more than 90 days
 17 prior to this date, notice was given to interested parties
 18 that the issuance of a tax deed was pending.

19 Now, therefore, I, (treasurer's name), county
 20 treasurer of the county of, in the state of Montana, in
 21 consideration of the sum of \$.... paid, hereby grant to
 22 (name of purchaser, his agent, or assignee) all the property
 23 situated in County, state of Montana, described herein
 24 above.

25 Witness my hand on this date (date, including

1 year).

2 County Treasurer
3 County

4 (2) A tax deed executed in substantially the form
5 provided in subsection (1) is prima facie evidence that:

- 6 (a) the property was assessed as required by law;
- 7 (b) the taxes were levied in accordance with law;
- 8 (c) the taxes were not paid when due;
- 9 (d) notice of tax sale was given and a property tax
10 lien was sold at the proper time and place as provided by
11 law;
- 12 (e) the property was not redeemed, and proper notice
13 of a pending tax deed issuance was made as required by law;
- 14 (f) the person who executed the deed was legally
15 authorized to do so; and
- 16 (g) if the real property was sold to pay delinquent
17 taxes on personal property, the real property belonged to
18 the person liable to pay the personal property tax.

19 NEW SECTION. Section 23. Effect of deed. (1) A deed
20 issued under [sections 16 through 26] conveys to the grantee
21 absolute title to the property described therein as of the
22 date of the expiration of the redemption period, free of all
23 encumbrances and clear of any and all claims, except:

24 (a) when the claim is payable after the execution of
25 the deed and:

1 (i) a property tax lien attaches subsequent to the tax
2 sale; or

3 (ii) a lien of any special, rural, local improvement,
4 irrigation, or drainage assessment is levied against the
5 property;

6 (b) when the claim is an easement by a utility; or
7 (c) when an interest in the land is owned by the
8 United States, this state, or a subdivision of this state.

9 (2) Under the conditions described in subsection (1),
10 the deed is prima facie evidence of the right of possession
11 accrued as of the date of expiration of the period for
12 redemption or the date upon which a tax deed was otherwise
13 issued.

14 NEW SECTION. Section 24. Action to quiet title to tax
15 deed -- notice. (1) (a) In an action brought to set aside or
16 annul any tax deed or to determine the rights of a purchaser
17 to real property claimed to have been acquired through tax
18 proceedings or a tax sale, the purchaser, upon filing an
19 affidavit, may obtain from the court an order directed to
20 the person claiming to:

- 21 (i) own the property;
- 22 (ii) have any interest in or lien upon the property;
- 23 (iii) have a right to redeem the property; or
- 24 (iv) have rights hostile to the tax title.
- 25 (b) The person described in subsections (1)(a)(i)

1 through (1)(a)(iv) is hereafter referred to as the true
2 owner.

3 (c) The order described in subsection (1)(a) may
4 command the true owner to:

5 (i) deposit with the court for the use of the
6 purchaser:

7 (A) the amount of all taxes, interest, penalties, and
8 costs that would have accrued if the property had been
9 regularly and legally assessed and taxed as the property of
10 the true owner and was about to be redeemed by the true
11 owner; and

12 (B) the amount of all sums reasonably paid by the
13 purchaser following the order and after 3 years from the
14 date of the tax sale to preserve the property or to make
15 improvements thereon while in the purchaser's possession, as
16 the total amount of the taxes, interest, penalties, costs,
17 and improvements is alleged by the plaintiff and as must
18 appear in the order; or

19 (ii) show cause on a date to be fixed in the order, not
20 exceeding 30 days from the date of the order, why such
21 payment should not be made.

22 (2) The affidavit must list the name and address of
23 the true owner and whether he is in the state of Montana, if
24 known to the plaintiff, or state that the address of the
25 true owner is not known to the plaintiff.

1 (3) (a) The order must be filed with the county clerk
2 and a copy served personally upon each person shown in the
3 affidavit claiming to be a true owner and who is, at that
4 time, known to be in the state of Montana.

5 (b) Jurisdiction is acquired over all other persons
6 by:

7 (i) publishing the order once in the official
8 newspaper of the county;

9 (ii) posting the order in three public places in the
10 county at least 10 days prior to the hearing; and

11 (iii) giving a copy to the county treasurer.

12 NEW SECTION. Section 25. Procedure in tax deed quiet
13 title action. (1) Upon the hearing of the order to show
14 cause, the court has jurisdiction to determine the amount to
15 be deposited and to make an order that the same be paid to
16 the court within a period not exceeding 30 days after the
17 order is made.

18 (2) (a) Except as provided in subsection (2)(b), if
19 the amount is not paid within the time fixed by the court,
20 the true owner is considered to have waived any defects in
21 the tax proceedings and any right of redemption. In the
22 event of waiver, the true owner has no claim of any kind
23 against the state or purchaser and a decree must be entered
24 in the action quieting the title of the purchaser as against
25 the true owner.

1 (b) The proceedings are void if the taxes were not
2 delinquent or have been paid.

3 (3) If payment is made to the court and the true owner
4 is successful in the action and the tax proceedings are
5 declared void, the amount deposited with the court must be
6 paid to the purchaser.

7 (4) If the purported true owner is not successful in
8 the action and the title of the purchaser is sustained, the
9 money must be returned to the purported true owner.

10 (5) In any action brought by a purchaser to quiet
11 title, several tracts of land, whether contiguous or
12 noncontiguous or owned by different defendants, may be set
13 forth in one complaint. All persons claiming any title to,
14 interest in, or lien upon any of the premises or any part
15 thereof may be joined as defendants, even though their
16 claims are independent, are not in common, and do not cover
17 the same tracts. The procedure in such an action must
18 follow, as nearly as practicable, the procedure specified in
19 70-28-101 through 70-28-109.

20 (6) In the final judgment, the court shall also
21 determine the rights resulting from any additional taxes on
22 the property accruing or being paid by either party during
23 the pendency of the suit.

24 (7) In the quiet title action, the court has complete
25 jurisdiction to fix the amount of taxes that should have

1 been paid, including penalties, interest, and costs, and to
2 determine all questions necessary in granting full relief,
3 including the power to order any assessor or other tax
4 officer to make and certify to the court a corrected or new
5 assessment or to do any other act necessary to enable the
6 court to do complete justice. Errors may be reviewed on
7 appeal from the final judgment.

8 NEW SECTION. Section 26. Title conveyed by deed --
9 defects. (1) All deeds executed more than 3 years after the
10 applicable tax sale convey to the grantee absolute title to
11 the property described in the deed as of 3 years following
12 the date of sale of the property interest at the tax sale.

13 (2) The conveyance includes:

14 (a) all right, title, interest, estate, lien, claim,
15 and demand of the state of Montana and of the county in and
16 to the property; and

17 (b) the right, if the tax deed, tax sale, or any of
18 the tax proceedings upon which the deed may be based are
19 attacked and held irregular or void, to recover the unpaid
20 taxes, interest, penalties, and costs that would accrue if
21 the tax proceedings had been regular and it was desired to
22 redeem the property.

23 (3) The tax deed is free of all encumbrances except as
24 provided in [subsections (1)(a) through (1)(c) of section
25 23].

1 (4) A tax deed is prima facie evidence of the right of
2 possession accruing as of the date of the expiration of the
3 redemption period described in [section 16].

4 (5) If any tax deed or deed purporting to be a tax
5 deed is issued more than 3 years and 30 days after the date
6 of the sale of the property interest at the applicable tax
7 sale, the grantee may publish in the official newspaper of
8 the county, once a week for 2 consecutive weeks, a notice
9 entitled "Notice of Claim of a Tax Title". The notice must:

10 (a) describe all property claimed to have been
11 acquired by a tax deed;

12 (b) contain an estimate of the amount due on the
13 property for delinquent taxes, interest, penalties, and
14 costs;

15 (c) contain a statement that for further specific
16 information, reference must be made to the records in the
17 office of the county treasurer;

18 (d) list the name and address of record of the person
19 in whose name the property was assessed or taxed; and

20 (e) contain a statement that demand is made that the
21 person assessed or taxed must, within 30 days after the
22 first publication of the notice, pay to the claimant or to
23 the county treasurer for use by the claimant the amount of
24 taxes, interest, penalties, and costs as the same appear in
25 the records of the county treasurer or bring a suit to quiet

1 the true owner's title or to set aside the tax deed.

2 (6) A mistake in the amount or in any name specified
3 in the notice does not invalidate the notice.

4 (7) (a) If within the 30-day period the taxes,
5 interest, penalties, and costs are not paid or a quiet title
6 action is not brought, all defects in the tax proceedings
7 and any right of redemption is considered waived. Except as
8 provided in subsection (7)(b), after the 30-day period the
9 title to the property described in the notice and in the tax
10 deed is valid and binding, irrespective of any
11 irregularities, defects, omissions, or total failure to
12 observe any of the provisions of the laws of Montana
13 regarding the assessment, levying of taxes, or sale of
14 property for taxes and the giving of notices, whether or not
15 such irregularities, defects, omissions, or failures could
16 void the proceedings.

17 (b) The proceedings in subsection (7)(a) are void if
18 the taxes were not delinquent or have been paid.

19 Section 27. Section 7-6-4414, MCA, is amended to read:
20 "7-6-4414. Sales for delinquent taxes when county
21 collects municipal tax. (1) All publications of sales for
22 delinquent taxes shall include city or town taxes. There is
23 only one sale for each piece of property. The sale shall
24 cover the aggregate of city or town, county, and state
25 taxes, with the penalties, interest, and cost of advertising

1 provided by law.

2 (2) All money received from sales and--redemptions,
3 after a deed is given by the county treasurer as provided by
4 law, shall be credited to the state, county, and city or
5 town pro rata in the same proportions as provided in
6 ~~15-16-100~~ [section 10]."

7 Section 28. Section 7-21-2104, MCA, is amended to
8 read:

9 "7-21-2104. Lien arising from license. (1) All
10 property held or used in any trade, occupation, or
11 profession for which a license is required by the provisions
12 of this part is liable for such license and subject to a
13 lien for the amount thereof. This lien has precedence of any
14 other lien, claim, or demand.

15 (2) If any person fails or refuses to procure a
16 license before the transaction of the business specified,
17 the county treasurer must seize such property or any other
18 property belonging to such person and sell the same in the
19 manner provided in ~~15-17-901--through--15-17-903~~ [section
20 15]."

21 Section 29. Section 15-16-101, MCA, is amended to
22 read:

23 "15-16-101. Treasurer to publish notice -- manner of
24 publication. (1) Within 10 days after the receipt of the
25 assessment book, the county treasurer must publish a notice

1 specifying:

2 (a) that one-half of all taxes levied and assessed
3 will be due and payable before 5 p.m. on November 30 next
4 thereafter or within 30 days after the notice is postmarked
5 and that unless paid prior thereto to that time the amount
6 then due will be delinquent and will draw interest at the
7 rate of 5/6 of 1% per month from and after such delinquency
8 until paid and 2% will be added to the delinquent taxes as a
9 penalty;

10 (b) that one-half of all taxes levied and assessed
11 will be due and payable on or before 5 p.m. on May 31 next
12 thereafter and that unless paid prior to said-date-said that
13 time the taxes will be delinquent and will draw interest at
14 the rate of 5/6 of 1% per month from and after such
15 delinquency until paid and 2% will be added to the
16 delinquent taxes as a penalty; and

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

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

24 (a) the taxable value of the property;
25 (b) the total mill levy applied to that taxable value;

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

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

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

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

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

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

20 Section 30. Section 15-16-102, MCA, is amended to
21 read:

22 "15-16-102. Time for payment -- penalty for
23 delinquency. All taxes levied and assessed in the state of
24 Montana, except assessments made for special improvements in
25 cities and towns payable under 15-16-103 and assessments

1 made on new production as provided in Title 15, chapter 23,
2 part 6, and payable under 15-16-121, shall be payable as
3 follows:

4 (1) One-half of the amount of such taxes shall be
5 payable on or before 5 p.m. on November 30 of each year, or
6 within 30 days after the notice is postmarked, whichever is
7 later, and one-half on or before 5 p.m. on May 31 of each
8 year.

9 (2) Unless one-half of such taxes are paid on or
10 before 5 p.m. on November 30 of each year, or within 30 days
11 after the notice is postmarked, whichever is later, then
12 such amount so payable shall become delinquent and shall
13 draw interest at the rate of 5/6 of 1% per month from and
14 after such delinquency until paid and 2% shall be added to
15 the delinquent taxes as a penalty.

16 (3) All taxes due and not paid on or before 5 p.m. on
17 May 31 of each year shall be delinquent and shall draw
18 interest at the rate of 5/6 of 1% per month from and after
19 such delinquency until paid and 2% shall be added to the
20 delinquent taxes as a penalty.

21 (4) If the taxes become delinquent, the county
22 treasurer may not accept partial payment of the delinquent
23 taxes, but may accept only the total amount of delinquent
24 taxes, including penalties, interest, and costs."

25 Section 31. Section 15-16-111, MCA, is amended to

1 read:

2 "15-16-111. Personal property -- duty of department.

3 (1) It ~~shall-be~~ is the duty of the department of revenue or
4 its agent, upon discovery of any personal property in the
5 county the taxes upon which are not a lien upon real
6 property sufficient to secure the payment of such taxes, to
7 immediately and in any event not more than 5 days thereafter
8 make a report to the treasurer, setting forth the nature,
9 kind, description, and character of such property in such a
10 definite manner that the treasurer can identify the same,
11 the amount and assessed valuation of such property, where
12 the same is located, the amount of taxes due thereon, and
13 the name and address of the owner, claimant, or other person
14 in possession of the same.

15 (2) Where such personal property is located in any
16 city or town which ~~shall-have~~ has provided by ordinance for
17 the collection of its taxes for general, municipal, and
18 administrative purposes by its city treasurer or town clerk,
19 the department also and at the same time shall furnish to
20 ~~said the~~ the city treasurer or town clerk a duplicate of such
21 the notice to the county treasurer. For the purpose of
22 determining the taxes due on such personal property, the
23 department or its agent must use the levy made during the
24 previous year."

25 Section 32. Section 15-16-112, MCA, is amended to

1 read:

2 "15-16-112. Department report of personal property in
3 assessment book. The department of revenue or its agent must
4 note on the assessment book, opposite the ~~names~~ name of each
5 person owning, claiming, or possessing ~~such~~ personal
6 property which ~~may-be-so~~ is reported to the treasurer under
7 15-16-111, the fact that ~~such the~~ the report was made to the
8 treasurer and the date when the ~~same~~ report was ~~so~~ made."

9 Section 33. Section 15-16-113, MCA, is amended to
10 read:

11 "15-16-113. Personal property -- duty of treasurer --
12 penalty. (1) The county treasurer shall collect taxes on all
13 personal property and, in the case provided in 15-16-111,
14 shall immediately upon receipt of the report prescribed by
15 15-16-111 notify the person or persons against whom the tax
16 is assessed and any person who has a properly perfected
17 security interest of record with the department of justice
18 that the amount of ~~such the~~ the tax is due and payable at the
19 county treasurer's office.

20 (2) The county treasurer shall, at the time of
21 receiving the report and in any event within 30 days from
22 the receipt of such report, levy upon and take into his
23 possession the personal property against which a tax is
24 assessed or any other personal property in the hands of the
25 delinquent taxpayer and proceed to sell the same in the same

1 manner as property is sold on execution by the sheriff.

2 (3) The county treasurer ~~may~~ shall, for the purpose of
3 making the levy and sale, direct the sheriff to make the
4 levy and sale. The sheriff, undersheriff, or any deputy
5 sheriff of the county is ex officio a deputy county
6 treasurer for such purposes, and either may act and receive
7 payment of such taxes. The sheriff may receive the same fees
8 as he is entitled to in making a seizure and sale under
9 execution as provided in [section 15].

10 ~~{2}~~(4) The county treasurer and his sureties are
11 liable on his official bond for all taxes on personal
12 property remaining uncollected by reason of the willful
13 failure and neglect of the treasurer to levy upon and sell
14 such personal property for the taxes levied thereon.

15 (5) Failure by the sheriff, undersheriff, or deputy
16 sheriff acting as a deputy county treasurer to make the levy
17 and sale results in a levy against the official bond of the
18 sheriff, undersheriff, or deputy sheriff for payment of the
19 delinquent tax."

20 Section 34. Section 15-16-114, MCA, is amended to
21 read:

22 "15-16-114. Rate of taxation -- personal property. (1)
23 All rates of tax levy set by the board of county
24 commissioners on the second Monday in August of each year
25 shall apply permanently to this class of personal property

1 during the ensuing tax year, ~~and the~~.

2 (2) The treasurer shall, upon collection of any such
3 taxes, immediately distribute the money so collected to the
4 various and proper funds in his charge.

5 ~~{2}~~ ~~--if the rate of taxation fixed for the year in~~
6 ~~which the collection is made is an increase over the~~
7 ~~preceding year's levy, then the said board of county~~
8 ~~commissioners may direct the county treasurer to collect the~~
9 ~~amount of such increased levy but shall not be obliged to do~~
10 ~~so in cases where, in the opinion of the board, the cost of~~
11 ~~collection would exceed the amount of such increase, if the~~
12 ~~rate fixed for the year in which the collection is made~~
13 ~~shall be less than the levy for the preceding year, then the~~
14 ~~person from whom such excess tax was collected may file with~~
15 ~~the board of county commissioners a duly verified claim for~~
16 ~~a refund of such excess tax at any time before November 1 of~~
17 ~~the year in which such an excess was collected, and such~~
18 ~~claim shall be allowed and ordered paid by the board of~~
19 ~~county commissioners to the amount of such excess."~~

20 Section 35. Section 15-16-115, MCA, is amended to
21 read:

22 "15-16-115. Treasurer's record of personal property
23 taxes paid. (1) ~~The treasurer must~~ On or before
24 December 1 of each year, the treasurer shall note on the
25 assessment book, opposite the name of each person from whom

1 taxes have been collected by him in pursuance of such the
 2 report of the assessor, the amount of taxes received and the
 3 date of the receipt thereof ~~or~~.

4 ~~(2) in--case--such~~ If the taxes have not been collected
 5 by-him, the treasurer shall note in the assessment book the
 6 reason why such collection was not made."

7 Section 36. Section 15-16-117, MCA, is amended to
 8 read:

9 "15-16-117. Personal property -- treasurer's duty to
 10 collect certain taxes on. (1) The county treasurer must
 11 shall demand payment of poor taxes, authorized by 53-2-321,
 12 and road taxes, authorized by 7-14-2206 or 7-14-2501 through
 13 7-14-2504, of every person liable therefor whose name does
 14 not appear on the assessment lists, ~~and-on~~ On the neglect
 15 or refusal of any such person to pay the same, ~~he-must~~ the
 16 treasurer shall collect the taxes by seizure and sale of any
 17 property owned by such the person.

18 (2) These taxes ~~shall~~ must be added upon the
 19 assessment lists to other property taxes of persons ~~liable~~
 20 ~~therefor~~ paying taxes upon real and personal property and
 21 paid to the county treasurer at the time of payment of other
 22 taxes, ~~--and--all--personal--property--assessed--against--a--person~~
 23 ~~shall-be-liable-for-the-payment-of-such-taxes~~.

24 (3) The procedure for the sale of such property by the
 25 county treasurer for such taxes ~~shall~~ must be regulated by

1 15-16-113 and ~~chapter-17,--part-9~~ [section 15]."

2 Section 37. Section 15-16-301, MCA, is amended to
 3 read:

4 "15-16-301. Delinquent list -- real property. On the
 5 third Monday of December and on the third Monday of June of
 6 each year, the county treasurer must make a report to the
 7 county clerk and recorder in detail, showing the amount of
 8 taxes collected and a complete ~~delinquent~~ list of all
 9 persons and property then owing taxes, ~~and-the~~. The county
 10 clerk and recorder shall compare such the report with the
 11 books of the county treasurer and shall keep a record of
 12 such the report in his office."

13 Section 38. Section 15-16-302, MCA, is amended to
 14 read:

15 "15-16-302. Tabulation and transmittal of real
 16 property delinquent list. (1) The county treasurer must, at
 17 the time specified in 15-16-301, deliver to the county clerk
 18 and recorder a complete delinquent list of all persons and
 19 property then owing taxes.

20 (2) In the list so delivered, all matters and things
 21 contained in the assessment book and relating to delinquent
 22 persons or property must be set down in numerical or
 23 alphabetical order.

24 (3) The county clerk and recorder must carefully
 25 compare the list with the assessment book, and if satisfied

1 that it contains a full and true statement of all taxes due
 2 and unpaid, he must ~~foot-up-the~~ total the amount of taxes so
 3 remaining unpaid, credit the county treasurer ~~who--acted~~
 4 ~~under-it~~ therewith, and make a final settlement with him the
 5 treasurer of all taxes charged against him the treasurer on
 6 the assessment book, and ~~must~~ require from him the treasurer
 7 an immediate account for any existing deficiency."

8 Section 39. Section 15-16-303, MCA, is amended to
 9 read:

10 "15-16-303. Treasurer charged with delinquent taxes.
 11 After settlement with the county treasurer as prescribed
 12 ~~herein in 15-16-302~~, the county clerk and recorder must
 13 charge the treasurer ~~then-acting~~ with the amount of taxes
 14 ~~then~~ due on the delinquent tax list and within 3 days
 15 thereafter deliver the list, duly certified, to the county
 16 treasurer."

17 Section 40. Section 15-16-305, MCA, is amended to
 18 read:

19 "15-16-305. Disposition of delinquent list. (1) ~~The~~
 20 ~~county--treasurer--must--annually--on~~ On the third Monday of
 21 February, ~~attend-at-the--office--of--the--county--clerk--and~~
 22 ~~recorder-with-the-delinquent-list--The~~ the county clerk and
 23 recorder must ~~then--carefully~~ compare the lists with the
 24 assessments of persons and property not marked "paid" on the
 25 assessment book, ~~and-when~~. If the taxes have been paid, he

1 the county clerk and recorder must note the fact in the
 2 appropriate column in the assessment book.

3 (2) The county clerk and recorder must then administer
 4 to the county treasurer an oath, to be written and
 5 subscribed in the delinquent list, that every person and all
 6 property assessed in the delinquent list on which taxes have
 7 been paid have been credited in the list with such payment.

8 (3) The county clerk and recorder must then ~~foot--up~~
 9 total the amount of taxes remaining unpaid and credit the
 10 treasurer with the amount and have a final settlement with
 11 him the treasurer. The delinquent list must remain in the
 12 county clerk and recorder's office.

13 (4) At the time mentioned in subsection (1) of this
 14 section, the treasurer must make an affidavit, endorsed on
 15 the list, that the taxes not marked "paid" have not been
 16 paid and that he has not been able to discover any property
 17 belonging to or in possession of the persons liable to pay
 18 the sum whereof to collect them."

19 Section 41. Section 15-16-401, MCA, is amended to
 20 read:

21 "15-16-401. Tax due as a judgment or lien. Every tax
 22 has the effect of a judgment against the person, and every
 23 lien created by this title has the force and effect of an
 24 execution duly levied against all personal property in the
 25 possession of the person assessed from and after the date

1 the assessment is made. The county treasurer may issue a
 2 writ of execution for delinquent personal property taxes and
 3 deliver the same writ to the sheriff. The sheriff shall
 4 thereupon proceed upon the same writ in all respects, with
 5 like effect, and in the same manner prescribed by law in
 6 respect to executions issued against property upon judgments
 7 of a court of record and shall be entitled to the same fees
 8 ~~for his services in executing the same, to be collected in~~
 9 ~~the same manner~~ provided for in [section 15]. The judgment
 10 is not satisfied nor the lien removed until the taxes are
 11 paid or the property sold for the payment thereof."

12 Section 42. Section 15-16-402, MCA, is amended to
 13 read:

14 "15-16-402. Tax on personalty lien on realty --
 15 separate assessment. (1) Every tax due upon personal
 16 property is a prior lien upon any or all of such property,
 17 which lien shall have precedence over any other lien, claim,
 18 or demand upon such property, and except as hereinafter
 19 provided, every tax upon personal property is also a lien
 20 upon the real property of the owner thereof from on and
 21 ~~after 12-midnight-of~~ January 1 in of each year.

22 (2) The taxes upon personal property based upon a
 23 taxable value up to and including \$1,000 shall be a first
 24 and prior lien upon the real property of the owner of such
 25 personal property. Taxes upon personal property based upon

1 the taxable value thereof in excess of \$1,000 shall be a
 2 first and prior lien upon the real property of the owner
 3 unless the owner or holder of any mortgage or other lien
 4 upon said real property appearing of record in the office of
 5 the clerk and recorder of the county where such real
 6 property is situated, at or before the time such personal
 7 property tax attached thereto, shall have filed the notice
 8 hereinafter provided for, in which event the taxes upon such
 9 excess of \$1,000 of taxable value shall not be a lien on the
 10 real property of such owner. It shall be the duty of the
 11 county treasurer to issue to any mortgagee or lien holder,
 12 upon his request, a statement of the personal property tax
 13 due upon the taxable value up to and including \$1,000.
 14 Personal property taxes upon a taxable value up to \$1,000
 15 may be paid, redeemed from a tax sale as by law provided, or
 16 discharged separately from any personal property taxes in
 17 excess of such amount. Payment of such taxes upon a taxable
 18 value up to \$1,000, as herein provided, shall operate to
 19 discharge the tax lien upon the personal property of the
 20 owner to the extent of such payment in the order that the
 21 person paying such tax shall direct.

22 (3) The holder of any mortgage or lien upon real
 23 property who desires to obtain the benefits of this section
 24 shall file in the office of the county treasurer of said
 25 county a notice giving:

1 (a) the name and address of the mortgagee and holder
2 of the mortgage or lien;

3 (b) the name of the reputed owner of the land;

4 (c) the description of the land;

5 (d) the date of record and expiration of the mortgage
6 or lien;

7 (e) the amount thereof; and

8 (f) a statement that he claims the benefit of the
9 provisions of this section.

10 (4) Such notice shall be ineffectual as to any taxes
11 which shall have become a lien on real property prior to the
12 filing of such notice as aforesaid. If the mortgage be not
13 paid at maturity, such notice shall thereafter be filed
14 annually unless the mortgage be extended for a definite
15 period to be stated in such notice.

16 (5) Any owner of a mortgage on real estate upon which
17 personal property taxes are by this section made a lien,
18 where the owner of such real estate and personal property
19 has failed to pay taxes due upon such real estate and
20 personal property for 1 or more years, may file with the
21 department of revenue or its agent in the county in which
22 such property is located a written request to have the
23 personal property and real estate of the owner separately
24 assessed. Such request must be made by registered or
25 certified mail at least 10 days prior to January 1 in the

1 year for which property is assessed. Upon receipt by the
2 department or its agent of such request, it is hereby made
3 the duty of the department or its agent to make a separate
4 assessment of real and personal property of the owner
5 thereof, and such personal taxes shall not be a lien upon
6 the real estate so mortgaged of the owner thereof, and the
7 personal property taxes shall be collected in the manner
8 provided by law for other personal property."

9 Section 43. Section 15-16-404, MCA, is amended to
10 read:

11 "15-16-404. County lien on moneys of taxpayer. The
12 county has a general lien, dependent on possession, upon any
13 moneys in its possession belonging to any taxpayer for any
14 amounts due the county for any delinquent personal property
15 taxes not a lien on real estate of the taxpayer. Due notice
16 shall be given the lien holder, if any known."

17 Section 44. Section 15-16-504, MCA, is amended to
18 read:

19 "15-16-504. Evidence at trial. On the trial a
20 certified copy of the assessment signed by the county clerk
21 and recorder of the county where the same assessment was
22 made, with the affidavit of the treasurer thereto attached
23 that the tax has not been paid, describing it as on the
24 assessment book or delinquent list, is prima facie evidence
25 that ~~such--tax-and-the-per-centam~~ the taxes, plus interest,

1 penalties, and costs, are due and entitles him to judgment
2 unless the defendant proves that the tax was paid."

3 Section 45. Section 15-16-601, MCA, is amended to
4 read:

5 "15-16-601. Taxes or penalties illegally collected to
6 be refunded. (1) (a) Any taxes, ~~per-centum~~and interest,
7 penalties, or costs paid more than once or erroneously or
8 illegally collected or any amount of tax paid for which a
9 taxpayer is entitled to a refund under 15-16-612 or any part
10 or portion of taxes paid which were mistakenly computed on
11 government bonus or subsidy received by the taxpayer may, by
12 order of the board of county commissioners, be refunded by
13 the county treasurer. Whenever any payment ~~shall--have~~ has
14 been made to the state treasurer as provided in 15-1-504 and
15 it ~~shall~~ afterwards appear appears to the satisfaction of
16 the board of county commissioners that a portion of the
17 money so paid should be refunded as herein provided, ~~said~~
18 the board of county commissioners may refund ~~such the~~
19 portion of ~~said the~~ taxes, interest, penalties, and costs so
20 paid to the state treasurer, and upon the rendering of the
21 report required by 15-1-505 the county clerk and recorder
22 shall certify to the state auditor, in such form as the
23 state auditor may prescribe, all amounts so refunded~~--and~~
24 in. In the next settlement of the county treasurer with the
25 state, the state auditor shall give the county treasurer

1 credit for the state's portion of the amounts so refunded.

2 (b) When any part of the taxes, interest, penalties,
3 or costs hereinbefore referred to were levied in behalf of
4 any school district or municipal or other public corporation
5 and collected by the county treasurer, the same may be
6 refunded upon the order of the board of county
7 commissioners.

8 (c) No order for the refund of any taxes, ~~license~~
9 ~~fees--per--centum~~ interest, penalties, or costs under this
10 section shall be made except upon a claim therefor, verified
11 by the person who has paid ~~such-tax--license--fee--penalty~~
12 the taxes, interest, penalties, or costs or his guardian or,
13 in case of his death, by his executor or administrator,
14 which claim must be filed within 10 years after the date
15 when the second half of such taxes would have become
16 delinquent if the same had not been paid.

17 (d) All refunds ordered to be paid by the board of
18 county commissioners ~~shall~~ must be paid by the county
19 treasurer out of the general fund of the county, and the
20 county treasurer shall then make such transfers from other
21 county funds and from state, school district, and other
22 public corporation funds in his possession as may be
23 necessary to reimburse the county general fund for payments
24 made therefrom ~~on-account-of-such-other-funds.~~

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

1 county commissioners of the affected county shall order a
2 refund of such portion of the taxes ~~or license fees~~ as the
3 state tax appeal board has judged should be refunded."

4 Section 46. Section 15-16-701, MCA, is amended to
5 read:

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

- 14 (a) name and address of the delinquent taxpayer;
15 (b) amount of the delinquent ~~tax taxes~~, plus ~~penalty~~
16 interest, penalties, and costs, if any; and
17 (c) the year date the ~~tax taxes~~ became delinquent.

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

- 25 (a) the name and address of the person or persons who

1 entered into the contractual obligation;

2 (b) the name of the contractual obligation, as "seed
3 loan", "feed loan", "promissory note", as ~~the--case--may--be~~
4 applicable; and

5 (c) the date of obligation, date when last payment
6 became due, date of last payment thereon, and the date when
7 the collection of the obligation became barred by ~~said the~~
8 statute of limitations provided in 27-2-202(1)."

9 Section 47. Section 15-16-702, MCA, is amended to
10 read:

11 "15-16-702. Cancellation of taxes and obligations --
12 filing of lists. Upon receipt of such list or lists and
13 within 30 days thereafter, the board of county commissioners
14 shall examine the same and make any necessary corrections.
15 Thereupon, the board of county commissioners shall make its
16 order canceling all such personal property taxes and
17 contractual obligations contained in ~~such the~~ list or lists,
18 as corrected, required by this part to be canceled and
19 spread such order upon its minutes. ~~Such The~~ order and
20 minutes need not set forth in full the contents of ~~such the~~
21 list or lists, a proper reference therein for their
22 identification being sufficient. ~~At-the-time-of-making--such~~
23 order When the order is made, the original or copy of ~~such~~
24 the list or lists, as corrected, ~~shall must~~ be filed with
25 and as a part of the records of the board. One legible copy

1 thereof ~~shall~~ must be filed with the county clerk and
 2 recorder as a public record, and one legible copy thereof
 3 ~~shall~~ must be filed with the county treasurer as a permanent
 4 record of his office."

5 Section 48. Section 15-16-703, MCA, is amended to
 6 read:

7 "15-16-703. Adjustment of accounts after cancellation.
 8 Upon notification of the ~~above~~ order for cancellation, the
 9 county clerk and recorder and county treasurer ~~must~~ shall
 10 adjust their taxes-receivable accounts to conform to the
 11 ~~said~~ order of cancellation."

12 Section 49. Section 15-16-704, MCA, is amended to
 13 read:

14 "15-16-704. Certain unpaid taxes uncollectable --
 15 stricken from records. All unpaid taxes~~7--which--constitute~~
 16 constituting a lien on real property in the state, levied
 17 and assessed against real property which have remained
 18 delinquent more than 10 years prior to July 1, 1976, whether
 19 the levy be by general or special assessment or by the state
 20 or any county, city, or political subdivision of the state,
 21 are hereby declared to be uncollectable and stricken from
 22 the respective tax records."

23 Section 50. Section 15-23-704, MCA, is amended to
 24 read:

25 "15-23-704. Lien of tax -- enforcement of payment. The

1 tax on gross proceeds from coal shall be levied as taxes on
 2 other forms of property, and this tax and the severance tax
 3 on coal production are each a lien upon the coal mine and a
 4 prior lien upon all personal property and improvements used
 5 to produce the coal. These taxes may be collected by the
 6 seizure and sale of the personal property on which the tax
 7 is a lien as provided under 15-16-113 and ~~chapter--17--part~~
 8 ~~9--or--by--suit--under--15-16-501--and--15-16-502~~ [section 15]."

9 Section 51. Section 15-24-302, MCA, is amended to
 10 read:

11 "15-24-302. Collection procedure. All property
 12 mentioned in 15-24-301 is assessed at the same value as
 13 property of like kind and character, and the assessment,
 14 levy, and collection of the tax are governed by the
 15 provisions of 15-8-408~~7~~, 15-16-111 through 15-16-115~~7~~,
 16 15-16-404~~7~~, ~~chapter--17--part--9~~ [section 15], and
 17 15-24-202~~7~~, as amended, except:

18 (1) taxation of motor vehicles under 15-24-301(4) to
 19 the extent that subsection varies from the general
 20 provisions cited above; and

21 (2) livestock taxation governed by 81-7-104 and Title
 22 81, chapter 7, part 2."

23 Section 52. Section 76-13-211, MCA, is amended to
 24 read:

25 "76-13-211. Amount due for protection treated as lien.

1 (1) Whenever the department provides forest protection
 2 during a forest fire season for any forest land or timber
 3 not protected by the owner thereof as required by this part
 4 or part 1, the amount due for the forest protection is a
 5 lien upon the land or timber which shall continue until such
 6 time as the amount due is paid.

7 (2) The lien has the same force, effect, and priority
 8 as general tax liens under the laws of the state and is
 9 subject and inferior only to tax liens on the lands. The
 10 county attorney of the county in which the land is situated
 11 shall on request of the department foreclose the lien in the
 12 name of the state and in the manner provided by law, or the
 13 county attorney upon the request of the department shall
 14 institute an action against the forest landowner in the name
 15 of the state in any district or justice court having
 16 jurisdiction to recover the debt. The state in the action is
 17 not required to pay any fees or costs to the clerk of the
 18 court or justice of the peace. ~~The--complaint--and--all~~
 19 ~~subsequent--proceedings--in--the--action--shall--conform--as--nearly~~
 20 ~~as--practicable--to--those--provided--by--15-16-502.~~

21 (3) The remedies provided by this section are
 22 cumulative and do not affect the other provisions of this
 23 part or part 1 for the payment and collection of amounts due
 24 to the department."

25 Section 53. Section 85-7-2152, MCA, is amended to

1 read:

2 "85-7-2152. Proceeds of sale. Whenever any lot, tract,
 3 piece, or parcel of land included within and forming a part
 4 of any irrigation district created under the provisions of
 5 this chapter or included within any extension of such
 6 district is sold by the treasurer of the county where such
 7 land is situated in the manner provided by law for the sale
 8 of lands for delinquent taxes for state and county purposes
 9 and taxes or assessments of the irrigation district form all
 10 or a part of the taxes for which such lands are sold, the
 11 county treasurer making such sale or sales shall place to
 12 the credit of the proper funds of such irrigation district,
 13 out of the proceeds of the sale or sales, the total tax or
 14 assessment of the irrigation district, inclusive of the
 15 interest and penalty thereon as provided for by the general
 16 laws relating to delinquent taxes for state and county
 17 purposes, and whenever any such lands are struck off at such
 18 sale to the county where they are situated pursuant to the
 19 provisions of ~~15-17-207~~ [section 8], the county treasurer of
 20 the county must, upon the issuance of the certificate of tax
 21 sale to the county, issue to the irrigation district, in its
 22 corporate name, a debenture certificate for the amount of
 23 taxes and assessments due to the irrigation district from
 24 the lands and premises so sold, inclusive of the interest
 25 and penalty thereon, which certificate is evidence of and

1 conclusive of the interest and claim of the irrigation
 2 district in, to, against, and upon the lands and premises so
 3 struck off to the county at the tax sale, and after the
 4 issuance of the certificate, the sum named therein and the
 5 taxes and assessments of the district evidenced thereby
 6 shall bear interest at the rate of 1% a month from the date
 7 of the certificate until redeemed in the manner provided for
 8 by law for the redemption of the lands sold for delinquent
 9 state and county taxes or until paid from the proceeds of
 10 the sale of the lands and premises described therein in the
 11 manner provided for by law, and duplicates of such
 12 certificates so issued to the irrigation district shall be
 13 filed in the office of the county clerk and county treasurer
 14 of the county with the certificate of tax sale of the lands
 15 and premises."

16 Section 54. Section 85-7-2154, MCA, is amended to
 17 read:

18 "85-7-2154. Redemption of lands sold. Upon the
 19 redemption of any lands so sold for taxes in the manner
 20 provided for by ~~15-10-101~~ [sections 16 through 26], the
 21 county treasurer of said county, out of the redemption
 22 money, shall pay to the holder or holders of such
 23 certificate or certificates the sums for which the same were
 24 issued, with interest as therein provided to the date of the
 25 redemption of said lands."

1 Section 55. Section 85-7-2155, MCA, is amended to
 2 read:

3 "85-7-2155. Sale by county commissioners when land not
 4 redeemed. When the lands and premises so sold for taxes and
 5 upon and against which the certificates have been issued for
 6 the taxes and assessments of the irrigation district are not
 7 redeemed within the time provided for by ~~15-10-101~~ [section
 8 16], the board of county commissioners of the county, within
 9 3 months thereafter, shall cause these lands and premises to
 10 be sold as provided for by law, and out of the proceeds of
 11 the sale, the county treasurer of the county shall pay to
 12 the holder or holders of the certificates the sum for which
 13 the same were issued, with interest as provided for to the
 14 date of the sale of the lands by the board of county
 15 commissioners, and no lands and premises so held by any
 16 county and against which the certificates provided for by
 17 this chapter have been issued may, upon such sale, be struck
 18 off or sold for a less sum than the amount of taxes and
 19 assessments of the irrigation district represented by the
 20 certificate, inclusive of the interest thereon, in addition
 21 to the state and county taxes, if any, against the same."

22 Section 56. Section 85-7-2156, MCA, is amended to
 23 read:

24 "85-7-2156. Proceedings where land struck off to
 25 county and not redeemed. In case the property so assessed

1 for irrigation district purposes is struck off to the
 2 county, as provided for by law, and certificates of the
 3 taxes and assessments of said irrigation district issued
 4 thereon, as hereinbefore provided for, and the said lands
 5 and premises be not redeemed before the next annual
 6 assessment for irrigation purposes shall become delinquent
 7 thereon, then and in that event ~~(whether said lands and~~
 8 ~~premises be again sold by the county treasurer of said~~
 9 ~~county or the sale thereof adjourned as provided for by~~
 10 ~~15-17-304 and 15-17-305),~~ like certificates for each year's
 11 irrigation district taxes and assessments shall be issued
 12 against said land and shall be included in and satisfied by
 13 any redemption thereof, with interest as hereinbefore
 14 provided for, and shall in like manner be paid from the
 15 proceeds of sale of said lands by the board of county
 16 commissioners, if the same be not redeemed as provided for
 17 by law."

18 Section 57. Section 85-7-2163, MCA, is amended to
 19 read:

20 "85-7-2163. ~~Period of redemption application for~~
 21 Granting of tax deed. The holder of such the certificate of
 22 tax sale ~~of such land whether said holder be an irrigation~~
 23 ~~district or individual, may at any time after the~~
 24 ~~expiration of 2 years from the date of sale of said property~~
 25 ~~for delinquency, if same has not been redeemed within said~~

1 ~~period of 2 years from date of sale of said lands for~~
 2 ~~delinquency, apply to the county treasurer, as provided by~~
 3 ~~law for the issuance of a tax deed to said property, and~~
 4 ~~upon such application, must be granted a tax deed by the~~
 5 county treasurer ~~shall issue such tax deed, in the manner~~
 6 and form provided by ~~law to said holder~~ [sections 16
 7 through 26]."

8 Section 58. Section 20-15-403, MCA, is amended to
 9 read:

10 "20-15-403. Applications of other school district
 11 provisions. (1) When the term "school district" appears in
 12 the following sections outside of Title 20, the term
 13 includes community college districts and the provisions of
 14 those sections applicable to school districts apply to
 15 community college districts: 2-9-101, 2-9-111, 2-9-316,
 16 2-16-114, 2-16-602, 2-16-614, 2-18-703, 7-3-1101, 7-6-2604,
 17 7-6-2801, 7-7-123, 7-8-2214, 7-8-2215, 7-8-2216, 7-11-103,
 18 7-12-4106, 7-13-110, 7-13-210, 7-15-4206, 10-1-703,
 19 15-1-101, 15-6-204, 15-16-101, 15-16-601, ~~15-18-108,~~
 20 15-55-106, 15-70-301, 15-70-322, 17-5-101, 17-5-202,
 21 17-6-103, 17-6-204, 17-6-213, 17-7-201, 18-1-102, 18-1-112,
 22 18-1-201, 18-2-101, 18-2-103, 18-2-113, 18-2-114, 18-2-404,
 23 18-2-432, 18-5-205, 19-1-102, 19-1-811, 22-1-309, 25-1-402,
 24 27-18-406, 33-20-1104, 39-3-104, 39-4-107, 39-31-103,
 25 39-31-304, 39-71-116, 39-71-117, 39-71-2106, 39-71-2206,

1 40-6-237, 41-3-1132, 49-3-101, 49-3-102, 53-20-304,
2 77-3-321, 82-10-201, 82-10-202, 82-10-203, 85-7-2158, and
3 90-6-208 and Rules 4D(2)(g) and 15(c), M.R.Civ.P., as
4 amended.

5 (2) When the term "school district" appears in a
6 section outside of Title 20 but the section is not listed in
7 subsection (1), the school district provision does not apply
8 to a community college district."

9 NEW SECTION. Section 59. Repealer. Sections
10 15-16-116, 15-16-501, 15-16-502, 15-16-505, 15-17-101,
11 15-17-102, 15-17-111 through 15-17-113, 15-17-201 through
12 15-17-208, 15-17-301 through 15-17-305, 15-17-311,
13 15-17-312, 15-17-901 through 15-17-903, 15-18-101 through
14 15-18-108, 15-18-201 through 15-18-205, 15-18-301 through
15 15-18-309, and 15-18-401 through 15-18-404, MCA, are
16 repealed.

17 NEW SECTION. Section 60. Extension of authority. Any
18 existing authority of the department of revenue to make
19 rules on the subject of the provisions of this act is
20 extended to the provisions of this act.

21 NEW SECTION. Section 61. Transition. (1) For the
22 purpose of implementing the provisions of [sections 1
23 through 26], no tax deed may be applied for or issued during
24 the period between [the effective date of this act] and July
25 1, 1988.

1 (2) During the period between [the effective date of
2 this act] and July 1, 1988, the county clerk and county
3 treasurer of each county shall cooperate in identifying all
4 property in their respective counties on which the taxes are
5 delinquent or on which a tax sale certificate or assignment
6 certificate was issued.

7 (3) Not less than 60 days or more than 90 days prior
8 to July 1, 1988, the county clerk in each county shall give
9 notice, as provided in [section 21], for each property on
10 which the taxes have been delinquent for the 3 preceding
11 years or more or for which there had been issued a tax sale
12 certificate to the county and for which the board of county
13 commissioners has directed the county treasurer to issue a
14 tax deed.

15 (4) After January 1, 1988, and before May 1, 1988, the
16 county clerk shall send a notice to each purchaser other
17 than the county and to each assignee who has taken an
18 assignment from the county. The notice must be sent by
19 certified mail and contain a statement apprising the
20 purchaser or assignee of his obligation to give notice as
21 required in [section 21]. The county clerk shall also
22 publish in the official newspaper of the county or such
23 other newspaper as the board of county commissioners may
24 designate a general notice to all purchasers and assignees
25 stating the obligations to the purchaser or assignee

1 regarding the notice required in [section 21].

2 NEW SECTION. Section 62. Saving clause. This act does
3 not affect rights and duties that matured, penalties that
4 were incurred, or proceedings that were begun before the
5 effective date of this act.

6 NEW SECTION. Section 63. Effective date. This act is
7 effective on passage and approval.

-End-

1 SENATE BILL NO. 162

2 INTRODUCED BY MAZUREK

3 BY REQUEST OF THE REVENUE OVERSIGHT COMMITTEE

4
5 A BILL FOR AN ACT ENTITLED: "AN ACT GENERALLY REVISING THE
6 LAWS RELATING TO PROPERTY TAX COLLECTIONS, PROPERTY TAX
7 DELINQUENCIES, AND THE TAX DEEDING PROCESS; AMENDING
8 SECTIONS 7-6-4414, 7-21-2104, 15-16-101, 15-16-102,
9 15-16-111 THROUGH 15-16-115, 15-16-117, 15-16-301 THROUGH
10 15-16-303, 15-16-305, 15-16-401, 15-16-402, 15-16-404,
11 15-16-504, 15-16-601, 15-16-701 THROUGH 15-16-704,
12 15-23-704, 15-24-302, 20-15-403, 76-13-211, 85-7-2152,
13 85-7-2154 THROUGH 85-7-2156, AND 85-7-2163, MCA; REPEALING
14 SECTIONS 15-16-116, 15-16-501, 15-16-502, 15-16-505,
15 15-17-101, 15-17-102, 15-17-111 THROUGH 15-17-113, 15-17-201
16 THROUGH 15-17-208, 15-17-301 THROUGH 15-17-305, 15-17-311,
17 15-17-312, 15-17-901 THROUGH 15-17-903, 15-18-101 THROUGH
18 15-18-108, 15-18-201 THROUGH 15-18-205, 15-18-301 THROUGH
19 15-18-309, AND 15-18-401 THROUGH 15-18-404, MCA; AND
20 PROVIDING AN IMMEDIATE EFFECTIVE DATE."

21
22 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

23 NEW SECTION. Section 1. Definitions. Except as
24 otherwise specifically provided, when terms mentioned in
25 [sections 1 through 26] are used in connection with

1 taxation, they are defined in the following manner:

2 (1) "Certificate" or "tax sale certificate" means the
3 document described in [section 6].

4 (2) "County" means any county government and includes
5 those classified as consolidated governments.

6 (3) "Property tax lien" means a lien acquired by the
7 payment at a tax sale of all outstanding delinquent taxes,
8 including penalties, interest, and costs.

9 (4) "Purchaser" means any person, other than the
10 person to whom the property is assessed, who pays at the tax
11 sale the delinquent taxes, including penalties, interest,
12 and costs, and receives a certificate representing a lien on
13 the property or who is otherwise listed as the purchaser.
14 An assignee is a purchaser.

15 (5) "Tax", "taxes", or "property taxes" means all ad
16 valorem property taxes, property assessments, fees related
17 to property, and assessments for special improvement
18 districts and rural special improvement districts.

19 (6) "Tax sale" means:

20 (a) with respect to real property and improvements,
21 the offering for sale by the county treasurer of a property
22 tax lien representing delinquent taxes, including penalties,
23 interest, and costs; and

24 (b) with respect to personal property, the offering
25 for sale by the county treasurer of personal property on

1 which the taxes are delinquent or other personal property on
2 which the delinquent taxes are a lien.

3 NEW SECTION. Section 2. Notice of pending tax sale.

4 (1) The county treasurer shall publish or post a notice of
5 pending tax sale. The notice must include:

6 (a) the specific time, date, and place an interest in
7 the property on which the taxes are delinquent will be
8 offered for sale;

9 (b) a statement that the delinquent taxes, including
10 penalties, interest, and costs, are a lien upon the property
11 and that unless the delinquent taxes, penalties, interest,
12 and costs are paid prior to the time of the tax sale, the
13 lien will be offered for sale at the time and place
14 specified in subsection (1)(a).

15 (2) The notice required in subsection (1) must also
16 include a statement that a list of each property on which
17 the taxes are delinquent is on file in the office of the
18 county treasurer and open to inspection. The list must
19 include:

20 (a) the name and address of the person to whom the
21 delinquent taxes are assessed;

22 (b) the amounts of the delinquent taxes, all accrued
23 penalties, interest, and other costs; and

24 (c) a statement that penalties, interest, and costs
25 will be added to delinquent taxes.

1 (3) The notice must be published once a week for 3
2 consecutive weeks in the newspaper designated for county
3 printing as provided in 7-5-2411. If no newspaper is
4 published in the county, the notice must be posted by the
5 county treasurer in three public places. The notice must be
6 first published or posted on or before the last Monday in
7 June.

8 (4) Except as provided in [section 5(2)], the sale may
9 not be held less than 21 days or more than 28 days from the
10 date of first publication or first day the notice is posted.

11 (5) The sale must be held at the county courthouse.

12 (6) Property on which taxes are delinquent but for
13 which proper notification was not made may not be included
14 in the current year's notice and sale. In the event of
15 improper notification, the sale may be held on all property
16 properly noticed.

17 NEW SECTION. Section 3. Copy of notice to be filed
18 with county clerk -- affidavit. (1) Immediately following
19 publication or posting of the notice required in [section
20 2], the county treasurer shall file a copy of the notice
21 with the county clerk. The copy must be accompanied by an
22 affidavit signed by the county treasurer stating:

23 (a) the name of the newspaper and its address of
24 publication; and

25 (b) the dates the notice was published.

1 (2) If no newspaper is published in the county, the
2 affidavit must list the locations and date of the posting
3 required by [section 2].

4 (3) The affidavit filed under subsection (1) or (2) is
5 prima facie evidence of all the facts stated therein.

6 NEW SECTION. Section 4. Irregular assessment. If the
7 county treasurer discovers, prior to the tax sale, that
8 property on which the taxes are delinquent has been
9 irregularly assessed, he may not offer the property or a
10 property tax lien for sale. In such event, the taxes on the
11 property must be listed on the assessment book as
12 uncollected for the year in which they were due, and they
13 must be assessed and collected during the succeeding year as
14 taxes are regularly assessed and collected.

15 NEW SECTION. Section 5. Conduct of tax sale. (1) On
16 the date and at the time and place specified in the notice,
17 the county treasurer shall, except as provided in [section
18 4], begin the tax sale of all property described in the list
19 required in [section 2(2)]. The tax sale must continue
20 until the county treasurer declares it over, but must
21 continue for a period of not less than 1 day. The treasurer
22 is not required to read the list but shall make a copy of
23 the list available for public inspection during regular
24 business hours.

25 (2) The treasurer may postpone the day of commencing

1 the sale on a day-to-day basis without publishing a new
2 notice, provided that the sale is held within 3 weeks from
3 the day first fixed.

4 (3) Property assessed under [section 12] that has not
5 been sold to a purchaser other than the county may, at the
6 discretion of the county treasurer, be offered for sale at
7 tax sales subsequent to the sale at which it was first
8 offered.

9 NEW SECTION. Section 6. Tax sale certificate. (1)
10 Upon receipt of all delinquent taxes, penalties, interest,
11 and costs, the county treasurer shall prepare a tax sale
12 certificate that must contain:

13 (a) the date on which the property taxes became
14 delinquent;

15 (b) the date on which a property tax lien was sold at
16 a tax sale;

17 (c) the name and address of record of the person to
18 whom the taxes were assessed;

19 (d) a description of the property on which the taxes
20 were assessed;

21 (e) the name and mailing address of the purchaser;

22 (f) the amount paid to liquidate the delinquency,
23 including a separate listing of the amount of the delinquent
24 taxes, penalties, interest, and costs;

25 (g) a statement that the certificate represents a lien

1 on the property that may lead to the issuance of a tax deed
2 for the property;

3 (h) a statement specifying the date on which the
4 purchaser will be entitled to a tax deed; and

5 (i) an identification number corresponding to the tax
6 sale certificate number recorded by the county treasurer as
7 required in [section 7].

8 (2) The certificate must be signed by the county
9 treasurer and delivered to the purchaser. A copy of the
10 certificate must be filed by the treasurer in the office of
11 the county clerk.

12 NEW SECTION. Section 7. Treasurer to record tax
13 sales. Prior to delivering the tax sale certificate to the
14 purchaser, the county treasurer shall make a record of the
15 tax sale. The record must include:

16 (1) the name and address of the purchaser;

17 (2) the date on which the tax lien was purchased;

18 (3) a description of the property on which the
19 certificate is a lien, which description must correspond to
20 the description listed on the certificate;

21 (4) the amount paid to liquidate the delinquency,
22 including a separate listing of the amount of the delinquent
23 taxes, penalties, interest, and costs; and

24 (5) a number identifying the tax sale certificate
25 issued upon payment of the delinquency.

1 NEW SECTION. Section 8. County as purchaser --
2 assignment. (1) If no person pays the delinquent taxes,
3 including penalties, interest, and costs, on the first day
4 of the tax sale, the county is considered to be the
5 purchaser.

6 (2) (a) After the 21st day following the first day of
7 the tax sale, the county treasurer shall identify and list
8 all property that was sold at the tax sale. He shall also
9 record that the county is the purchaser of all property
10 remaining unsold and upon which the taxes remain delinquent.

11 (b) The record of the property in which the county is
12 listed as the purchaser may be made by the treasurer by a
13 separate tax sale certificate of each property or by
14 reference to the property as recorded in the list required
15 under 15-16-301.

16 (3) A property tax lien of the county in any property
17 acquired by the county under subsection (1) must be assigned
18 by the county treasurer as provided in [section 11] upon the
19 payment of all delinquent taxes, including penalties,
20 interest, and costs specified in [section 11].

21 NEW SECTION. Section 9. Resale for nonpayment. (1) If
22 a purchaser other than the county does not pay the
23 delinquent taxes, including penalties, interest, and costs,
24 before 10 a.m. on the next business day following the day
25 of purchase at a tax sale, the property must be made

1 available for sale for the amount of the delinquent taxes,
 2 including penalties, interest, and costs, on the following
 3 business day of the sale, except as provided in subsection
 4 (2).

5 (2) If the sale was made on the last day of the tax
 6 sale and payment was not received as provided in subsection
 7 (1), the county is considered to be the purchaser as
 8 provided in [section 8].

9 NEW SECTION. Section 10. Disposition of money from
 10 tax sale. All money received from purchasers for delinquent
 11 taxes, penalties, interest, and costs must be deposited in
 12 the county treasury. The money received, other than costs,
 13 must be credited to the various funds to which the taxes
 14 would have originally been distributed and in the same
 15 proportion as the taxes would have originally been
 16 distributed. Any money received for costs or any money
 17 remaining after crediting the separate funds must be
 18 deposited to the credit of the county general fund.

19 NEW SECTION. Section 11. Assignment of rights --
 20 form. (1) Any tax sale certificate or other official record
 21 in which the county is listed as the purchaser must be
 22 assigned by the county treasurer to any person who pays to
 23 the county the amount of the delinquent taxes, including
 24 penalties, interest, and costs, accruing from the date of
 25 delinquency.

1 (2) The assignment made under subsection (1) must be
 2 in the form of an assignment certificate in substantially
 3 the following form:

4 I,, the treasurer of County, state of
 5 Montana, hereby certify that a tax sale for tax year 19..,
 6 in the county of, was held on (date), for the
 7 purpose of liquidating delinquent assessments, and I further
 8 certify that a property tax lien for delinquent taxes in the
 9 following property: (insert property description) was
 10 offered for sale and that there was no purchaser of the
 11 property tax lien. Accordingly, the county was listed as
 12 the purchaser as required by [section 8], MCA. As of the
 13 date of this certificate, the delinquency, including
 14 penalties, interest, and costs amounting to \$....., has not
 15 been liquidated by the person to whom the property was
 16 assessed, nor has the delinquency been otherwise redeemed.

17 There having been no liquidation of the delinquency or
 18 other redemption, I hereby assign all rights, title, and
 19 interest of the county of, state of Montana, acquired
 20 in such property by virtue of the sale to (name and
 21 address of assignee) to proceed to obtain a tax deed to the
 22 property or receive payment in case of redemption as
 23 provided by law.

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

1 NEW SECTION. Section 14. Voided sale -- refund --
 2 limitation on action for royalty interest. (1) If a tax sale
 3 held under the provisions of [sections 1 through 15] is
 4 declared void by a court for irregularity in the assessment,
 5 levy, or sale, the money paid by the purchaser at the sale
 6 or by any assignee must be refunded, with interest at the
 7 rate payable upon delinquencies as provided in 15-16-102
 8 from the date of the payment, to the purchaser or owner of
 9 the tax sale certificate, together with any penalty paid by
 10 the purchaser.

11 (2) Following the payment of a refund as provided in
 12 subsection (1), the county is considered the purchaser and
 13 has a property tax lien upon the property for the legal
 14 taxes on the property accruing from the date of delinquency,
 15 plus penalties and interest as provided in 15-16-102. Any
 16 money refunded that was received as provided in {section 6}
 17 and distributed by the treasurer to the state or a city,
 18 town, or district, respectively, must be charged to the
 19 state, city, town, or district by the treasurer and deducted
 20 from the next money due the state, city, town, or district,
 21 respectively, on account of taxes paid or collected. A
 22 purchaser of a property tax lien or owner thereof by
 23 assignment where sales have been made by a city or town
 24 which by resolution or ordinance collects its own taxes
 25 instead of having the same collected by the county treasurer

1 must be reimbursed in similar manner and in similar
 2 circumstances out of the city or town treasury upon order of
 3 the mayor or, where applicable, the city manager or chairman
 4 of the city commission. The city or town clerk or city or
 5 town treasurer, as appropriate, shall make proper charges
 6 and deductions against the respective funds of the city or
 7 town upon the next collection of taxes by the city or town.

8 (3) The purchaser has a lien upon the property for the
 9 amount of taxes, penalties, interest, and costs paid, with
 10 the interest to be at the rate specified for delinquencies
 11 in 15-16-102. If the purchaser is in possession of the
 12 property and resides thereon, he may not be ejected from the
 13 property until his lien has been liquidated.

14 (4) All affirmative defenses at law or equity,
 15 including but not limited to estoppel, laches, and adverse
 16 possession, may apply in a suit brought to challenge the
 17 title to a royalty interest in land claimed to have been
 18 acquired by a county by tax deed.

19 (5) An action against a county to recover a royalty
 20 interest in land acquired by the county by tax deed must be
 21 brought within the period prescribed in 27-2-210.

22 NEW SECTION. Section 15. Sale of personalty for
 23 delinquent taxes -- fee -- disposition of proceeds -- unsold
 24 property. (1) The tax on personal property may be collected
 25 and payment enforced by the seizure and sale of any personal

1 property in the possession of the person assessed. Seizure
 2 and sale are authorized at any time after the date the taxes
 3 become delinquent or by the institution of a civil action
 4 for its collection in any court of competent jurisdiction.
 5 A resort to one method does not bar the right to resort to
 6 any other method. Any of the methods provided may be used
 7 until the full amount of the tax is collected.

8 (2) The provisions of 15-16-113 and this section apply
 9 to a seizure and sale under subsection (1).

10 (3) A sale under subsection (1) must be at public
 11 auction. The minimum bid for any property offered for sale
 12 must be of a sufficient amount to pay the delinquent taxes,
 13 including penalties, interest, and costs.

14 (4) For seizing and selling personal property, the
 15 treasurer shall charge \$25, plus the mileage allowance
 16 provided by law to the sheriff, plus reasonable expenses for
 17 seizing, handling, keeping, or caring for any property so
 18 seized. The charge and other costs may only be charged when
 19 property is actually seized and offered for sale or sold.

20 (5) On payment of the price bid for any property sold
 21 as provided in this section, delivery of the property, with
 22 a bill of sale, vests the title of the property in the
 23 purchaser.

24 (6) (a) All money collected from the sale of property
 25 in liquidation of the delinquency, including delinquent

1 taxes, penalties, and interest, but not costs, must be
 2 credited by the treasurer to the appropriate funds.

3 (b) Any money collected in excess of the delinquent
 4 tax penalties, and interest, COSTS, AND CHARGES must be
 5 returned to the person owning the property prior to the
 6 sale, if known. If the person does not claim the excess
 7 immediately following the sale, the treasurer shall deposit
 8 the money in the county treasury for a period of 1 year from
 9 the date of sale. If the person has not claimed the excess
 10 within 1 year from the date of sale, the county treasurer
 11 shall deposit the amount in the county general fund and the
 12 person has no claim to it thereafter.

13 (7) Any property seized for the purpose of liquidating
 14 a delinquency by a tax sale that remains unsold following a
 15 sale may be left at the place of sale at the risk of the
 16 owner.

17 NEW SECTION. Section 16. Time for redemption --
 18 interested party. (1) Redemption of a property tax lien
 19 acquired at a tax sale or otherwise may be made by the
 20 owner, the holder of an unrecorded or improperly recorded
 21 security interest, the occupant of the property, or any
 22 interested party within 36 months from the date of the first
 23 day of the tax sale or within 60 days following the giving
 24 of the notice required in [section 21], whichever is later.

25 (2) For the purposes of [sections 16 through 26], an

1 "interested party" includes a mortgagee, holder VENDOR of a
 2 contract for deed OR HIS SUCCESSOR IN INTEREST, lienholder,
 3 or other person who has a properly perfected-security
 4 RECORDED interest in the property ~~duy--recorded--with--the~~
 5 ~~county--clerk~~. A person having an interest in property on
 6 which there is a property tax lien but which interest is not
 7 properly recorded is not an interested party for the
 8 purposes of [sections 16 through 26].

9 NEW SECTION. Section 17. Redemption from property tax
 10 lien. In all cases where a property tax lien has been
 11 acquired, the purchaser may pay the subsequent taxes
 12 assessed against the property. Upon the redemption of the
 13 property from the property tax lien, the redemptioner shall,
 14 in addition to the amount for which the property tax lien
 15 was sold, including penalties, interest, and costs, pay the
 16 subsequent taxes paid by the purchaser with interest
 17 thereon, at the rate established for delinquent taxes in
 18 15-16-102, from the date of the payment of the taxes,
 19 penalties, interest, and costs.

20 NEW SECTION. Section 18. Treasurer to record
 21 redemptions. Upon payment of all delinquent taxes, including
 22 penalties, interest, and costs, by the person to whom taxes
 23 were assessed or his agent to the county treasurer and
 24 refunded to the person listed as purchaser as provided in
 25 [section 6(1)(e)], [section 7], or [section 8] or

1 distributed as provided in [section 19], the word
 2 "redeemed", the date, and the name of the redemptioner must
 3 be marked on the tax sale certificate or in the record
 4 required in [section 8] by the county treasurer.

5 NEW SECTION. Section 19. Distribution of redemption
 6 proceeds. (1) When a property tax lien for which the county
 7 is listed as purchaser is redeemed, the money received from
 8 the redemption, including penalties and interest but not
 9 costs, must be distributed to the credit of the various
 10 funds to which the taxes would have originally been
 11 distributed and in the same proportion as the taxes would
 12 have originally been distributed.

13 (2) (a) When a property tax lien for which the
 14 recorded purchaser is other than the county is redeemed, the
 15 money received from the redemption, including penalties and
 16 interest but not costs, must be distributed to the person
 17 listed as the purchaser on the tax sale certificate and in
 18 the record kept by the county treasurer.

19 (b) (i) The distribution must be made by certified
 20 mail by the county treasurer to the purchaser at the address
 21 listed on the tax sale certificate as provided in [section
 22 6(1)(e)].

23 (ii) If the money distributed to the purchaser is
 24 returned unopened to the county treasurer, the treasurer
 25 shall publish once a week for 2 consecutive weeks in the

1 official newspaper of the county a notice stating that:

2 (A) the county treasurer is in possession of money
3 belonging to the purchaser for the redemption of the
4 delinquency on the property named in the tax sale
5 certificate;

6 (B) the money will be held by the county treasurer for
7 a period of 1 year from the date of publication; and

8 (C) if the money is not claimed by the purchaser
9 within the 1-year period, the purchaser relinquishes all
10 claim to the money and the money will be credited to the
11 county general fund.

12 (3) The publication required in subsection (2)(b)(ii)
13 must be made at least annually, but the 1-year period
14 described in subsection (2)(b)(ii)(B) may not begin until
15 the date of publication.

16 (4) The county treasurer shall keep an accurate
17 account of all money paid in redemption, including a
18 separate accounting of other delinquent taxes, interest,
19 penalties, and costs, and when and to whom distributed.

20 NEW SECTION. Section 20. Tax deed -- fee. (1) Except
21 as provided in subsection (3), if the property tax lien is
22 not redeemed in the time allowed under [section 16], the
23 county treasurer shall grant the purchaser a tax deed for
24 the property. The deed must contain the same information as
25 is required in a tax sale certificate under [section 6],

1 except the description of the property must be the full
2 legal description, and a statement that the property tax
3 lien was not redeemed during the redemption period provided
4 in [section 16].

5 (2) (a) Except as provided in subsection (2)(b), the
6 county treasurer shall charge the purchaser \$25 plus all
7 actual costs incurred by the county in giving the notice or
8 assisting another purchaser or assignee in giving the notice
9 required in [section 21] for making the deed, which fee must
10 be deposited in the county general fund.

11 (b) If the purchaser is the county, no fee may be
12 charged for making the deed.

13 (c) Reasonable costs incurred by the county in
14 searching the county records to identify persons entitled to
15 notice are considered part of the actual costs of the notice
16 provided in subsection (2)(a).

17 (3) If the purchaser is the county and no assignment
18 has been made, the county treasurer may not issue a tax deed
19 to the county unless the board of county commissioners, by
20 resolution, directs him to issue a tax deed.

21 (4) Deeds issued to purchasers must be recorded by the
22 county clerk as provided in Title 7, chapter 4, part 26,
23 except that when the county is the purchaser and subsequent
24 tax deed holder, the county clerk may not charge a fee for
25 recording the deed.

1 NEW SECTION. Section 21. Notice -- proof of notice --
 2 penalty for failure to notify. (1) Not more than 60 days
 3 prior to and not more than 60 days following the expiration
 4 of the redemption period provided in [section 16], a notice
 5 must be given as follows:

6 (a) for each property for which there has been issued
 7 to the county a tax sale certificate or for which the county
 8 is otherwise listed as the purchaser or assignee, the county
 9 clerk shall notify all persons considered interested parties
 10 in the property and the current occupant of the property, if
 11 any, that a tax deed may be issued to the county unless the
 12 property tax lien is redeemed prior to the expiration date
 13 of the redemption period; or

14 (b) for each property for which there has been issued
 15 a tax sale certificate to a purchaser other than the county,
 16 or for which an assignment has been made, the purchaser or
 17 assignee, as appropriate, shall notify all persons
 18 considered interested parties in the property, if any, that
 19 a tax deed will be issued to the purchaser or assignee
 20 unless the property tax lien is redeemed prior to the
 21 expiration date of the redemption period.

22 (2) IF (A) EXCEPT AS PROVIDED IN SUBSECTION (2)(B), IF
 23 the county is the purchaser, no assignment has been made,
 24 and the board of county commissioners has not directed the
 25 county treasurer to issue a tax deed during the period

1 described in subsection (1), but the board of county
 2 commissioners at a time subsequent to the period described
 3 in subsection (1) does direct the county treasurer to issue
 4 a tax deed, the county treasurer CLERK must provide
 5 notification to all interested parties and the current
 6 occupant, if any, in the manner provided in subsection
 7 (1)(a). The notification required under this subsection
 8 must be made not less than 60 days or more than 90 days
 9 prior to the date on which the county treasurer will issue
 10 the tax deed.

11 (B) IF THE COUNTY COMMISSIONERS DIRECT THE COUNTY
 12 TREASURER TO ISSUE A TAX DEED WITHIN 6 MONTHS AFTER GIVING
 13 THE NOTICE REQUIRED BY SUBSECTION (1)(A), NO ADDITIONAL
 14 NOTICE NEED BY GIVEN.

15 (3) (a) If a purchaser other than the county or an
 16 assignee fails or neglects to give notice as required by
 17 subsection (1)(b), which failure or neglect is evidenced by
 18 failure of the purchaser or assignee to file proof of notice
 19 with the county clerk as required in subsection (7), the
 20 county treasurer shall proceed to give notice in the manner
 21 provided in subsection (1)(a).

22 (b) Notice given under this subsection (3) must be
 23 given not less than 60 days or more than 90 days prior to
 24 the date on which the county treasurer will issue the tax
 25 deed.

1 (c) A purchaser or assignee who fails to give notice
 2 as required by subsection (1)(b), thereby forcing
 3 notification to be given under this subsection (3), must be
 4 charged a penalty of \$500 plus all actual costs of
 5 notification incurred by the county proceeding under this
 6 subsection (3).

7 (4) The notice required under subsections (1) through
 8 (3) must be made by certified mail to each interested party
 9 and the current occupant, if any, of the property. The
 10 address to which the notice must be sent is, for each
 11 interested party, the address disclosed by the records in
 12 the office of the county clerk and, for the occupant, the
 13 street address or other known address of the subject
 14 property.

15 (5) In all cases in which the address of an interested
 16 party is not known, the ~~county clerk~~ PERSON REQUIRED TO GIVE
 17 NOTICE shall, within the period described in subsection (1),
 18 or not less than 60 days or more than 90 days prior to the
 19 date upon which the county treasurer will otherwise issue a
 20 tax deed, whichever is appropriate, publish once a week for
 21 2 successive weeks in the official newspaper of the county
 22 or such other newspaper as the board of county commissioners
 23 may by resolution designate, a notice containing the
 24 information contained in subsection (6), plus:

25 (a) the name of the interested party for whom the

1 address is unknown;

2 (b) a statement that the address of the interested
 3 party is unknown;

4 (c) a statement that the published notice meets the
 5 legal requirements for notice of a pending tax deed
 6 issuance; and

7 (d) a statement that the interested party's rights in
 8 the property may be in jeopardy.

9 (6) The notices required by subsections (1) through
 10 (3) and (5) must contain the following:

11 (a) a statement that a property tax lien exists on the
 12 property as a result of a property tax delinquency;

13 (b) a description of the property on which the taxes
 14 are or were delinquent, which description must be the same
 15 as the description of the property on the tax sale
 16 certificate or in the record described in [section 8(2)(b)];

17 (c) the date that the property taxes became
 18 delinquent;

19 (d) the date that the property tax lien attached as
 20 the result of a tax sale;

21 (e) the amount of taxes due, including penalties,
 22 interest, and costs, as of the date of the notice of pending
 23 tax deed issuance, which amount must include a separate
 24 listing of the delinquent taxes, penalties, interest, and
 25 costs that must be paid for the property tax lien to be

1 liquidated;

2 (f) the name and address of the purchaser;

3 (g) the name of the assignee if an assignment was made
4 as provided in [section 11];

5 (h) the date that the redemption period expires or
6 expired;

7 (i) a statement that if all taxes, penalties,
8 interest, and costs are not paid to the county treasurer on
9 or prior to the date on which the redemption period expires
10 or on or prior to the date on which the county treasurer
11 will otherwise issue a tax deed that a tax deed may be
12 issued to the purchaser on the day following the date on
13 which the redemption period expires or on the date on which
14 the county treasurer will otherwise issue a tax deed; and

15 (j) the business address and telephone number of the
16 county treasurer who is responsible for issuing the tax
17 deed.

18 (7) In all cases, proof of notice in whatever manner
19 given must be filed by the county clerk, COUNTY TREASURER,
20 purchaser, or assignee, as appropriate, with the county
21 clerk not less than 30 days following the mailing or
22 publication of the notice. Once filed, the proof of notice
23 is prima facie evidence of the sufficiency of the notice.

24 (8) A county or any officer of a county may not be
25 held liable for any error of notification.

1 NEW SECTION. Section 22. Form of tax deed -- prima
2 facie evidence. (1) The form of a tax deed issued under the
3 provisions of [sections 16 through 26], executed by a county
4 treasurer, must be made in substance as follows:

5 This deed is made by (name of county treasurer),
6 county treasurer of the county of (name of county), in
7 the state of Montana, to (name of purchaser, his agent,
8 or assignee), as provided by the laws of the state of
9 Montana:

10 Whereas, there was assessed for (year) the
11 following real property: (description of the property); and

12 Whereas, the taxes for (year) levied against the
13 property amounted to \$....; and

14 Whereas, the taxes were not paid and a property tax
15 lien for the payment of the taxes attached and was sold to
16 (name of purchaser, his agent, or assignee) on
17 (date, including year) for the sum of \$...., which amount
18 included delinquent taxes in the amount of \$...., penalties
19 in the amount of \$...., interest in the amount of \$...., and
20 other costs in the amount of \$....; and

21 Whereas, a tax sale certificate was duly issued and
22 filed or the sale otherwise recorded as required by law; and

23 Whereas, not less than 60 days or more than 90 days
24 prior to this date, notice was given to interested parties
25 that the issuance of a tax deed was pending.

1 Now, therefore, I, (treasurer's name), county
 2 treasurer of the county of, in the state of Montana, in
 3 consideration of the sum of \$.... paid, hereby grant to
 4 (name of purchaser, his agent, or assignee) all the property
 5 situated in County, state of Montana, described herein
 6 above.

7 Witness my hand on this date (date, including
 8 year).

9 County Treasurer
 10 County

11 (2) A tax deed executed in substantially the form
 12 provided in subsection (1) is prima facie evidence that:

- 13 (a) the property was assessed as required by law;
- 14 (b) the taxes were levied in accordance with law;
- 15 (c) the taxes were not paid when due;
- 16 (d) notice of tax sale was given and a property tax
 17 lien was sold at the proper time and place as provided by
 18 law;
- 19 (e) the property was not redeemed, and proper notice
 20 of a pending tax deed issuance was made as required by law;
- 21 (f) the person who executed the deed was legally
 22 authorized to do so; and
- 23 (g) if the real property was sold to pay delinquent
 24 taxes on personal property, the real property belonged to
 25 the person liable to pay the personal property tax.

1 NEW SECTION. Section 23. Effect of deed. (1) A deed
 2 issued under [sections 16 through 26] conveys to the grantee
 3 absolute title to the property described therein as of the
 4 date of the expiration of the redemption period, free AND
 5 CLEAR of all LIENS AND encumbrances ~~and clear of any and all~~
 6 ~~claims~~, except:

7 (a) when the claim is payable after the execution of
 8 the deed and:

9 (i) a property tax lien attaches subsequent to the tax
 10 sale; or

11 (ii) a lien of any special, rural, local improvement,
 12 irrigation, or drainage assessment is levied against the
 13 property;

14 (b) when the claim is an easement ~~by--a--utility,~~
 15 SERVITUDE, COVENANT, RESTRICTION, RESERVATION, OR SIMILAR
 16 BURDEN LAWFULLY IMPOSED ON THE PROPERTY; or

17 (c) when an interest in the land is owned by the
 18 United States, this state, or a subdivision of this state.

19 (2) Under the conditions described in subsection (1),
 20 the deed is prima facie evidence of the right of possession
 21 accrued as of the date of expiration of the period for
 22 redemption or the date upon which a tax deed was otherwise
 23 issued.

24 NEW SECTION. Section 24. Action to quiet title to tax
 25 deed -- notice. (1) (a) In an action brought to set aside or

1 annul any tax deed or to determine the rights of a purchaser
 2 to real property claimed to have been acquired through tax
 3 proceedings or a tax sale, the purchaser, upon filing an
 4 affidavit, may obtain from the court an order directed to
 5 the person claiming to:

- 6 (i) own the property;
- 7 (ii) have any interest in or lien upon the property;
- 8 (iii) have a right to redeem the property; or
- 9 (iv) have rights hostile to the tax title.

10 (b) The person described in subsections (1)(a)(i)
 11 through (1)(a)(iv) is hereafter referred to as the true
 12 owner.

13 (c) The order described in subsection (1)(a) may
 14 command the true owner to:

15 (i) deposit with the court for the use of the
 16 purchaser:

17 (A) the amount of all taxes, interest, penalties, and
 18 costs that would have accrued if the property had been
 19 regularly and legally assessed and taxed as the property of
 20 the true owner and was about to be redeemed by the true
 21 owner; and

22 (B) the amount of all sums reasonably paid by the
 23 purchaser following the order and after 3 years from the
 24 date of the tax sale to preserve the property or to make
 25 improvements thereon while in the purchaser's possession, as

1 the total amount of the taxes, interest, penalties, costs,
 2 and improvements is alleged by the plaintiff and as must
 3 appear in the order; or

4 (ii) show cause on a date to be fixed in the order, not
 5 exceeding 30 days from the date of the order, why such
 6 payment should not be made.

7 (2) The affidavit must list the name and address of
 8 the true owner and whether he is in the state of Montana, if
 9 known to the plaintiff, or state that the address of the
 10 true owner is not known to the plaintiff.

11 (3) (a) The order must be filed with the county clerk
 12 and a copy served personally upon each person shown in the
 13 affidavit claiming to be a true owner and who is, at that
 14 time, known to be in the state of Montana.

15 (b) Jurisdiction is acquired over all other persons
 16 by:

17 (i) publishing the order once in the official
 18 newspaper of the county;

19 (ii) posting the order in three public places in the
 20 county at least 10 days prior to the hearing; and

21 (iii) giving a copy to the county treasurer.

22 NEW SECTION. Section 25. Procedure in tax deed quiet
 23 title action. (1) Upon the hearing of the order to show
 24 cause, the court has jurisdiction to determine the amount to
 25 be deposited and to make an order that the same be paid to

1 the court within a period not exceeding 30 days after the
2 order is made.

3 (2) (a) Except as provided in subsection (2)(b), if
4 the amount is not paid within the time fixed by the court,
5 the true owner is considered to have waived any defects in
6 the tax proceedings and any right of redemption. In the
7 event of waiver, the true owner has no claim of any kind
8 against the state or purchaser and a decree must be entered
9 in the action quieting the title of the purchaser as against
10 the true owner.

11 (b) The proceedings are void if the taxes were not
12 delinquent or have been paid.

13 (3) If payment is made to the court and the true owner
14 is successful in the action and the tax proceedings are
15 declared void, the amount deposited with the court must be
16 paid to the purchaser.

17 (4) If the purported true owner is not successful in
18 the action and the title of the purchaser is sustained, the
19 money must be returned to the purported true owner.

20 (5) In any action brought by a purchaser to quiet
21 title, several tracts of land, whether contiguous or
22 noncontiguous or owned by different defendants, may be set
23 forth in one complaint. All persons claiming any title to,
24 interest in, or lien upon any of the premises or any part
25 thereof may be joined as defendants, even though their

1 claims are independent, are not in common, and do not cover
2 the same tracts. The procedure in such an action must
3 follow, as nearly as practicable, the procedure specified in
4 70-28-101 through 70-28-109.

5 (6) In the final judgment, the court shall also
6 determine the rights resulting from any additional taxes on
7 the property accruing or being paid by either party during
8 the pendency of the suit.

9 (7) In the quiet title action, the court has complete
10 jurisdiction to fix the amount of taxes that should have
11 been paid, including penalties, interest, and costs, and to
12 determine all questions necessary in granting full relief,
13 including the power to order any assessor or other tax
14 officer to make and certify to the court a corrected or new
15 assessment or to do any other act necessary to enable the
16 court to do complete justice. Errors may be reviewed on
17 appeal from the final judgment.

18 NEW SECTION. Section 26. Title conveyed by deed --
19 defects. (1) All deeds executed more than 3 years after the
20 applicable tax sale convey to the grantee absolute title to
21 the property described in the deed as of 3 years following
22 the date of sale of the property interest at the tax sale.

23 (2) The conveyance includes:

24 (a) all right, title, interest, estate, lien, claim,
25 and demand of the state of Montana and of the county in and

1 to the property; and

2 (b) the right, if the tax deed, tax sale, or any of
3 the tax proceedings upon which the deed may be based are
4 attacked and held irregular or void, to recover the unpaid
5 taxes, interest, penalties, and costs that would accrue if
6 the tax proceedings had been regular and it was desired to
7 redeem the property.

8 (3) The tax deed is free of all encumbrances except as
9 provided in [subsections (1)(a) through (1)(c) of section
10 23].

11 (4) A tax deed is prima facie evidence of the right of
12 possession accruing as of the date of the expiration of the
13 redemption period described in [section 16].

14 (5) If any tax deed or deed purporting to be a tax
15 deed is issued more than 3 years and 30 days after the date
16 of the sale of the property interest at the applicable tax
17 sale, the grantee may publish in the official newspaper of
18 the county, once a week for 2 consecutive weeks, a notice
19 entitled "Notice of Claim of a Tax Title". The notice must:

20 (a) describe all property claimed to have been
21 acquired by a tax deed;

22 (b) contain an estimate of the amount due on the
23 property for delinquent taxes, interest, penalties, and
24 costs;

25 (c) contain a statement that for further specific

1 information, reference must be made to the records in the
2 office of the county treasurer;

3 (d) list the name and address of record of the person
4 in whose name the property was assessed or taxed; and

5 (e) contain a statement that demand is made that the
6 person assessed or taxed must, within 30 days after the
7 first publication of the notice, pay to the claimant or to
8 the county treasurer for use by the claimant the amount of
9 taxes, interest, penalties, and costs as the same appear in
10 the records of the county treasurer or bring a suit to quiet
11 the true owner's title or to set aside the tax deed.

12 (6) A mistake in the amount or in any name specified
13 in the notice does not invalidate the notice.

14 (7) (a) If within the 30-day period the taxes,
15 interest, penalties, and costs are not paid or a quiet title
16 action is not brought, all defects in the tax proceedings
17 and any right of redemption is considered waived. Except as
18 provided in subsection (7)(b), after the 30-day period the
19 title to the property described in the notice and in the tax
20 deed is valid and binding, irrespective of any
21 irregularities, defects, omissions, or total failure to
22 observe any of the provisions of the laws of Montana
23 regarding the assessment, levying of taxes, or sale of
24 property for taxes and the giving of notices, whether or not
25 such irregularities, defects, omissions, or failures could

1 void the proceedings.

2 (b) The proceedings in subsection (7)(a) are void if
3 the taxes were not delinquent or have been paid.

4 Section 27. Section 7-6-4414, MCA, is amended to read:

5 "7-6-4414. Sales for delinquent taxes when county
6 collects municipal tax. (1) All publications of sales for
7 delinquent taxes shall include city or town taxes. There is
8 only one sale for each piece of property. The sale shall
9 cover the aggregate of city or town, county, and state
10 taxes, with the penalties, interest, and cost of advertising
11 provided by law.

12 (2) All money received from sales ~~and--redemptions,~~
13 after a deed is given by the county treasurer as provided by
14 law, shall be credited to the state, county, and city or
15 town pro rata in the same proportions as provided in
16 ~~15-18-108~~ [section 10]."

17 Section 28. Section 7-21-2104, MCA, is amended to
18 read:

19 "7-21-2104. Lien arising from license. (1) All
20 property held or used in any trade, occupation, or
21 profession for which a license is required by the provisions
22 of this part is liable for such license and subject to a
23 lien for the amount thereof. This lien has precedence of any
24 other lien, claim, or demand.

25 (2) If any person fails or refuses to procure a

1 license before the transaction of the business specified,
2 the county treasurer must seize such property or any other
3 property belonging to such person and sell the same in the
4 manner provided in ~~15-17-901--through--15-17-903~~ [section
5 15]."

6 Section 29. Section 15-16-101, MCA, is amended to
7 read:

8 "15-16-101. Treasurer to publish notice -- manner of
9 publication. (1) Within 10 days after the receipt of the
10 assessment book, the county treasurer must publish a notice
11 specifying:

12 (a) that one-half of all taxes levied and assessed
13 will be due and payable before 5 p.m. on November 30 next
14 thereafter or within 30 days after the notice is postmarked
15 and that unless paid prior ~~thereto~~ to that time the amount
16 then due will be delinquent and will draw interest at the
17 rate of 5/6 of 1% per month from and after such delinquency
18 until paid and 2% will be added to the delinquent taxes as a
19 penalty;

20 (b) that one-half of all taxes levied and assessed
21 will be due and payable on or before 5 p.m. on May 31 next
22 thereafter and that unless paid prior to ~~said date--said~~ that
23 time the taxes will be delinquent and will draw interest at
24 the rate of 5/6 of 1% per month from and after such
25 delinquency until paid and 2% will be added to the

1 delinquent taxes as a penalty; and

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

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

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

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

5 Section 30. Section 15-16-102, MCA, is amended to
6 read:

7 "15-16-102. Time for payment -- penalty for
8 delinquency. All taxes levied and assessed in the state of
9 Montana, except assessments made for special improvements in
10 cities and towns payable under 15-16-103 and assessments
11 made on new production as provided in Title 15, chapter 23,
12 part 6, and payable under 15-16-121, shall be payable as
13 follows:

14 (1) One-half of the amount of such taxes shall be
15 payable on or before 5 p.m. on November 30 of each year, or
16 within 30 days after the notice is postmarked, whichever is
17 later, and one-half on or before 5 p.m. on May 31 of each
18 year.

19 (2) Unless one-half of such taxes are paid on or
20 before 5 p.m. on November 30 of each year, or within 30 days
21 after the notice is postmarked, whichever is later, then
22 such amount so payable shall become delinquent and shall
23 draw interest at the rate of 5/6 of 1% per month from and
24 after such delinquency until paid and 2% shall be added to
25 the delinquent taxes as a 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 shall draw
 3 interest at the rate of 5/6 of 1% per month from and after
 4 such delinquency until paid and 2% shall be added to the
 5 delinquent taxes as a penalty.

6 (4) If the taxes become delinquent, the county
 7 treasurer may not accept partial LESS THAN TOTAL payment of
 8 the delinquent taxes, but may accept only the total amount
 9 of delinquent taxes, including penalties, interest, and
 10 costs SUBJECT TO THE FOLLOWING:

11 (A) THE COUNTY TREASURER MAY NOT ACCEPT LESS THAN 1
 12 YEAR'S DELINQUENT TAXES, PLUS ALL PENALTIES AND INTEREST DUE
 13 ON THE DATE OF THE DELINQUENT PAYMENT; AND

14 (B) THE TAXES DUE FOR THE TAX YEAR THAT IS DELINQUENT
 15 THE LONGEST MUST BE PAID BEFORE ANY SUBSEQUENT YEAR."

16 Section 31. Section 15-16-111, MCA, is amended to
 17 read:

18 "15-16-111. Personal property -- duty of department.

19 (1) It ~~shall be~~ is the duty of the department of revenue or
 20 its agent, upon discovery of any personal property in the
 21 county the taxes upon which are not a lien upon real
 22 property sufficient to secure the payment of such taxes, to
 23 immediately and in any event not more than 5 days thereafter
 24 make a report to the treasurer, setting forth the nature,
 25 kind, description, and character of such property in such a

1 definite manner that the treasurer can identify the same,
 2 the amount and assessed valuation of such property, where
 3 the same is located, the amount of taxes due thereon, and
 4 the name and address of the owner, claimant, or other person
 5 in possession of the same.

6 (2) Where such personal property is located in any
 7 city or town which ~~shall have~~ has provided by ordinance for
 8 the collection of its taxes for general, municipal, and
 9 administrative purposes by its city treasurer or town clerk,
 10 the department also and at the same time shall furnish to
 11 said the city treasurer or town clerk a duplicate of such
 12 the notice to the county treasurer. For the purpose of
 13 determining the taxes due on such personal property, the
 14 department or its agent must use the levy made during the
 15 previous year."

16 Section 32. Section 15-16-112, MCA, is amended to
 17 read:

18 "15-16-112. Department report of personal property in
 19 assessment book. The department of revenue or its agent must
 20 note on the assessment book, opposite the ~~names~~ name of each
 21 person owning, claiming, or possessing such personal
 22 property which ~~may be so~~ is reported to the treasurer under
 23 15-16-111, the fact that such the report was made to the
 24 treasurer and the date when the ~~same~~ report was ~~so~~ made."

25 Section 33. Section 15-16-113, MCA, is amended to

1 read:

2 "15-16-113. Personal property -- duty of treasurer --
3 penalty. (1) The county treasurer shall collect taxes on all
4 personal property and, in the case provided in 15-16-111,
5 shall immediately upon receipt of the report prescribed by
6 15-16-111 notify the person or persons against whom the tax
7 is assessed and any person who has a properly perfected
8 security interest of record with the department of justice
9 that the amount of such the tax is due and payable at the
10 county treasurer's office.

11 (2) The county treasurer shall, at the time of
12 receiving the report and in any event within 30 days from
13 the receipt of such report, levy upon and take into his
14 possession the personal property against which a tax is
15 assessed or any other personal property in the hands of the
16 delinquent taxpayer and proceed to sell the same in the same
17 manner as property is sold on execution by the sheriff.

18 (3) The county treasurer may shall, for the purpose of
19 making the levy and sale, direct the sheriff to make the
20 levy and sale. The sheriff, undersheriff, or any deputy
21 sheriff of the county is ex officio a deputy county
22 treasurer for such purposes, and either may act and receive
23 payment of such taxes. The sheriff may receive the same fees
24 as he is entitled to in making a seizure and sale under
25 execution as provided in [section 15].

1 ~~(2)~~(4) The county treasurer and his sureties are
2 liable on his official bond for all taxes on personal
3 property remaining uncollected by reason of the willful
4 failure and neglect of the treasurer to levy upon and sell
5 such personal property for the taxes levied thereon.

6 (5) Failure by the sheriff, undersheriff, or deputy
7 sheriff acting as a deputy county treasurer to make the levy
8 and sale results in a levy against the official bond of the
9 sheriff, undersheriff, or deputy sheriff for payment of the
10 delinquent tax."

11 Section 34. Section 15-16-114, MCA, is amended to
12 read:

13 "15-16-114. Rate of taxation -- personal property. (1)
14 All rates of tax levy set by the board of county
15 commissioners on the second Monday in August of each year
16 shall apply permanently to this class of personal property
17 during the ensuing tax year,--and-the.

18 (2) The treasurer shall, upon collection of any such
19 taxes, immediately distribute the money so collected to the
20 various and proper funds in his charge.

21 ~~(2)--If--the--rate--of--taxation--fixed--for--the--year--in~~
22 ~~which--the--collection--is--made--is--an--increase--over--the~~
23 ~~preceding--year's--levy,--then--the--said--board--of--county~~
24 ~~commissioners--may--direct--the--county--treasurer--to--collect--the~~
25 ~~amount--of--such--increased--levy--but--shall--not--be--obliged--to--do~~

1 so in cases where, in the opinion of the board, the cost of
 2 collection would exceed the amount of such increase. If the
 3 rate fixed for the year in which the collection is made
 4 shall be less than the levy for the preceding year, then the
 5 person from whom such excess tax was collected may file with
 6 the board of county commissioners a duly verified claim for
 7 a refund of such excess tax at any time before November 1 of
 8 the year in which such an excess was collected, and such
 9 claim shall be allowed and ordered paid by the board of
 10 county commissioners to the amount of such excess."

11 Section 35. Section 15-16-115, MCA, is amended to
 12 read:

13 "15-16-115. Treasurer's record of personal property
 14 taxes paid. (1) The treasurer must, on On or before
 15 December 1 of each year, the treasurer shall note on the
 16 assessment book, opposite the name of each person from whom
 17 taxes have been collected by him in pursuance of such the
 18 report of the assessor, the amount of taxes received and the
 19 date of the receipt thereof or,

20 (2) in case such If the taxes have not been collected
 21 by him, the treasurer shall note in the assessment book the
 22 reason why such collection was not made."

23 Section 36. Section 15-16-117, MCA, is amended to
 24 read:

25 "15-16-117. Personal property -- treasurer's duty to

1 collect certain taxes on. (1) The county treasurer must
 2 shall demand payment of poor taxes, authorized by 53-2-321,
 3 and road taxes, authorized by 7-14-2206 or 7-14-2501 through
 4 7-14-2504, of every person liable therefor whose name does
 5 not appear on the assessment lists, and on On the neglect
 6 or refusal of any such person to pay the same, he must the
 7 treasurer shall collect the taxes by seizure and sale of any
 8 property owned by such the person.

9 (2) These taxes shall must be added upon the
 10 assessment lists to other property taxes of persons liable
 11 therefor paying taxes upon real and personal property and
 12 paid to the county treasurer at the time of payment of other
 13 taxes, ~~and all personal property assessed against a person~~
 14 ~~shall be liable for the payment of such taxes.~~

15 (3) The procedure for the sale of such property by the
 16 county treasurer for such taxes shall must be regulated by
 17 15-16-113 and ~~chapter 17, part 9~~ [section 15]."

18 Section 37. Section 15-16-301, MCA, is amended to
 19 read:

20 "15-16-301. Delinquent list -- real property. On the
 21 third Monday of December and on the third Monday of June of
 22 each year, the county treasurer must make a report to the
 23 county clerk and recorder in detail, showing the amount of
 24 taxes collected and a complete ~~delinquent~~ list of all
 25 persons and property then owing taxes, ~~and the~~. The county

1 clerk and recorder shall compare ~~such~~ the report with the
2 books of the county treasurer and shall keep a record of
3 ~~such~~ the report in his office."

4 Section 38. Section 15-16-302, MCA, is amended to
5 read:

6 "15-16-302. Tabulation and transmittal of real
7 property delinquent list. (1) The county treasurer must, at
8 the time specified in 15-16-301, deliver to the county clerk
9 and recorder a complete delinquent list of all persons and
10 property then owing taxes.

11 (2) In the list so delivered, all matters and things
12 contained in the assessment book and relating to delinquent
13 persons or property must be set down in numerical or
14 alphabetical order.

15 (3) The county clerk and recorder must carefully
16 compare the list with the assessment book, and if satisfied
17 that it contains a full and true statement of all taxes due
18 and unpaid, he must ~~foot-up-the~~ total the amount of taxes so
19 remaining unpaid, credit the county treasurer ~~who-acted~~
20 ~~under-it~~ therewith, and make a final settlement with ~~him~~ the
21 treasurer of all taxes charged against ~~him~~ the treasurer on
22 the assessment book, and ~~must~~ require from ~~him~~ the treasurer
23 an immediate account for any existing deficiency."

24 Section 39. Section 15-16-303, MCA, is amended to
25 read:

1 "15-16-303. Treasurer charged with delinquent taxes.
2 After settlement with the county treasurer as prescribed
3 ~~herein in 15-16-302~~, the county clerk and recorder must
4 charge the treasurer ~~then-acting~~ with the amount of taxes
5 ~~then~~ due on the delinquent tax list and within 3 days
6 thereafter deliver the list, duly certified, to the county
7 treasurer."

8 Section 40. Section 15-16-305, MCA, is amended to
9 read:

10 "15-16-305. Disposition of delinquent list. (1) ~~The~~
11 ~~county-treasurer-must-annually-on~~ On the third Monday of
12 February, ~~attend-at-the-office-of-the-county-clerk-and~~
13 ~~recorder-with-the-delinquent-list--The~~ the county clerk and
14 recorder must ~~then-carefully~~ compare the lists with the
15 assessments of persons and property not marked "paid" on the
16 assessment book, ~~and-when~~. If the taxes have been paid, ~~he~~
17 the county clerk and recorder must note the fact in the
18 appropriate column in the assessment book.

19 (2) The county clerk and recorder must then administer
20 to the county treasurer an oath, to be written and
21 subscribed in the delinquent list, that every person and all
22 property assessed in the delinquent list on which taxes have
23 been paid have been credited in the list with such payment.

24 (3) The county clerk and recorder must then ~~foot-up~~
25 total the amount of taxes remaining unpaid and credit the

1 treasurer with the amount and have a final settlement with
 2 ~~him~~ the treasurer. The delinquent list must remain in the
 3 county clerk and recorder's office.

4 (4) At the time mentioned in subsection (1) of this
 5 section, the treasurer must make an affidavit, endorsed on
 6 the list, that the taxes not marked "paid" have not been
 7 paid and that he has not been able to discover any property
 8 belonging to or in possession of the persons liable to pay
 9 the sum whereof to collect them."

10 Section 41. Section 15-16-401, MCA, is amended to
 11 read:

12 "15-16-401. Tax due as a judgment or lien. Every tax
 13 has the effect of a judgment against the person, and every
 14 lien created by this title has the force and effect of an
 15 execution duly levied against all personal property in the
 16 possession of the person assessed from and after the date
 17 the assessment is made. The county treasurer may issue a
 18 writ of execution for delinquent personal property taxes and
 19 deliver the same writ to the sheriff. The sheriff shall
 20 thereupon proceed upon the same writ in all respects, with
 21 like effect, and in the same manner prescribed by law in
 22 respect to executions issued against property upon judgments
 23 of a court of record and shall be entitled to the same fees
 24 ~~for--his--services--in--executing--the--same--to--be--collected--in~~
 25 ~~the--same--manner~~ provided for in [section 15]. The judgment

1 is not satisfied nor the lien removed until the taxes are
 2 paid or the property sold for the payment thereof."

3 Section 42. Section 15-16-402, MCA, is amended to
 4 read:

5 "15-16-402. Tax on personalty lien on realty --
 6 separate assessment. (1) Every tax due upon personal
 7 property is a prior lien upon any or all of such property,
 8 which lien shall have precedence over any other lien, claim,
 9 or demand upon such property, and except as hereinafter
 10 provided, every tax upon personal property is also a lien
 11 upon the real property of the owner thereof ~~from~~ on and
 12 after ~~12-midnight of~~ January 1 in of each year.

13 (2) The taxes upon personal property based upon a
 14 taxable value up to and including \$1,000 shall be a first
 15 and prior lien upon the real property of the owner of such
 16 personal property. Taxes upon personal property based upon
 17 the taxable value thereof in excess of \$1,000 shall be a
 18 first and prior lien upon the real property of the owner
 19 unless the owner or holder of any mortgage or other lien
 20 upon said real property appearing of record in the office of
 21 the clerk and recorder of the county where such real
 22 property is situated, at or before the time such personal
 23 property tax attached thereto, shall have filed the notice
 24 hereinafter provided for, in which event the taxes upon such
 25 excess of \$1,000 of taxable value shall not be a lien on the

1 real property of such owner. It shall be the duty of the
 2 county treasurer to issue to any mortgagee or lien holder,
 3 upon his request, a statement of the personal property tax
 4 due upon the taxable value up to and including \$1,000.
 5 Personal property taxes upon a taxable value up to \$1,000
 6 may be paid, redeemed from a tax sale as by law provided, or
 7 discharged separately from any personal property taxes in
 8 excess of such amount. Payment of such taxes upon a taxable
 9 value up to \$1,000, as herein provided, shall operate to
 10 discharge the tax lien upon the personal property of the
 11 owner to the extent of such payment in the order that the
 12 person paying such tax shall direct.

13 (3) The holder of any mortgage or lien upon real
 14 property who desires to obtain the benefits of this section
 15 shall file in the office of the county treasurer of said
 16 county a notice giving:

17 (a) the name and address of the mortgagee and holder
 18 of the mortgage or lien;

19 (b) the name of the reputed owner of the land;

20 (c) the description of the land;

21 (d) the date of record and expiration of the mortgage
 22 or lien;

23 (e) the amount thereof; and

24 (f) a statement that he claims the benefit of the
 25 provisions of this section.

1 (4) Such notice shall be ineffectual as to any taxes
 2 which shall have become a lien on real property prior to the
 3 filing of such notice as aforesaid. If the mortgage be not
 4 paid at maturity, such notice shall thereafter be filed
 5 annually unless the mortgage be extended for a definite
 6 period to be stated in such notice.

7 (5) Any owner of a mortgage on real estate upon which
 8 personal property taxes are by this section made a lien,
 9 where the owner of such real estate and personal property
 10 has failed to pay taxes due upon such real estate and
 11 personal property for 1 or more years, may file with the
 12 department of revenue or its agent in the county in which
 13 such property is located a written request to have the
 14 personal property and real estate of the owner separately
 15 assessed. Such request must be made by registered or
 16 certified mail at least 10 days prior to January 1 in the
 17 year for which property is assessed. Upon receipt by the
 18 department or its agent of such request, it is hereby made
 19 the duty of the department or its agent to make a separate
 20 assessment of real and personal property of the owner
 21 thereof, and such personal taxes shall not be a lien upon
 22 the real estate so mortgaged of the owner thereof, and the
 23 personal property taxes shall be collected in the manner
 24 provided by law for other personal property."

25 Section 43. Section 15-16-404, MCA, is amended to

1 read:

2 "15-16-404. County lien on moneys of taxpayer. The
3 county has a general lien, dependent on possession, upon any
4 moneys in its possession belonging to any taxpayer for any
5 amounts due the county for any delinquent personal property
6 taxes not a lien on real estate of the taxpayer. Due notice
7 shall be given the lien holder, if any known."

8 Section 44. Section 15-16-504, MCA, is amended to
9 read:

10 "15-16-504. Evidence at trial. On the trial a
11 certified copy of the assessment signed by the county clerk
12 and recorder of the county where the same assessment was
13 made, with the affidavit of the treasurer thereto attached
14 that the tax has not been paid, describing it as on the
15 assessment book or delinquent list, is prima facie evidence
16 that such-tax-and-the-per-centum the taxes, plus interest,
17 penalties, and costs, are due and entitles him to judgment
18 unless the defendant proves that the tax was paid."

19 Section 45. Section 15-16-601, MCA, is amended to
20 read:

21 "15-16-601. Taxes or penalties illegally collected to
22 be refunded. (1) (a) Any taxes, per--centum,--and interest,
23 penalties, or costs paid more than once or erroneously or
24 illegally collected or any amount of tax paid for which a
25 taxpayer is entitled to a refund under 15-16-612 or any part

1 or portion of taxes paid which were mistakenly computed on
2 government bonus or subsidy received by the taxpayer may, by
3 order of the board of county commissioners, be refunded by
4 the county treasurer. Whenever any payment ~~shall-have~~ has
5 been made to the state treasurer as provided in 15-1-504 and
6 it ~~shall~~ afterwards ~~appear~~ appears to the satisfaction of
7 the board of county commissioners that a portion of the
8 money so paid should be refunded as herein provided, ~~said~~
9 the board of county commissioners may refund such the
10 portion of ~~said the~~ taxes, interest, penalties, and costs so
11 paid to the state treasurer, and upon the rendering of the
12 report required by 15-1-505 the county clerk and recorder
13 shall certify to the state auditor, in such form as the
14 state auditor may prescribe, all amounts so refunded, ~~and~~
15 in. In the next settlement of the county treasurer with the
16 state, the state auditor shall give the county treasurer
17 credit for the state's portion of the amounts so refunded.

18 (b) When any part of the taxes, interest, penalties,
19 or costs hereinbefore referred to were levied in behalf of
20 any school district or municipal or other public corporation
21 and collected by the county treasurer, the same may be
22 refunded upon the order of the board of county
23 commissioners.

24 (c) No order for the refund of any taxes, license
25 fees,--per-centum interest, penalties, or costs under this

1 section shall be made except upon a claim therefor, verified
 2 by the person who has paid ~~such-tax,-license-fee,-penalty~~
 3 the taxes, interest, penalties, or costs or his guardian or,
 4 in case of his death, by his executor or administrator,
 5 which claim must be filed within 10 years after the date
 6 when the second half of such taxes would have become
 7 delinquent if the same had not been paid.

8 (d) All refunds ordered to be paid by the board of
 9 county commissioners ~~shall~~ must be paid by the county
 10 treasurer out of the general fund of the county, and the
 11 county treasurer shall then make such transfers from other
 12 county funds and from state, school district, and other
 13 public corporation funds in his possession as may be
 14 necessary to reimburse the county general fund for payments
 15 made therefrom ~~on-account-of-such-other-funds~~.

16 (2) Upon the entering of judgment under 15-2-306, the
 17 county commissioners of the affected county shall order a
 18 refund of such portion of the taxes ~~or-license-fees~~ as the
 19 state tax appeal board has judged should be refunded."

20 Section 46. Section 15-16-701, MCA, is amended to
 21 read:

22 "15-16-701. Personal property taxes ten years
 23 delinquent -- list. (1) It shall be the duty of each county
 24 treasurer to prepare in triplicate and submit to the board
 25 of county commissioners of his county, on or before the

1 first Monday of June in each year, a list of personal
 2 property taxes which that are not a lien on real estate and
 3 which that have been delinquent for 10 years or more. Said
 4 The list shall show the following:

- 5 (a) name and address of the delinquent taxpayer;
 6 (b) amount of the delinquent tax taxes, plus penalty
 7 interest, penalties, and costs, if any; and
 8 (c) the year date the tax taxes became delinquent.

9 (2) Every county treasurer shall, within the same
 10 time, prepare in triplicate and submit to the board of
 11 county commissioners of his county a list of all contractual
 12 obligations owed to or held by his county for seed grain,
 13 feed, or other relief, the collection of which is barred by
 14 the statute of limitations, provided in 27-2-202(1). Said
 15 The list ~~shall~~ must show the following:

- 16 (a) the name and address of the person or persons who
 17 entered into the contractual obligation;
 18 (b) the name of the contractual obligation, as "seed
 19 loan", "feed loan", "promissory note", as ~~the-case-may-be~~
 20 applicable; and
 21 (c) the date of obligation, date when last payment
 22 became due, date of last payment thereon, and the date when
 23 the collection of the obligation became barred by ~~said~~ the
 24 statute of limitations provided in 27-2-202(1)."

25 Section 47. Section 15-16-702, MCA, is amended to

1 read:

2 "15-16-702. Cancellation of taxes and obligations --
3 filing of lists. Upon receipt of such list or lists and
4 within 30 days thereafter, the board of county commissioners
5 shall examine the same and make any necessary corrections.
6 Thereupon, the board of county commissioners shall make its
7 order canceling all such personal property taxes and
8 contractual obligations contained in ~~such~~ the list or lists,
9 as corrected, required by this part to be canceled and
10 spread such order upon its minutes. ~~Such~~ The order and
11 minutes need not set forth in full the contents of ~~such~~ the
12 list or lists, a proper reference therein for their
13 identification being sufficient. ~~At-the-time-of-making-such~~
14 order ~~When the order is made,~~ the original or copy of ~~such~~
15 the list or lists, as corrected, ~~shall~~ must be filed with
16 and as a part of the records of the board. One legible copy
17 thereof ~~shall~~ must be filed with the county clerk and
18 recorder as a public record, and one legible copy thereof
19 ~~shall~~ must be filed with the county treasurer as a permanent
20 record of his office."

21 Section 48. Section 15-16-703, MCA, is amended to
22 read:

23 "15-16-703. Adjustment of accounts after cancellation.
24 Upon notification of the ~~above~~ order for cancellation, the
25 county clerk and recorder and county treasurer ~~must~~ shall

1 adjust their taxes-receivable accounts to conform to the
2 ~~said~~ order of cancellation."

3 Section 49. Section 15-16-704, MCA, is amended to
4 read:

5 "15-16-704. Certain unpaid taxes uncollectable --
6 stricken from records. All unpaid taxes ~~7-which-constitute~~
7 constituting a lien on real property in the state, levied
8 and assessed against real property which have remained
9 delinquent more than 10 years prior to July 1, 1976, whether
10 the levy be by general or special assessment or by the state
11 or any county, city, or political subdivision of the state,
12 are hereby declared to be uncollectable and stricken from
13 the respective tax records."

14 Section 50. Section 15-23-704, MCA, is amended to
15 read:

16 "15-23-704. Lien of tax -- enforcement of payment. The
17 tax on gross proceeds from coal shall be levied as taxes on
18 other forms of property, and this tax and the severance tax
19 on coal production are each a lien upon the coal mine and a
20 prior lien upon all personal property and improvements used
21 to produce the coal. These taxes may be collected by the
22 seizure and sale of the personal property on which the tax
23 is a lien as provided under 15-16-113 and ~~chapter-177-part~~
24 ~~97-or-by-suit-under-15-16-501-and-15-16-502~~ [section 15]."

25 Section 51. Section 15-24-302, MCA, is amended to

1 read:

2 "15-24-302. Collection procedure. All property
3 mentioned in 15-24-301 is assessed at the same value as
4 property of like kind and character, and the assessment,
5 levy, and collection of the tax are governed by the
6 provisions of 15-8-408~~7~~, 15-16-111 through 15-16-115~~7~~,
7 15-16-404~~7~~, ~~chapter---177---part---97~~ [section 15], and
8 15-24-202~~7~~, as amended, except:

9 (1) taxation of motor vehicles under 15-24-301(4) to
10 the extent that subsection varies from the general
11 provisions cited above; and

12 (2) livestock taxation governed by 81-7-104 and Title
13 81, chapter 7, part 2."

14 Section 52. Section 76-13-211, MCA, is amended to
15 read:

16 "76-13-211. Amount due for protection treated as lien.

17 (1) Whenever the department provides forest protection
18 during a forest fire season for any forest land or timber
19 not protected by the owner thereof as required by this part
20 or part 1, the amount due for the forest protection is a
21 lien upon the land or timber which shall continue until such
22 time as the amount due is paid.

23 (2) The lien has the same force, effect, and priority
24 as general tax liens under the laws of the state and is
25 subject and inferior only to tax liens on the lands. The

1 county attorney of the county in which the land is situated
2 shall on request of the department foreclose the lien in the
3 name of the state and in the manner provided by law, or the
4 county attorney upon the request of the department shall
5 institute an action against the forest landowner in the name
6 of the state in any district or justice court having
7 jurisdiction to recover the debt. The state in the action is
8 not required to pay any fees or costs to the clerk of the
9 court or justice of the peace. ~~The--complaint--and--all~~
10 ~~subsequent-proceedings-in-the-action-shall-conform-as-nearly~~
11 ~~as-practicable-to-those-provided-by-15-16-502-~~

12 (3) The remedies provided by this section are
13 cumulative and do not affect the other provisions of this
14 part or part 1 for the payment and collection of amounts due
15 to the department."

16 Section 53. Section 85-7-2152, MCA, is amended to
17 read:

18 "85-7-2152. Proceeds of sale. Whenever any lot, tract,
19 piece, or parcel of land included within and forming a part
20 of any irrigation district created under the provisions of
21 this chapter or included within any extension of such
22 district is sold by the treasurer of the county where such
23 land is situated in the manner provided by law for the sale
24 of lands for delinquent taxes for state and county purposes
25 and taxes or assessments of the irrigation district form all

1 or a part of the taxes for which such lands are sold, the
 2 county treasurer making such sale or sales shall place to
 3 the credit of the proper funds of such irrigation district,
 4 out of the proceeds of the sale or sales, the total tax or
 5 assessment of the irrigation district, inclusive of the
 6 interest and penalty thereon as provided for by the general
 7 laws relating to delinquent taxes for state and county
 8 purposes, and whenever any such lands are struck off at such
 9 sale to the county where they are situated pursuant to the
 10 provisions of ~~15-17-207~~ [section 8], the county treasurer of
 11 the county must, upon the issuance of the certificate of tax
 12 sale to the county, issue to the irrigation district, in its
 13 corporate name, a debenture certificate for the amount of
 14 taxes and assessments due to the irrigation district from
 15 the lands and premises so sold, inclusive of the interest
 16 and penalty thereon, which certificate is evidence of and
 17 conclusive of the interest and claim of the irrigation
 18 district in, to, against, and upon the lands and premises so
 19 struck off to the county at the tax sale, and after the
 20 issuance of the certificate, the sum named therein and the
 21 taxes and assessments of the district evidenced thereby
 22 shall bear interest at the rate of 1% a month from the date
 23 of the certificate until redeemed in the manner provided for
 24 by law for the redemption of the lands sold for delinquent
 25 state and county taxes or until paid from the proceeds of

1 the sale of the lands and premises described therein in the
 2 manner provided for by law, and duplicates of such
 3 certificates so issued to the irrigation district shall be
 4 filed in the office of the county clerk and county treasurer
 5 of the county with the certificate of tax sale of the lands
 6 and premises."

7 Section 54. Section 85-7-2154, MCA, is amended to
 8 read:

9 "85-7-2154. Redemption of lands sold. Upon the
 10 redemption of any lands so sold for taxes in the manner
 11 provided for by ~~15-18-101~~ [sections 16 through 26], the
 12 county treasurer of said county, out of the redemption
 13 money, shall pay to the holder or holders of such
 14 certificate or certificates the sums for which the same were
 15 issued, with interest as therein provided to the date of the
 16 redemption of said lands."

17 Section 55. Section 85-7-2155, MCA, is amended to
 18 read:

19 "85-7-2155. Sale by county commissioners when land not
 20 redeemed. When the lands and premises so sold for taxes and
 21 upon and against which the certificates have been issued for
 22 the taxes and assessments of the irrigation district are not
 23 redeemed within the time provided for by ~~15-18-101~~ [section
 24 16], the board of county commissioners of the county, within
 25 3 months thereafter, shall cause these lands and premises to

1 be sold as provided for by law, and out of the proceeds of
 2 the sale, the county treasurer of the county shall pay to
 3 the holder or holders of the certificates the sum for which
 4 the same were issued, with interest as provided for to the
 5 date of the sale of the lands by the board of county
 6 commissioners, and no lands and premises so held by any
 7 county and against which the certificates provided for by
 8 this chapter have been issued may, upon such sale, be struck
 9 off or sold for a less sum than the amount of taxes and
 10 assessments of the irrigation district represented by the
 11 certificate, inclusive of the interest thereon, in addition
 12 to the state and county taxes, if any, against the same."

13 Section 56. Section 85-7-2156, MCA, is amended to
 14 read:

15 "85-7-2156. Proceedings where land struck off to
 16 county and not redeemed. In case the property so assessed
 17 for irrigation district purposes is struck off to the
 18 county, as provided for by law, and certificates of the
 19 taxes and assessments of said irrigation district issued
 20 thereon, as hereinbefore provided for, and the said lands
 21 and premises be not redeemed before the next annual
 22 assessment for irrigation purposes shall become delinquent
 23 thereon, then and in that event ~~{whether-said-lands-and~~
 24 ~~premises-be-again-sold-by-the-county-treasurer-of-said~~
 25 ~~county-or-the-sale-thereof-adjourned-as-provided-for-by~~

1 ~~15-17-304-and-15-17-305}~~, like certificates for each year's
 2 irrigation district taxes and assessments shall be issued
 3 against said land and shall be included in and satisfied by
 4 any redemption thereof, with interest as hereinbefore
 5 provided for, and shall in like manner be paid from the
 6 proceeds of sale of said lands by the board of county
 7 commissioners, if the same be not redeemed as provided for
 8 by law."

9 Section 57. Section 85-7-2163, MCA, is amended to
 10 read:

11 "85-7-2163. ~~Period-of-redemption-----application--for~~
 12 Granting of tax deed. The holder of such the certificate of
 13 ~~tax sale of-such-land, whether-said-holder-be-an-irrigation~~
 14 ~~district---or---individual, may, at any time after the~~
 15 ~~expiration-of-2-years-from-the-date-of-sale-of-said-property~~
 16 ~~for-delinquency, if same has not been redeemed within said~~
 17 ~~period--of--2--years--from--date--of--sale--of--said-lands--for~~
 18 ~~delinquency, apply to the county treasurer, as provided by~~
 19 ~~law--for--the--issuance--of--a--tax--deed--to--said--property, and~~
 20 ~~upon-such-application, must be granted a tax deed by the~~
 21 ~~county treasurer shall--issue-such-tax-deed, in the manner~~
 22 ~~and form provided by law, to--said--holder [sections 16~~
 23 ~~through 26]."~~

24 Section 58. Section 20-15-403, MCA, is amended to
 25 read:

1 "20-15-403. Applications of other school district
 2 provisions. (1) When the term "school district" appears in
 3 the following sections outside of Title 20, the term
 4 includes community college districts and the provisions of
 5 those sections applicable to school districts apply to
 6 community college districts: 2-9-101, 2-9-111, 2-9-316,
 7 2-16-114, 2-16-602, 2-16-614, 2-18-703, 7-3-1101, 7-6-2604,
 8 7-6-2801, 7-7-123, 7-8-2214, 7-8-2215, 7-8-2216, 7-11-103,
 9 7-12-4106, 7-13-110, 7-13-210, 7-15-4206, 10-1-703,
 10 15-1-101, 15-6-204, 15-16-101, 15-16-601, ~~15-18-100~~,
 11 15-55-106, 15-70-301, 15-70-322, 17-5-101, 17-5-202,
 12 17-6-103, 17-6-204, 17-6-213, 17-7-201, 18-1-102, 18-1-112,
 13 18-1-201, 18-2-101, 18-2-103, 18-2-113, 18-2-114, 18-2-404,
 14 18-2-432, 18-5-205, 19-1-102, 19-1-811, 22-1-309, 25-1-402,
 15 27-18-406, 33-20-1104, 39-3-104, 39-4-107, 39-31-103,
 16 39-31-304, 39-71-116, 39-71-117, 39-71-2106, 39-71-2206,
 17 40-6-237, 41-3-1132, 49-3-101, 49-3-102, 53-20-304,
 18 77-3-321, 82-10-201, 82-10-202, 82-10-203, 85-7-2158, and
 19 90-6-208 and Rules 4D(2)(g) and 15(c), M.R.Civ.P., as
 20 amended.

21 (2) When the term "school district" appears in a
 22 section outside of Title 20 but the section is not listed in
 23 subsection (1), the school district provision does not apply
 24 to a community college district."

25 NEW SECTION. Section 59. Repealer. Sections

1 15-16-116, 15-16-501, 15-16-502, 15-16-505, 15-17-101,
 2 15-17-102, 15-17-111 through 15-17-113, 15-17-201 through
 3 15-17-208, 15-17-301 through 15-17-305, 15-17-311,
 4 15-17-312, 15-17-901 through 15-17-903, 15-18-101 through
 5 15-18-108, 15-18-201 through 15-18-205, 15-18-301 through
 6 15-18-309, and 15-18-401 through 15-18-404, MCA, are
 7 repealed.

8 NEW SECTION. Section 60. Extension of authority. Any
 9 existing authority of the department of revenue to make
 10 rules on the subject of the provisions of this act is
 11 extended to the provisions of this act.

12 NEW SECTION. Section 61. Transition. (1) For
 13 (A) EXCEPT AS PROVIDED IN SUBSECTION (1)(B), FOR the purpose
 14 of implementing the provisions of [sections 1 through 26],
 15 no tax deed may be applied for or issued during the period
 16 between [the effective date of this act] and July 1, 1988.

17 (B) A TAX DEED MAY BE ISSUED BETWEEN [THE EFFECTIVE
 18 DATE OF THIS ACT] AND JULY 1, 1988, IF THE TAX DEED IS
 19 ISSUED FOR PROPERTY ON WHICH PROPERTY TAXES ARE DELINQUENT
 20 FOR 1982 AND PRIOR YEARS. IN SUCH A CASE THE TAX DEED IS TO
 21 BE ISSUED BASED ON THE PROCEDURES PROVIDED FOR IN [THIS
 22 ACT].

23 (2) During the period between [the effective date of
 24 this act] and July 1, 1988, the county clerk and county
 25 treasurer of each county shall cooperate in identifying all

1 property in their respective counties on which the taxes are
2 delinquent or on which a tax sale certificate or assignment
3 certificate was issued.

4 (3) Not less than 60 days or more than 90 days prior
5 to July 1, 1988, the county clerk in each county shall give
6 notice, as provided in [section 21], for each property on
7 which the taxes have been delinquent for the 3 preceding
8 years or more or for which there had been issued a tax sale
9 certificate to the county and for which the board of county
10 commissioners has directed the county treasurer to issue a
11 tax deed.

12 (4) After January 1, 1988, and before May 1, 1988, the
13 county clerk shall send a notice to each purchaser other
14 than the county and to each assignee who has taken an
15 assignment from the county. The notice must be sent by
16 certified mail and contain a statement apprising the
17 purchaser or assignee of his obligation to give notice as
18 required in [section 21]. The county clerk shall also
19 publish in the official newspaper of the county or such
20 other newspaper as the board of county commissioners may
21 designate a general notice to all purchasers and assignees
22 stating the obligations to the purchaser or assignee
23 regarding the notice required in [section 21].

24 NEW SECTION. Section 62. Saving clause. This act does
25 not affect rights and duties that matured, penalties that

1 were incurred, or proceedings that were begun before the
2 effective date of this act.

3 NEW SECTION. Section 63. Effective date. This act is
4 effective on passage and approval.

-End-

1 SENATE BILL NO. 162

2 INTRODUCED BY MAZUREK

3 BY REQUEST OF THE REVENUE OVERSIGHT COMMITTEE

4

5 A BILL FOR AN ACT ENTITLED: "AN ACT GENERALLY REVISING THE

6 LAWS RELATING TO PROPERTY TAX COLLECTIONS, PROPERTY TAX

7 DELINQUENCIES, AND THE TAX DEEDING PROCESS; AMENDING

8 SECTIONS 7-6-4414, 7-21-2104, 15-16-101, 15-16-102,

9 15-16-111 THROUGH 15-16-115, 15-16-117, 15-16-301 THROUGH

10 15-16-303, 15-16-305, 15-16-401, 15-16-402, 15-16-404,

11 15-16-504, 15-16-601, 15-16-701 THROUGH 15-16-704,

12 15-23-704, 15-24-302, 20-15-403, 76-13-211, 85-7-2152,

13 85-7-2154 THROUGH 85-7-2156, AND 85-7-2163, MCA; REPEALING

14 SECTIONS 15-16-116, 15-16-501, 15-16-502, 15-16-505,

15 15-17-101, 15-17-102, 15-17-111 THROUGH 15-17-113, 15-17-201

16 THROUGH 15-17-208, 15-17-301 THROUGH 15-17-305, 15-17-311,

17 15-17-312, 15-17-901 THROUGH 15-17-903, 15-18-101 THROUGH

18 15-18-108, 15-18-201 THROUGH 15-18-205, 15-18-301 THROUGH

19 15-18-309, AND 15-18-401 THROUGH 15-18-404, MCA; AND

20 PROVIDING AN IMMEDIATE EFFECTIVE DATE."

21
22 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

23 NEW SECTION. Section 1. Definitions. Except as

24 otherwise specifically provided, when terms mentioned in

25 [sections 1 through 26] are used in connection with

1 taxation, they are defined in the following manner:

2 (1) "Certificate" or "tax sale certificate" means the
3 document described in [section 6].4 (2) "County" means any county government and includes
5 those classified as consolidated governments.6 (3) "Property tax lien" means a lien acquired by the
7 payment at a tax sale of all outstanding delinquent taxes,
8 including penalties, interest, and costs.9 (4) "Purchaser" means any person, other than the
10 person to whom the property is assessed, who pays at the tax
11 sale the delinquent taxes, including penalties, interest,
12 and costs, and receives a certificate representing a lien on
13 the property or who is otherwise listed as the purchaser.
14 An assignee is a purchaser.15 (5) "Tax", "taxes", or "property taxes" means all ad
16 valorem property taxes, property assessments, fees related
17 to property, and assessments for special improvement
18 districts and rural special improvement districts.

19 (6) "Tax sale" means:

20 (a) with respect to real property and improvements,
21 the offering for sale by the county treasurer of a property
22 tax lien representing delinquent taxes, including penalties,
23 interest, and costs; and24 (b) with respect to personal property, the offering
25 for sale by the county treasurer of personal property on

1 which the taxes are delinquent or other personal property on
2 which the delinquent taxes are a lien.

3 NEW SECTION. Section 2. Notice of pending tax sale.

4 (1) The county treasurer shall publish or post a notice of
5 pending tax sale. The notice must include:

6 (a) the specific time, date, and place an interest in
7 the property on which the taxes are delinquent will be
8 offered for sale;

9 (b) a statement that the delinquent taxes, including
10 penalties, interest, and costs, are a lien upon the property
11 and that unless the delinquent taxes, penalties, interest,
12 and costs are paid prior to the time of the tax sale, the
13 lien will be offered for sale at the time and place
14 specified in subsection (1)(a).

15 (2) The notice required in subsection (1) must also
16 include a statement that a list of each property on which
17 the taxes are delinquent is on file in the office of the
18 county treasurer and open to inspection. The list must
19 include:

20 (a) the name and address of the person to whom the
21 delinquent taxes are assessed;

22 (b) the amounts of the delinquent taxes, all accrued
23 penalties, interest, and other costs; and

24 (c) a statement that penalties, interest, and costs
25 will be added to delinquent taxes.

1 (3) The notice must be published once a week for 3
2 consecutive weeks in the newspaper designated for county
3 printing as provided in 7-5-2411. If no newspaper is
4 published in the county, the notice must be posted by the
5 county treasurer in three public places. The notice must be
6 first published or posted on or before the last Monday in
7 June.

8 (4) Except as provided in [section 5(2)], the sale may
9 not be held less than 21 days or more than 28 days from the
10 date of first publication or first day the notice is posted.

11 (5) The sale must be held at the county courthouse.

12 (6) Property on which taxes are delinquent but for
13 which proper notification was not made may not be included
14 in the current year's notice and sale. In the event of
15 improper notification, the sale may be held on all property
16 properly noticed.

17 NEW SECTION. Section 3. Copy of notice to be filed
18 with county clerk -- affidavit. (1) Immediately following
19 publication or posting of the notice required in [section
20 2], the county treasurer shall file a copy of the notice
21 with the county clerk. The copy must be accompanied by an
22 affidavit signed by the county treasurer stating:

23 (a) the name of the newspaper and its address of
24 publication; and

25 (b) the dates the notice was published.

1 (2) If no newspaper is published in the county, the
2 affidavit must list the locations and date of the posting
3 required by [section 2].

4 (3) The affidavit filed under subsection (1) or (2) is
5 prima facie evidence of all the facts stated therein.

6 NEW SECTION. Section 4. Irregular assessment. If the
7 county treasurer discovers, prior to the tax sale, that
8 property on which the taxes are delinquent has been
9 irregularly assessed, he may not offer the property or a
10 property tax lien for sale. In such event, the taxes on the
11 property must be listed on the assessment book as
12 uncollected for the year in which they were due, and they
13 must be assessed and collected during the succeeding year as
14 taxes are regularly assessed and collected.

15 NEW SECTION. Section 5. Conduct of tax sale. (1) On
16 the date and at the time and place specified in the notice,
17 the county treasurer shall, except as provided in [section
18 4], begin the tax sale of all property described in the list
19 required in [section 2(2)]. The tax sale must continue
20 until the county treasurer declares it over, but must
21 continue for a period of not less than 1 day. The treasurer
22 is not required to read the list but shall make a copy of
23 the list available for public inspection during regular
24 business hours.

25 (2) The treasurer may postpone the day of commencing

1 the sale on a day-to-day basis without publishing a new
2 notice, provided that the sale is held within 3 weeks from
3 the day first fixed.

4 (3) Property assessed under [section 12] that has not
5 been sold to a purchaser other than the county may, at the
6 discretion of the county treasurer, be offered for sale at
7 tax sales subsequent to the sale at which it was first
8 offered.

9 NEW SECTION. Section 6. Tax sale certificate. (1)
10 Upon receipt of all delinquent taxes, penalties, interest,
11 and costs, the county treasurer shall prepare a tax sale
12 certificate that must contain:

13 (a) the date on which the property taxes became
14 delinquent;

15 (b) the date on which a property tax lien was sold at
16 a tax sale;

17 (c) the name and address of record of the person to
18 whom the taxes were assessed;

19 (d) a description of the property on which the taxes
20 were assessed;

21 (e) the name and mailing address of the purchaser;

22 (f) the amount paid to liquidate the delinquency,
23 including a separate listing of the amount of the delinquent
24 taxes, penalties, interest, and costs;

25 (g) a statement that the certificate represents a lien

1 on the property that may lead to the issuance of a tax deed
2 for the property;

3 (h) a statement specifying the date on which the
4 purchaser will be entitled to a tax deed; and

5 (i) an identification number corresponding to the tax
6 sale certificate number recorded by the county treasurer as
7 required in [section 7].

8 (2) The certificate must be signed by the county
9 treasurer and delivered to the purchaser. A copy of the
10 certificate must be filed by the treasurer in the office of
11 the county clerk.

12 NEW SECTION. Section 7. Treasurer to record tax
13 sales. Prior to delivering the tax sale certificate to the
14 purchaser, the county treasurer shall make a record of the
15 tax sale. The record must include:

16 (1) the name and address of the purchaser;

17 (2) the date on which the tax lien was purchased;

18 (3) a description of the property on which the
19 certificate is a lien, which description must correspond to
20 the description listed on the certificate;

21 (4) the amount paid to liquidate the delinquency,
22 including a separate listing of the amount of the delinquent
23 taxes, penalties, interest, and costs; and

24 (5) a number identifying the tax sale certificate
25 issued upon payment of the delinquency.

1 NEW SECTION. Section 8. County as purchaser --
2 assignment. (1) If no person pays the delinquent taxes,
3 including penalties, interest, and costs, on the first day
4 of the tax sale, the county is considered to be the
5 purchaser.

6 (2) (a) After the 21st day following the first day of
7 the tax sale, the county treasurer shall identify and list
8 all property that was sold at the tax sale. He shall also
9 record that the county is the purchaser of all property
10 remaining unsold and upon which the taxes remain delinquent.

11 (b) The record of the property in which the county is
12 listed as the purchaser may be made by the treasurer by a
13 separate tax sale certificate of each property or by
14 reference to the property as recorded in the list required
15 under 15-16-301.

16 (3) A property tax lien of the county in any property
17 acquired by the county under subsection (1) must be assigned
18 by the county treasurer as provided in [section 11] upon the
19 payment of all delinquent taxes, including penalties,
20 interest, and costs specified in [section 11].

21 NEW SECTION. Section 9. Resale for nonpayment. (1) If
22 a purchaser other than the county does not pay the
23 delinquent taxes, including penalties, interest, and costs,
24 before 10 a.m. on the next business day following the day
25 of purchase at a tax sale, the property must be made

1 available for sale for the amount of the delinquent taxes,
 2 including penalties, interest, and costs, on the following
 3 business day of the sale, except as provided in subsection
 4 (2).

5 (2) If the sale was made on the last day of the tax
 6 sale and payment was not received as provided in subsection
 7 (1), the county is considered to be the purchaser as
 8 provided in [section 8].

9 NEW SECTION. Section 10. Disposition of money from
 10 tax sale. All money received from purchasers for delinquent
 11 taxes, penalties, interest, and costs must be deposited in
 12 the county treasury. The money received, other than costs,
 13 must be credited to the various funds to which the taxes
 14 would have originally been distributed and in the same
 15 proportion as the taxes would have originally been
 16 distributed. Any money received for costs or any money
 17 remaining after crediting the separate funds must be
 18 deposited to the credit of the county general fund.

19 NEW SECTION. Section 11. Assignment of rights --
 20 form. {1} Any tax sale certificate or other official record
 21 in which the county is listed as the purchaser must be
 22 assigned by the county treasurer to any person who pays to
 23 the county the amount of the delinquent taxes, including
 24 penalties, interest, and costs, accruing from the date of
 25 delinquency.

1 (2) The assignment made under subsection (1) must be
 2 in the form of an assignment certificate in substantially
 3 the following form:

4 I,, the treasurer of County, state of
 5 Montana, hereby certify that a tax sale for tax year 19...,
 6 in the county of, was held on (date), for the
 7 purpose of liquidating delinquent assessments, and I further
 8 certify that a property tax lien for delinquent taxes in the
 9 following property: (insert property description) was
 10 offered for sale and that there was no purchaser of the
 11 property tax lien. Accordingly, the county was listed as
 12 the purchaser as required by [section 8], MCA. As of the
 13 date of this certificate, the delinquency, including
 14 penalties, interest, and costs amounting to \$....., has not
 15 been liquidated by the person to whom the property was
 16 assessed, nor has the delinquency been otherwise redeemed.

17 There having been no liquidation of the delinquency or
 18 other redemption, I hereby assign all rights, title, and
 19 interest of the county of, state of Montana, acquired
 20 in such property by virtue of the sale to (name and
 21 address of assignee) to proceed to obtain a tax deed to the
 22 property or receive payment in case of redemption as
 23 provided by law.

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

1 County Treasurer
2 County

3 (3) An assignment made by a purchaser other than the
4 county, by an assignee of the county, or by a previous
5 assignee may be made for any consideration whatsoever. An
6 assignment so made is legal and binding only upon filing
7 with the county treasurer a statement that the purchaser's
8 or other assignee's interest in the property has been
9 assigned. The statement must contain:

- 10 (a) the name and address of the new assignee;
- 11 (b) the name and address of the original purchaser of
- 12 the tax sale certificate;
- 13 (c) the name and address of each previous assignee, if
- 14 any;
- 15 (d) a description of the property upon which the
- 16 property tax lien was issued, which description must contain
- 17 the same information as contained in the tax sale
- 18 certificate or assignment certificate, as appropriate;
- 19 (e) the signature of the party, be it purchaser or
- 20 assignee, making the assignment;
- 21 (f) the signature of the new assignee; and
- 22 (g) the date on which the statement was signed.

23 (4) If the certificate described in subsection (1) or
24 the statement described in subsection (3) is lost or
25 destroyed, the county treasurer shall, upon adequate proof

1 and signed affidavit by the assignee that loss or
2 destruction has occurred, issue a duplicate certificate to
3 the assignee.

4 (5) The provisions of this section apply to any sale
5 of land for which a treasurer's deed was not issued on or
6 before March 5, 1917, or for which a tax deed was not issued
7 on or before [the effective date of this act], and the
8 holder of any certificate described in subsection (1) has
9 the same rights, powers, and privileges with regard to
10 securing a deed as any purchaser of land at a tax sale may
11 now have.

12 NEW SECTION. Section 12. Assessment of property sold
13 at tax sale. (1) The assessment of property on which a tax
14 sale certificate has been issued or for which the county is
15 listed as the purchaser as provided in [section 8] continues
16 in the same manner as other property is assessed.

17 (2) If any assessed taxes are not paid when due, they
18 are delinquent.

19 NEW SECTION. Section 13. Sale not voided by misnomer
20 of ownership. When a tax sale certificate is acquired as
21 provided in [section 6] or when the county is listed as the
22 purchaser as provided in [section 8] and the taxes were
23 properly assessed on the property of a particular person, no
24 misnomer of ownership or other mistake relating to ownership
25 affects the sale or renders it void or voidable.

1 NEW SECTION. Section 14. Voided sale -- refund --
 2 limitation on action for royalty interest. (1) If a tax sale
 3 held under the provisions of [sections 1 through 15] is
 4 declared void by a court for irregularity in the assessment,
 5 levy, or sale, the money paid by the purchaser at the sale
 6 or by any assignee must be refunded, with interest at the
 7 rate payable upon delinquencies as provided in 15-16-102
 8 from the date of the payment, to the purchaser or owner of
 9 the tax sale certificate, together with any penalty paid by
 10 the purchaser.

11 (2) Following the payment of a refund as provided in
 12 subsection (1), the county is considered the purchaser and
 13 has a property tax lien upon the property for the legal
 14 taxes on the property accruing from the date of delinquency,
 15 plus penalties and interest as provided in 15-16-102. Any
 16 money refunded that was received as provided in [section 6]
 17 and distributed by the treasurer to the state or a city,
 18 town, or district, respectively, must be charged to the
 19 state, city, town, or district by the treasurer and deducted
 20 from the next money due the state, city, town, or district,
 21 respectively, on account of taxes paid or collected. A
 22 purchaser of a property tax lien or owner thereof by
 23 assignment where sales have been made by a city or town
 24 which by resolution or ordinance collects its own taxes
 25 instead of having the same collected by the county treasurer

1 must be reimbursed in similar manner and in similar
 2 circumstances out of the city or town treasury upon order of
 3 the mayor or, where applicable, the city manager or chairman
 4 of the city commission. The city or town clerk or city or
 5 town treasurer, as appropriate, shall make proper charges
 6 and deductions against the respective funds of the city or
 7 town upon the next collection of taxes by the city or town.

8 (3) The purchaser has a lien upon the property for the
 9 amount of taxes, penalties, interest, and costs paid, with
 10 the interest to be at the rate specified for delinquencies
 11 in 15-16-102. If the purchaser is in possession of the
 12 property and resides thereon, he may not be ejected from the
 13 property until his lien has been liquidated.

14 (4) All affirmative defenses at law or equity,
 15 including but not limited to estoppel, laches, and adverse
 16 possession, may apply in a suit brought to challenge the
 17 title to a royalty interest in land claimed to have been
 18 acquired by a county by tax deed.

19 (5) An action against a county to recover a royalty
 20 interest in land acquired by the county by tax deed must be
 21 brought within the period prescribed in 27-2-210.

22 NEW SECTION. Section 15. Sale of personalty for
 23 delinquent taxes -- fee -- disposition of proceeds -- unsold
 24 property. (1) The tax on personal property may be collected
 25 and payment enforced by the seizure and sale of any personal

1 property in the possession of the person assessed. Seizure
 2 and sale are authorized at any time after the date the taxes
 3 become delinquent or by the institution of a civil action
 4 for its collection in any court of competent jurisdiction.
 5 A resort to one method does not bar the right to resort to
 6 any other method. Any of the methods provided may be used
 7 until the full amount of the tax is collected.

8 (2) The provisions of 15-16-113 and this section apply
 9 to a seizure and sale under subsection (1).

10 (3) A sale under subsection (1) must be at public
 11 auction. The minimum bid for any property offered for sale
 12 must be of a sufficient amount to pay the delinquent taxes,
 13 including penalties, interest, and costs.

14 (4) For seizing and selling personal property, the
 15 treasurer shall charge \$25, plus the mileage allowance
 16 provided by law to the sheriff, plus reasonable expenses for
 17 seizing, handling, keeping, or caring for any property so
 18 seized. The charge and other costs may only be charged when
 19 property is actually seized and offered for sale or sold.

20 (5) On payment of the price bid for any property sold
 21 as provided in this section, delivery of the property, with
 22 a bill of sale, vests the title of the property in the
 23 purchaser.

24 (6) (a) All money collected from the sale of property
 25 in liquidation of the delinquency, including delinquent

1 taxes, penalties, and interest, but not costs, must be
 2 credited by the treasurer to the appropriate funds.

3 (b) Any money collected in excess of the delinquent
 4 tax penalties, and interest, COSTS, AND CHARGES must be
 5 returned to the person owning the property prior to the
 6 sale, if known. If the person does not claim the excess
 7 immediately following the sale, the treasurer shall deposit
 8 the money in the county treasury for a period of 1 year from
 9 the date of sale. If the person has not claimed the excess
 10 within 1 year from the date of sale, the county treasurer
 11 shall deposit the amount in the county general fund and the
 12 person has no claim to it thereafter.

13 (7) Any property seized for the purpose of liquidating
 14 a delinquency by a tax sale that remains unsold following a
 15 sale may be left at the place of sale at the risk of the
 16 owner.

17 NEW SECTION. Section 16. Time for redemption --
 18 interested party. (1) Redemption of a property tax lien
 19 acquired at a tax sale or otherwise may be made by the
 20 owner, the holder of an unrecorded or improperly recorded
 21 security interest, the occupant of the property, or any
 22 interested party within 36 months from the date of the first
 23 day of the tax sale or within 60 days following the giving
 24 of the notice required in [section 21], whichever is later.

25 (2) For the purposes of [sections 16 through 26], an

1 "interested party" includes a mortgagee, holder VENDOR of a
 2 contract for deed OR HIS SUCCESSOR IN INTEREST, lienholder,
 3 or other person who has a properly perfected-security
 4 RECORDED interest in the property ~~duly--recorded--with--the~~
 5 ~~county--clerk~~. A person having an interest in property on
 6 which there is a property tax lien but which interest is not
 7 properly recorded is not an interested party for the
 8 purposes of [sections 16 through 26].

9 NEW SECTION. Section 17. Redemption from property tax
 10 lien. In all cases where a property tax lien has been
 11 acquired, the purchaser may pay the subsequent taxes
 12 assessed against the property. Upon the redemption of the
 13 property from the property tax lien, the redemptioner shall,
 14 in addition to the amount for which the property tax lien
 15 was sold, including penalties, interest, and costs, pay the
 16 subsequent taxes paid by the purchaser with interest
 17 thereon, at the rate established for delinquent taxes in
 18 15-16-102, from the date of the payment of the taxes,
 19 penalties, interest, and costs.

20 NEW SECTION. Section 18. Treasurer to record
 21 redemptions. Upon payment of all delinquent taxes, including
 22 penalties, interest, and costs, by the person to whom taxes
 23 were assessed or his agent to the county treasurer and
 24 refunded to the person listed as purchaser as provided in
 25 [section 6(1)(e)], [section 7], or [section 8] or

1 distributed as provided in [section 19], the word
 2 "redeemed", the date, and the name of the redemptioner must
 3 be marked on the tax sale certificate or in the record
 4 required in [section 8] by the county treasurer.

5 NEW SECTION. Section 19. Distribution of redemption
 6 proceeds. (1) When a property tax lien for which the county
 7 is listed as purchaser is redeemed, the money received from
 8 the redemption, including penalties and interest but not
 9 costs, must be distributed to the credit of the various
 10 funds to which the taxes would have originally been
 11 distributed and in the same proportion as the taxes would
 12 have originally been distributed.

13 (2) (a) When a property tax lien for which the
 14 recorded purchaser is other than the county is redeemed, the
 15 money received from the redemption, including penalties and
 16 interest but not costs, must be distributed to the person
 17 listed as the purchaser on the tax sale certificate and in
 18 the record kept by the county treasurer.

19 (b) (i) The distribution must be made by certified
 20 mail by the county treasurer to the purchaser at the address
 21 listed on the tax sale certificate as provided in [section
 22 6(1)(e)].

23 (ii) If the money distributed to the purchaser is
 24 returned unopened to the county treasurer, the treasurer
 25 shall publish once a week for 2 consecutive weeks in the

1 official newspaper of the county a notice stating that:

2 (A) the county treasurer is in possession of money
3 belonging to the purchaser for the redemption of the
4 delinquency on the property named in the tax sale
5 certificate;

6 (B) the money will be held by the county treasurer for
7 a period of 1 year from the date of publication; and

8 (C) if the money is not claimed by the purchaser
9 within the 1-year period, the purchaser relinquishes all
10 claim to the money and the money will be credited to the
11 county general fund.

12 (3) The publication required in subsection (2)(b)(ii)
13 must be made at least annually, but the 1-year period
14 described in subsection (2)(b)(ii)(B) may not begin until
15 the date of publication.

16 (4) The county treasurer shall keep an accurate
17 account of all money paid in redemption, including a
18 separate accounting of other delinquent taxes, interest,
19 penalties, and costs, and when and to whom distributed.

20 NEW SECTION. Section 20. Tax deed -- fee. (1) Except
21 as provided in subsection (3), if the property tax lien is
22 not redeemed in the time allowed under [section 16], the
23 county treasurer shall grant the purchaser a tax deed for
24 the property. The deed must contain the same information as
25 is required in a tax sale certificate under [section 6],

1 except the description of the property must be the full
2 legal description, and a statement that the property tax
3 lien was not redeemed during the redemption period provided
4 in [section 16].

5 (2) (a) Except as provided in subsection (2)(b), the
6 county treasurer shall charge the purchaser \$25 plus all
7 actual costs incurred by the county in giving the notice or
8 assisting another purchaser or assignee in giving the notice
9 required in [section 21] for making the deed, which fee must
10 be deposited in the county general fund.

11 (b) If the purchaser is the county, no fee may be
12 charged for making the deed.

13 (c) Reasonable costs incurred by the county in
14 searching the county records to identify persons entitled to
15 notice are considered part of the actual costs of the notice
16 provided in subsection (2)(a).

17 (3) If the purchaser is the county and no assignment
18 has been made, the county treasurer may not issue a tax deed
19 to the county unless the board of county commissioners, by
20 resolution, directs him to issue a tax deed.

21 (4) Deeds issued to purchasers must be recorded by the
22 county clerk as provided in Title 7, chapter 4, part 26,
23 except that when the county is the purchaser and subsequent
24 tax deed holder, the county clerk may not charge a fee for
25 recording the deed.

1 NEW SECTION. Section 21. Notice -- proof of notice --
 2 penalty for failure to notify. (1) Not more than 60 days
 3 prior to and not more than 60 days following the expiration
 4 of the redemption period provided in [section 16], a notice
 5 must be given as follows:

6 (a) for each property for which there has been issued
 7 to the county a tax sale certificate or for which the county
 8 is otherwise listed as the purchaser or assignee, the county
 9 clerk shall notify all persons considered interested parties
 10 in the property and the current occupant of the property, if
 11 any, that a tax deed may be issued to the county unless the
 12 property tax lien is redeemed prior to the expiration date
 13 of the redemption period; or

14 (b) for each property for which there has been issued
 15 a tax sale certificate to a purchaser other than the county,
 16 or for which an assignment has been made, the purchaser or
 17 assignee, as appropriate, shall notify all persons
 18 considered interested parties in the property, if any, that
 19 a tax deed will be issued to the purchaser or assignee
 20 unless the property tax lien is redeemed prior to the
 21 expiration date of the redemption period.

22 (2) IF (A) EXCEPT AS PROVIDED IN SUBSECTION (2)(B), IF
 23 the county is the purchaser, no assignment has been made,
 24 and the board of county commissioners has not directed the
 25 county treasurer to issue a tax deed during the period

1 described in subsection (1), but the board of county
 2 commissioners at a time subsequent to the period described
 3 in subsection (1) does direct the county treasurer to issue
 4 a tax deed, the county treasurer CLERK must provide
 5 notification to all interested parties and the current
 6 occupant, if any, in the manner provided in subsection
 7 (1)(a). The notification required under this subsection
 8 must be made not less than 60 days or more than 90 days
 9 prior to the date on which the county treasurer will issue
 10 the tax deed.

11 (B) IF THE COUNTY COMMISSIONERS DIRECT THE COUNTY
 12 TREASURER TO ISSUE A TAX DED WITHIN 6 MONTHS AFTER GIVING
 13 THE NOTICE REQUIRED BY SUBSECTION (1)(A), NO ADDITIONAL
 14 NOTICE NEED BY GIVEN.

15 (3) (a) If a purchaser other than the county or an
 16 assignee fails or neglects to give notice as required by
 17 subsection (1)(b), which failure or neglect is evidenced by
 18 failure of the purchaser or assignee to file proof of notice
 19 with the county clerk as required in subsection (7), the
 20 county treasurer shall proceed to give notice in the manner
 21 provided in subsection (1)(a).

22 (b) Notice given under this subsection (3) must be
 23 given not less than 60 days or more than 90 days prior to
 24 the date on which the county treasurer will issue the tax
 25 deed.

1 (c) A purchaser or assignee who fails to give notice
 2 as required by subsection (1)(b), thereby forcing
 3 notification to be given under this subsection (3), must be
 4 charged a penalty of \$500 plus all actual costs of
 5 notification incurred by the county proceeding under this
 6 subsection (3).

7 (4) The notice required under subsections (1) through
 8 (3) must be made by certified mail to each interested party
 9 and the current occupant, if any, of the property. The
 10 address to which the notice must be sent is, for each
 11 interested party, the address disclosed by the records in
 12 the office of the county clerk and, for the occupant, the
 13 street address or other known address of the subject
 14 property.

15 (5) In all cases in which the address of an interested
 16 party is not known, the ~~county-clerk~~ PERSON REQUIRED TO GIVE
 17 NOTICE shall, within the period described in subsection (1),
 18 or not less than 60 days or more than 90 days prior to the
 19 date upon which the county treasurer will otherwise issue a
 20 tax deed, whichever is appropriate, publish once a week for
 21 2 successive weeks in the official newspaper of the county
 22 or such other newspaper as the board of county commissioners
 23 may by resolution designate, a notice containing the
 24 information contained in subsection (6), plus:

25 (a) the name of the interested party for whom the

1 address is unknown;

2 (b) a statement that the address of the interested
 3 party is unknown;

4 (c) a statement that the published notice meets the
 5 legal requirements for notice of a pending tax deed
 6 issuance; and

7 (d) a statement that the interested party's rights in
 8 the property may be in jeopardy.

9 (6) The notices required by subsections (1) through
 10 (3) and (5) must contain the following:

11 (a) a statement that a property tax lien exists on the
 12 property as a result of a property tax delinquency;

13 (b) a description of the property on which the taxes
 14 are or were delinquent, which description must be the same
 15 as the description of the property on the tax sale
 16 certificate or in the record described in [section 8(2)(b)];

17 (c) the date that the property taxes became
 18 delinquent;

19 (d) the date that the property tax lien attached as
 20 the result of a tax sale;

21 (e) the amount of taxes due, including penalties,
 22 interest, and costs, as of the date of the notice of pending
 23 tax deed issuance, which amount must include a separate
 24 listing of the delinquent taxes, penalties, interest, and
 25 costs that must be paid for the property tax lien to be

1 liquidated;

2 (f) the name and address of the purchaser;

3 (g) the name of the assignee if an assignment was made
4 as provided in [section 11];

5 (h) the date that the redemption period expires or
6 expired;

7 (i) a statement that if all taxes, penalties,
8 interest, and costs are not paid to the county treasurer on
9 or prior to the date on which the redemption period expires
10 or on or prior to the date on which the county treasurer
11 will otherwise issue a tax deed that a tax deed may be
12 issued to the purchaser on the day following the date on
13 which the redemption period expires or on the date on which
14 the county treasurer will otherwise issue a tax deed; and

15 (j) the business address and telephone number of the
16 county treasurer who is responsible for issuing the tax
17 deed.

18 (7) In all cases, proof of notice in whatever manner
19 given must be filed by the county clerk, COUNTY TREASURER,
20 purchaser, or assignee, as appropriate, with the county
21 clerk not less than 30 days following the mailing or
22 publication of the notice. Once filed, the proof of notice
23 is prima facie evidence of the sufficiency of the notice.

24 (8) A county or any officer of a county may not be
25 held liable for any error of notification.

1 NEW SECTION. Section 22. Form of tax deed -- prima
2 facie evidence. (1) The form of a tax deed issued under the
3 provisions of [sections 16 through 26], executed by a county
4 treasurer, must be made in substance as follows:

5 This deed is made by (name of county treasurer),
6 county treasurer of the county of (name of county), in
7 the state of Montana, to (name of purchaser, his agent,
8 or assignee), as provided by the laws of the state of
9 Montana:

10 Whereas, there was assessed for (year) the
11 following real property: (description of the property); and

12 Whereas, the taxes for (year) levied against the
13 property amounted to \$....; and

14 Whereas, the taxes were not paid and a property tax
15 lien for the payment of the taxes attached and was sold to
16 (name of purchaser, his agent, or assignee) on
17 (date, including year) for the sum of \$...., which amount
18 included delinquent taxes in the amount of \$...., penalties
19 in the amount of \$...., interest in the amount of \$...., and
20 other costs in the amount of \$....; and

21 Whereas, a tax sale certificate was duly issued and
22 filed or the sale otherwise recorded as required by law; and

23 Whereas, not less than 60 days or more than 90 days
24 prior to this date, notice was given to interested parties
25 that the issuance of a tax deed was pending.

1 Now, therefore, I, (treasurer's name), county
 2 treasurer of the county of, in the state of Montana, in
 3 consideration of the sum of \$.... paid, hereby grant to
 4 (name of purchaser, his agent, or assignee) all the property
 5 situated in County, state of Montana, described herein
 6 above.

7 Witness my hand on this date (date, including
 8 year).

9 County Treasurer
 10 County

11 (2) A tax deed executed in substantially the form
 12 provided in subsection (1) is prima facie evidence that:

- 13 (a) the property was assessed as required by law;
- 14 (b) the taxes were levied in accordance with law;
- 15 (c) the taxes were not paid when due;
- 16 (d) notice of tax sale was given and a property tax
 17 lien was sold at the proper time and place as provided by
 18 law;
- 19 (e) the property was not redeemed, and proper notice
 20 of a pending tax deed issuance was made as required by law;
- 21 (f) the person who executed the deed was legally
 22 authorized to do so; and
- 23 (g) if the real property was sold to pay delinquent
 24 taxes on personal property, the real property belonged to
 25 the person liable to pay the personal property tax.

1 NEW SECTION. Section 23. Effect of deed. (1) A deed
 2 issued under [sections 16 through 26] conveys to the grantee
 3 absolute title to the property described therein as of the
 4 date of the expiration of the redemption period, free AND
 5 CLEAR of all LIENS AND encumbrances ~~and clear of any and all~~
 6 ~~claims, except:~~

7 (a) when the claim is payable after the execution of
 8 the deed and:

- 9 (i) a property tax lien attaches subsequent to the tax
 10 sale; or
- 11 (ii) a lien of any special, rural, local improvement,
 12 irrigation, or drainage assessment is levied against the
 13 property;

14 (b) when the claim is an easement ~~by--a--utility,~~
 15 SERVITUDE, COVENANT, RESTRICTION, RESERVATION, OR SIMILAR
 16 BURDEN LAWFULLY IMPOSED ON THE PROPERTY; or

17 (c) when an interest in the land is owned by the
 18 United States, this state, or a subdivision of this state.

19 (2) Under the conditions described in subsection (1),
 20 the deed is prima facie evidence of the right of possession
 21 accrued as of the date of expiration of the period for
 22 redemption or the date upon which a tax deed was otherwise
 23 issued.

24 NEW SECTION. Section 24. Action to quiet title to tax
 25 deed -- notice. (1) (a) In an action brought to set aside or

1 annul any tax deed or to determine the rights of a purchaser
 2 to real property claimed to have been acquired through tax
 3 proceedings or a tax sale, the purchaser, upon filing an
 4 affidavit, may obtain from the court an order directed to
 5 the person claiming to:

- 6 (i) own the property;
- 7 (ii) have any interest in or lien upon the property;
- 8 (iii) have a right to redeem the property; or
- 9 (iv) have rights hostile to the tax title.

10 (b) The person described in subsections (1)(a)(i)
 11 through (1)(a)(iv) is hereafter referred to as the true
 12 owner.

13 (c) The order described in subsection (1)(a) may
 14 command the true owner to:

15 (i) deposit with the court for the use of the
 16 purchaser:

17 (A) the amount of all taxes, interest, penalties, and
 18 costs that would have accrued if the property had been
 19 regularly and legally assessed and taxed as the property of
 20 the true owner and was about to be redeemed by the true
 21 owner; and

22 (B) the amount of all sums reasonably paid by the
 23 purchaser following the order and after 3 years from the
 24 date of the tax sale to preserve the property or to make
 25 improvements thereon while in the purchaser's possession, as

1 the total amount of the taxes, interest, penalties, costs,
 2 and improvements is alleged by the plaintiff and as must
 3 appear in the order; or

4 (ii) show cause on a date to be fixed in the order, not
 5 exceeding 30 days from the date of the order, why such
 6 payment should not be made.

7 (2) The affidavit must list the name and address of
 8 the true owner and whether he is in the state of Montana, if
 9 known to the plaintiff, or state that the address of the
 10 true owner is not known to the plaintiff.

11 (3) (a) The order must be filed with the county clerk
 12 and a copy served personally upon each person shown in the
 13 affidavit claiming to be a true owner and who is, at that
 14 time, known to be in the state of Montana.

15 (b) Jurisdiction is acquired over all other persons
 16 by:

17 (i) publishing the order once in the official
 18 newspaper of the county;

19 (ii) posting the order in three public places in the
 20 county at least 10 days prior to the hearing; and

21 (iii) giving a copy to the county treasurer.

22 NEW SECTION. Section 25. Procedure in tax deed quiet
 23 title action. (1) Upon the hearing of the order to show
 24 cause, the court has jurisdiction to determine the amount to
 25 be deposited and to make an order that the same be paid to

1 the court within a period not exceeding 30 days after the
2 order is made.

3 (2) (a) Except as provided in subsection (2)(b), if
4 the amount is not paid within the time fixed by the court,
5 the true owner is considered to have waived any defects in
6 the tax proceedings and any right of redemption. In the
7 event of waiver, the true owner has no claim of any kind
8 against the state or purchaser and a decree must be entered
9 in the action quieting the title of the purchaser as against
10 the true owner.

11 (b) The proceedings are void if the taxes were not
12 delinquent or have been paid.

13 (3) If payment is made to the court and the true owner
14 is successful in the action and the tax proceedings are
15 declared void, the amount deposited with the court must be
16 paid to the purchaser.

17 (4) If the purported true owner is not successful in
18 the action and the title of the purchaser is sustained, the
19 money must be returned to the purported true owner.

20 (5) In any action brought by a purchaser to quiet
21 title, several tracts of land, whether contiguous or
22 noncontiguous or owned by different defendants, may be set
23 forth in one complaint. All persons claiming any title to,
24 interest in, or lien upon any of the premises or any part
25 thereof may be joined as defendants, even though their

1 claims are independent, are not in common, and do not cover
2 the same tracts. The procedure in such an action must
3 follow, as nearly as practicable, the procedure specified in
4 70-28-101 through 70-28-109.

5 (6) In the final judgment, the court shall also
6 determine the rights resulting from any additional taxes on
7 the property accruing or being paid by either party during
8 the pendency of the suit.

9 (7) In the quiet title action, the court has complete
10 jurisdiction to fix the amount of taxes that should have
11 been paid, including penalties, interest, and costs, and to
12 determine all questions necessary in granting full relief,
13 including the power to order any assessor or other tax
14 officer to make and certify to the court a corrected or new
15 assessment or to do any other act necessary to enable the
16 court to do complete justice. Errors may be reviewed on
17 appeal from the final judgment.

18 NEW SECTION. Section 26. Title conveyed by deed --
19 defects. (1) All deeds executed more than 3 years after the
20 applicable tax sale convey to the grantee absolute title to
21 the property described in the deed as of 3 years following
22 the date of sale of the property interest at the tax sale.

23 (2) The conveyance includes:

24 (a) all right, title, interest, estate, lien, claim,
25 and demand of the state of Montana and of the county in and

1 to the property; and

2 (b) the right, if the tax deed, tax sale, or any of
3 the tax proceedings upon which the deed may be based are
4 attacked and held irregular or void, to recover the unpaid
5 taxes, interest, penalties, and costs that would accrue if
6 the tax proceedings had been regular and it was desired to
7 redeem the property.

8 (3) The tax deed is free of all encumbrances except as
9 provided in [subsections (1)(a) through (1)(c) of section
10 23].

11 (4) A tax deed is prima facie evidence of the right of
12 possession accruing as of the date of the expiration of the
13 redemption period described in [section 16].

14 (5) If any tax deed or deed purporting to be a tax
15 deed is issued more than 3 years and 30 days after the date
16 of the sale of the property interest at the applicable tax
17 sale, the grantee may publish in the official newspaper of
18 the county, once a week for 2 consecutive weeks, a notice
19 entitled "Notice of Claim of a Tax Title". The notice must:

20 (a) describe all property claimed to have been
21 acquired by a tax deed;

22 (b) contain an estimate of the amount due on the
23 property for delinquent taxes, interest, penalties, and
24 costs;

25 (c) contain a statement that for further specific

1 information, reference must be made to the records in the
2 office of the county treasurer;

3 (d) list the name and address of record of the person
4 in whose name the property was assessed or taxed; and

5 (e) contain a statement that demand is made that the
6 person assessed or taxed must, within 30 days after the
7 first publication of the notice, pay to the claimant or to
8 the county treasurer for use by the claimant the amount of
9 taxes, interest, penalties, and costs as the same appear in
10 the records of the county treasurer or bring a suit to quiet
11 the true owner's title or to set aside the tax deed.

12 (6) A mistake in the amount or in any name specified
13 in the notice does not invalidate the notice.

14 (7) (a) If within the 30-day period the taxes,
15 interest, penalties, and costs are not paid or a quiet title
16 action is not brought, all defects in the tax proceedings
17 and any right of redemption is considered waived. Except as
18 provided in subsection (7)(b), after the 30-day period the
19 title to the property described in the notice and in the tax
20 deed is valid and binding, irrespective of any
21 irregularities, defects, omissions, or total failure to
22 observe any of the provisions of the laws of Montana
23 regarding the assessment, levying of taxes, or sale of
24 property for taxes and the giving of notices, whether or not
25 such irregularities, defects, omissions, or failures could

1 void the proceedings.

2 (b) The proceedings in subsection (7)(a) are void if
3 the taxes were not delinquent or have been paid.

4 Section 27. Section 7-6-4414, MCA, is amended to read:

5 "7-6-4414. Sales for delinquent taxes when county
6 collects municipal tax. (1) All publications of sales for
7 delinquent taxes shall include city or town taxes. There is
8 only one sale for each piece of property. The sale shall
9 cover the aggregate of city or town, county, and state
10 taxes, with the penalties, interest, and cost of advertising
11 provided by law.

12 (2) All money received from sales and--redemptions,
13 after a deed is given by the county treasurer as provided by
14 law, shall be credited to the state, county, and city or
15 town pro rata in the same proportions as provided in
16 ~~15-18-100~~ [section 10]."

17 Section 28. Section 7-21-2104, MCA, is amended to
18 read:

19 "7-21-2104. Lien arising from license. (1) All
20 property held or used in any trade, occupation, or
21 profession for which a license is required by the provisions
22 of this part is liable for such license and subject to a
23 lien for the amount thereof. This lien has precedence of any
24 other lien, claim, or demand.

25 (2) If any person fails or refuses to procure a

1 license before the transaction of the business specified,
2 the county treasurer must seize such property or any other
3 property belonging to such person and sell the same in the
4 manner provided in ~~15-17-901--through--15-17-903~~ [section
5 15]."

6 Section 29. Section 15-16-101, MCA, is amended to
7 read:

8 "15-16-101. Treasurer to publish notice -- manner of
9 publication. (1) Within 10 days after the receipt of the
10 assessment book, the county treasurer must publish a notice
11 specifying:

12 (a) that one-half of all taxes levied and assessed
13 will be due and payable before 5 p.m. on November 30 next
14 thereafter or within 30 days after the notice is postmarked
15 and that unless paid prior thereto to that time the amount
16 then due will be delinquent and will draw interest at the
17 rate of 5/6 of 1% per month from and after such delinquency
18 until paid and 2% will be added to the delinquent taxes as a
19 penalty;

20 (b) that one-half of all taxes levied and assessed
21 will be due and payable on or before 5 p.m. on May 31 next
22 thereafter and that unless paid prior to ~~said-date-said~~ that
23 time the taxes will be delinquent and will draw interest at
24 the rate of 5/6 of 1% per month from and after such
25 delinquency until paid and 2% will be added to the

1 delinquent taxes as a penalty; and
 2 (c) the time and place at which payment of taxes may
 3 be made.
 4 (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) The municipality shall, upon request of the county
 20 treasurer, provide the information to be included under
 21 subsection (2)(d) ready for mailing.
 22 (4) The notice in every case must be published once a
 23 week for 2 weeks in some a weekly or daily newspaper
 24 published in the county, if there is one, or if there is
 25 not, then by posting it in three public places. ~~The failure~~

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

5 Section 30. Section 15-16-102, MCA, is amended to
 6 read:

7 "15-16-102. Time for payment -- penalty for
 8 delinquency. All taxes levied and assessed in the state of
 9 Montana, except assessments made for special improvements in
 10 cities and towns payable under 15-16-103 and assessments
 11 made on new production as provided in Title 15, chapter 23,
 12 part 6, and payable under 15-16-121, shall be payable as
 13 follows:

14 (1) One-half of the amount of such taxes shall be
 15 payable on or before 5 p.m. on November 30 of each year, or
 16 within 30 days after the notice is postmarked, whichever is
 17 later, and one-half on or before 5 p.m. on May 31 of each
 18 year.

19 (2) Unless one-half of such taxes are paid on or
 20 before 5 p.m. on November 30 of each year, or within 30 days
 21 after the notice is postmarked, whichever is later, then
 22 such amount so payable shall become delinquent and shall
 23 draw interest at the rate of 5/6 of 1% per month from and
 24 after such delinquency until paid and 2% shall be added to
 25 the delinquent taxes as a 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 shall draw
 3 interest at the rate of 5/6 of 1% per month from and after
 4 such delinquency until paid and 2% shall be added to the
 5 delinquent taxes as a penalty.

6 (4) If the taxes become delinquent, the county
 7 treasurer may not accept ~~partial~~ ~~LESS THAN TOTAL~~ PARTIAL
 8 ~~LESS THAN TOTAL~~ A PARTIAL payment of EQUAL TO the delinquent
 9 taxes, but may accept only the total amount of delinquent
 10 taxes, including penalties, interest, and costs SUBJECT TO
 11 THE FOLLOWING:

12 (A) ~~THE COUNTY TREASURER MAY NOT ACCEPT LESS THAN 1~~
 13 ~~YEAR'S DELINQUENT TAXES, PLUS ALL PENALTIES AND INTEREST DUE~~
 14 ~~ON THE DATE OF THE DELINQUENT PAYMENT, AND~~

15 (B) ~~PROVIDED THAT EACH PARTIAL PAYMENT EQUALS THE~~
 16 ~~TOTAL AMOUNT OF DELINQUENT TAXES, PENALTY, AND INTEREST FOR~~
 17 ~~ONE OR MORE INDIVIDUAL TAX YEARS, NO PARTIAL PAYMENT OF LESS~~
 18 ~~THAN A FULL TAX YEAR FOR ANY INDIVIDUAL YEAR MAY BE MADE,~~
 19 ~~SUBJECT TO THE FOLLOWING:~~

20 (A) ~~THE COUNTY TREASURER MAY NOT ACCEPT LESS THAN 1~~
 21 ~~YEAR'S DELINQUENT TAXES, PLUS ALL PENALTIES AND INTEREST DUE~~
 22 ~~ON THE DATE OF THE DELINQUENT PAYMENT, AND~~

23 (B) ~~PROVIDED THAT EACH PARTIAL PAYMENT EQUALS THE~~
 24 ~~TOTAL AMOUNT OF DELINQUENT TAXES, PENALTY, AND INTEREST FOR~~
 25 ~~ONE OR MORE INDIVIDUAL TAX YEARS, NO PARTIAL PAYMENT OF LESS~~

1 ~~THAN A FULL TAX YEAR FOR ANY INDIVIDUAL YEAR MAY BE MADE,~~
 2 ~~THE TAXES DUE FOR THE TAX YEAR THAT IS DELINQUENT THE~~
 3 ~~LONGEST SHORTEST LONGEST MUST BE PAID BEFORE ANY SUBSEQUENT~~
 4 ~~PRIOR SUBSEQUENT YEAR, INCLUDING PENALTY AND INTEREST FOR~~
 5 ~~ONE OR MORE FULL TAXABLE YEARS PROVIDED BOTH HALVES OF THE~~
 6 ~~CURRENT TAX YEAR HAVE BEEN PAID. PAYMENT OF DELINQUENT TAXES~~
 7 ~~MUST BE APPLIED TO THE TAXES THAT HAVE BEEN DELINQUENT THE~~
 8 ~~LONGEST."~~

9 Section 31. Section 15-16-111, MCA, is amended to
 10 read:

11 "15-16-111. Personal property -- duty of department.

12 (1) It shall be is the duty of the department of revenue or
 13 its agent, upon discovery of any personal property in the
 14 county the taxes upon which are not a lien upon real
 15 property sufficient to secure the payment of such taxes, to
 16 immediately and in any event not more than 5 days thereafter
 17 make a report to the treasurer, setting forth the nature,
 18 kind, description, and character of such property in such a
 19 definite manner that the treasurer can identify the same,
 20 the amount and assessed valuation of such property, where
 21 the same is located, the amount of taxes due thereon, and
 22 the name and address of the owner, claimant, or other person
 23 in possession of the same.

24 (2) Where such personal property is located in any
 25 city or town which shall have has provided by ordinance for

1 the collection of its taxes for general, municipal, and
 2 administrative purposes by its city treasurer or town clerk,
 3 the department also and at the same time shall furnish to
 4 ~~said~~ the city treasurer or town clerk a duplicate of such
 5 the notice to the county treasurer. For the purpose of
 6 determining the taxes due on such personal property, the
 7 department or its agent must use the levy made during the
 8 previous year."

9 Section 32. Section 15-16-112, MCA, is amended to
 10 read:

11 "15-16-112. Department report of personal property in
 12 assessment book. The department of revenue or its agent must
 13 note on the assessment book, opposite the names name of each
 14 person owning, claiming, or possessing such personal
 15 property which ~~may-be-so~~ is reported to the treasurer under
 16 15-16-111, the fact that ~~such~~ the report was made to the
 17 treasurer and the date when the ~~same~~ report was ~~so~~ made."

18 Section 33. Section 15-16-113, MCA, is amended to
 19 read:

20 "15-16-113. Personal property -- duty of treasurer --
 21 penalty. (1) The county treasurer shall collect taxes on all
 22 personal property and, in the case provided in 15-16-111,
 23 shall immediately upon receipt of the report prescribed by
 24 15-16-111 notify the person or persons against whom the tax
 25 is assessed and any person who has a properly perfected

1 security interest of record with the department of justice
 2 that the amount of ~~such~~ the tax is due and payable at the
 3 county treasurer's office.

4 (2) The county treasurer shall, at the time of
 5 receiving the report and in any event within 30 days from
 6 the receipt of such report, levy upon and take into his
 7 possession the personal property against which a tax is
 8 assessed or any other personal property in the hands of the
 9 delinquent taxpayer and proceed to sell the same in the same
 10 manner as property is sold on execution by the sheriff.

11 (3) The county treasurer ~~may~~ shall, for the purpose of
 12 making the levy and sale, direct the sheriff to make the
 13 levy and sale. The sheriff, undersheriff, or any deputy
 14 sheriff of the county is ex officio a deputy county
 15 treasurer for such purposes, and either may act and receive
 16 payment of such taxes. The sheriff may receive the same fees
 17 as he is entitled to in making a seizure and sale under
 18 execution as provided in [section 15].

19 (2)(4) The county treasurer and his sureties are
 20 liable on his official bond for all taxes on personal
 21 property remaining uncollected by reason of the willful
 22 failure and neglect of the treasurer to levy upon and sell
 23 such personal property for the taxes levied thereon.

24 (5) Failure by the sheriff, undersheriff, or deputy
 25 sheriff acting as a deputy county treasurer to make the levy

1 and sale results in a levy against the official bond of the
 2 sheriff, undersheriff, or deputy sheriff for payment of the
 3 delinquent tax."

4 Section 34. Section 15-16-114, MCA, is amended to
 5 read:

6 "15-16-114. Rate of taxation -- personal property. (1)
 7 All rates of tax levy set by the board of county
 8 commissioners on the second Monday in August of each year
 9 shall apply permanently to this class of personal property
 10 during the ensuing tax year, ~~and the~~.

11 (2) The treasurer shall, upon collection of any such
 12 taxes, immediately distribute the money so collected to the
 13 various and proper funds in his charge.

14 ~~(2) If the rate of taxation fixed for the year in~~
 15 ~~which the collection is made is an increase over the~~
 16 ~~preceding year's levy, then the said board of county~~
 17 ~~commissioners may direct the county treasurer to collect the~~
 18 ~~amount of such increased levy but shall not be obliged to do~~
 19 ~~so in cases where, in the opinion of the board, the cost of~~
 20 ~~collection would exceed the amount of such increase, if the~~
 21 ~~rate fixed for the year in which the collection is made~~
 22 ~~shall be less than the levy for the preceding year, then the~~
 23 ~~person from whom such excess tax was collected may file with~~
 24 ~~the board of county commissioners a duly verified claim for~~
 25 ~~a refund of such excess tax at any time before November 1 of~~

1 ~~the year in which such an excess was collected, and such~~
 2 ~~claim shall be allowed and ordered paid by the board of~~
 3 ~~county commissioners to the amount of such excess."~~

4 Section 35. Section 15-16-115, MCA, is amended to
 5 read:

6 "15-16-115. Treasurer's record of personal property
 7 taxes paid. (1) The treasurer must, on On or before
 8 December 1 of each year, the treasurer shall note on the
 9 assessment book, opposite the name of each person from whom
 10 taxes have been collected by him in pursuance of such the
 11 report of the assessor, the amount of taxes received and the
 12 date of ~~the receipt thereof or~~.

13 (2) in case such If the taxes have not been collected
 14 by him, the treasurer shall note in the assessment book the
 15 reason why such collection was not made."

16 Section 36. Section 15-16-117, MCA, is amended to
 17 read:

18 "15-16-117. Personal property -- treasurer's duty to
 19 collect certain taxes on. (1) The county treasurer must
 20 shall demand payment of poor taxes, authorized by 53-2-321,
 21 and road taxes, authorized by 7-14-2206 or 7-14-2501 through
 22 7-14-2504, of every person liable therefor whose name does
 23 not appear on the assessment lists, and on On the neglect
 24 or refusal of any such person to pay the same, he must the
 25 treasurer shall collect the taxes by seizure and sale of any

1 property owned by such the person.

2 (2) These taxes ~~shall~~ must be added upon the
3 assessment lists to other property taxes of persons liable
4 therefor paying taxes upon real and personal property and
5 paid to the county treasurer at the time of payment of other
6 taxes, ~~and all personal property assessed against a person~~
7 ~~shall be liable for the payment of such taxes.~~

8 (3) The procedure for the sale of such property by the
9 county treasurer for such taxes ~~shall~~ must be regulated by
10 15-16-113 and ~~chapter 17, part 9~~ [section 15]."

11 Section 37. Section 15-16-301, MCA, is amended to
12 read:

13 "15-16-301. Delinquent list -- real property. On the
14 third Monday of December and on the third Monday of June of
15 each year, the county treasurer must make a report to the
16 county clerk and recorder in detail, showing the amount of
17 taxes collected and a complete delinquent list of all
18 persons and property then owing taxes, ~~and the~~. The county
19 clerk and recorder shall compare such the report with the
20 books of the county treasurer and shall keep a record of
21 such the report in his office."

22 Section 38. Section 15-16-302, MCA, is amended to
23 read:

24 "15-16-302. Tabulation and transmittal of real
25 property delinquent list. (1) The county treasurer must, at

1 the time specified in 15-16-301, deliver to the county clerk
2 and recorder a complete delinquent list of all persons and
3 property then owing taxes.

4 (2) In the list so delivered, all matters and things
5 contained in the assessment book and relating to delinquent
6 persons or property must be set down in numerical or
7 alphabetical order.

8 (3) The county clerk and recorder must carefully
9 compare the list with the assessment book, and if satisfied
10 that it contains a full and true statement of all taxes due
11 and unpaid, he must ~~foot-up the~~ total the amount of taxes so
12 remaining unpaid, credit the county treasurer ~~who acted~~
13 ~~under it~~ therewith, and make a final settlement with him the
14 treasurer of all taxes charged against him the treasurer on
15 the assessment book, and must require from him the treasurer
16 an immediate account for any existing deficiency."

17 Section 39. Section 15-16-303, MCA, is amended to
18 read:

19 "15-16-303. Treasurer charged with delinquent taxes.
20 After settlement with the county treasurer as prescribed
21 herein in 15-16-302, the county clerk and recorder must
22 charge the treasurer ~~then acting~~ with the amount of taxes
23 ~~then~~ due on the delinquent tax list and within 3 days
24 thereafter deliver the list, duly certified, to the county
25 treasurer."

1 Section 40. Section 15-16-305, MCA, is amended to
2 read:

3 "15-16-305. Disposition of delinquent list. (1) ~~The~~
4 ~~county--treasurer--must--annually--on~~ On the third Monday of
5 February, ~~attend-at-the--office--of--the--county--clerk--and~~
6 ~~recorder-with-the-delinquent-list--The~~ the county clerk and
7 recorder must ~~then--carefully~~ compare the lists with the
8 assessments of persons and property not marked "paid" on the
9 assessment book, ~~and-when. If the~~ taxes have been paid, he
10 the county clerk and recorder must note the fact in the
11 appropriate column in the assessment book.

12 (2) The county clerk and recorder must then administer
13 to the county treasurer an oath, to be written and
14 subscribed in the delinquent list, that every person and all
15 property assessed in the delinquent list on which taxes have
16 been paid have been credited in the list with such payment.

17 (3) The county clerk and recorder must then ~~foot--up~~
18 total the amount of taxes remaining unpaid and credit the
19 treasurer with the amount and have a final settlement with
20 ~~him~~ the treasurer. The delinquent list must remain in the
21 county clerk and recorder's office.

22 (4) At the time mentioned in subsection (1) of this
23 section, the treasurer must make an affidavit, endorsed on
24 the list, that the taxes not marked "paid" have not been
25 paid and that he has not been able to discover any property

1 belonging to or in possession of the persons liable to pay
2 the sum whereof to collect them."

3 Section 41. Section 15-16-401, MCA, is amended to
4 read:

5 "15-16-401. Tax due as a judgment or lien. Every tax
6 has the effect of a judgment against the person, and every
7 lien created by this title has the force and effect of an
8 execution duly levied against all personal property in the
9 possession of the person assessed from and after the date
10 the assessment is made. The county treasurer may issue a
11 writ of execution for delinquent personal property taxes and
12 deliver the same writ to the sheriff. The sheriff shall
13 thereupon proceed upon the same writ in all respects, with
14 like effect, and in the same manner prescribed by law in
15 respect to executions issued against property upon judgments
16 of a court of record and shall be entitled to the same fees
17 ~~for-his-services-in-executing-the-same,-to-be--collected--in~~
18 ~~the--same--manner~~ provided for in [section 15]. The judgment
19 is not satisfied nor the lien removed until the taxes are
20 paid or the property sold for the payment thereof."

21 Section 42. Section 15-16-402, MCA, is amended to
22 read:

23 "15-16-402. Tax on personalty lien on realty --
24 separate assessment. (1) Every tax due upon personal
25 property is a prior lien upon any or all of such property,

1 which lien shall have precedence over any other lien, claim,
 2 or demand upon such property, and except as hereinafter
 3 provided, every tax upon personal property is also a lien
 4 upon the real property of the owner thereof ~~from on~~ and
 5 after ~~12-midnight-of~~ January 1 in of each year.

6 (2) The taxes upon personal property based upon a
 7 taxable value up to and including \$1,000 shall be a first
 8 and prior lien upon the real property of the owner of such
 9 personal property. Taxes upon personal property based upon
 10 the taxable value thereof in excess of \$1,000 shall be a
 11 first and prior lien upon the real property of the owner
 12 unless the owner or holder of any mortgage or other lien
 13 upon said real property appearing of record in the office of
 14 the clerk and recorder of the county where such real
 15 property is situated, at or before the time such personal
 16 property tax attached thereto, shall have filed the notice
 17 hereinafter provided for, in which event the taxes upon such
 18 excess of \$1,000 of taxable value shall not be a lien on the
 19 real property of such owner. It shall be the duty of the
 20 county treasurer to issue to any mortgagee or lien holder,
 21 upon his request, a statement of the personal property tax
 22 due upon the taxable value up to and including \$1,000.
 23 Personal property taxes upon a taxable value up to \$1,000
 24 may be paid, redeemed from a tax sale as by law provided, or
 25 discharged separately from any personal property taxes in

1 excess of such amount. Payment of such taxes upon a taxable
 2 value up to \$1,000, as herein provided, shall operate to
 3 discharge the tax lien upon the personal property of the
 4 owner to the extent of such payment in the order that the
 5 person paying such tax shall direct.

6 (3) The holder of any mortgage or lien upon real
 7 property who desires to obtain the benefits of this section
 8 shall file in the office of the county treasurer of said
 9 county a notice giving:

10 (a) the name and address of the mortgagee and holder
 11 of the mortgage or lien;

12 (b) the name of the reputed owner of the land;

13 (c) the description of the land;

14 (d) the date of record and expiration of the mortgage
 15 or lien;

16 (e) the amount thereof; and

17 (f) a statement that he claims the benefit of the
 18 provisions of this section.

19 (4) Such notice shall be ineffectual as to any taxes
 20 which shall have become a lien on real property prior to the
 21 filing of such notice as aforesaid. If the mortgage be not
 22 paid at maturity, such notice shall thereafter be filed
 23 annually unless the mortgage be extended for a definite
 24 period to be stated in such notice.

25 (5) Any owner of a mortgage on real estate upon which

1 personal property taxes are by this section made a lien,
 2 where the owner of such real estate and personal property
 3 has failed to pay taxes due upon such real estate and
 4 personal property for 1 or more years, may file with the
 5 department of revenue or its agent in the county in which
 6 such property is located a written request to have the
 7 personal property and real estate of the owner separately
 8 assessed. Such request must be made by registered or
 9 certified mail at least 10 days prior to January 1 in the
 10 year for which property is assessed. Upon receipt by the
 11 department or its agent of such request, it is hereby made
 12 the duty of the department or its agent to make a separate
 13 assessment of real and personal property of the owner
 14 thereof, and such personal taxes shall not be a lien upon
 15 the real estate so mortgaged of the owner thereof, and the
 16 personal property taxes shall be collected in the manner
 17 provided by law for other personal property."

18 Section 43. Section 15-16-404, MCA, is amended to
 19 read:

20 "15-16-404. County lien on moneys of taxpayer. The
 21 county has a general lien, dependent on possession, upon any
 22 moneys in its possession belonging to any taxpayer for any
 23 amounts due the county for any delinquent personal property
 24 taxes not a lien on real estate of the taxpayer. Due notice
 25 shall be given the lien holder, if any known."

1 Section 44. Section 15-16-504, MCA, is amended to
 2 read:

3 "15-16-504. Evidence at trial. On the trial a
 4 certified copy of the assessment signed by the county clerk
 5 and recorder of the county where the ~~same~~ assessment was
 6 made, with the affidavit of the treasurer thereto attached
 7 that the tax has not been paid, describing it as on the
 8 assessment book or delinquent list, is prima facie evidence
 9 that ~~such--tax-and-the-per-centum~~ the taxes, plus interest,
 10 penalties, and costs, are due and entitles him to judgment
 11 unless the defendant proves that the tax was paid."

12 Section 45. Section 15-16-601, MCA, is amended to
 13 read:

14 "15-16-601. Taxes or penalties illegally collected to
 15 be refunded. (1) (a) Any taxes, ~~per-centum,~~ and interest,
 16 penalties, or costs paid more than once or erroneously or
 17 illegally collected or any amount of tax paid for which a
 18 taxpayer is entitled to a refund under 15-16-612 or any part
 19 or portion of taxes paid which were mistakenly computed on
 20 government bonus or subsidy received by the taxpayer may, by
 21 order of the board of county commissioners, be refunded by
 22 the county treasurer. Whenever any payment ~~shall--have~~ has
 23 been made to the state treasurer as provided in 15-1-504 and
 24 it ~~shall~~ afterwards appear appears to the satisfaction of
 25 the board of county commissioners that a portion of the

1 money so paid should be refunded as herein provided, said
 2 the board of county commissioners may refund such the
 3 portion of said the taxes, interest, penalties, and costs so
 4 paid to the state treasurer, and upon the rendering of the
 5 report required by 15-1-505 the county clerk and recorder
 6 shall certify to the state auditor, in such form as the
 7 state auditor may prescribe, all amounts so refunded,--and
 8 in. In the next settlement of the county treasurer with the
 9 state, the state auditor shall give the county treasurer
 10 credit for the state's portion of the amounts so refunded.

11 (b) When any part of the taxes, interest, penalties,
 12 or costs hereinbefore referred to were levied in behalf of
 13 any school district or municipal or other public corporation
 14 and collected by the county treasurer, the same may be
 15 refunded upon the order of the board of county
 16 commissioners.

17 (c) No order for the refund of any taxes, license
 18 fees,--per--centum interest, penalties, or costs under this
 19 section shall be made except upon a claim therefor, verified
 20 by the person who has paid such tax,--license--fee,--penalty
 21 the taxes, interest, penalties, or costs or his guardian or,
 22 in case of his death, by his executor or administrator,
 23 which claim must be filed within 10 years after the date
 24 when the second half of such taxes would have become
 25 delinquent if the same had not been paid.

1 (d) All refunds ordered to be paid by the board of
 2 county commissioners ~~shall~~ must be paid by the county
 3 treasurer out of the general fund of the county, and the
 4 county treasurer shall then make such transfers from other
 5 county funds and from state, school district, and other
 6 public corporation funds in his possession as may be
 7 necessary to reimburse the county general fund for payments
 8 made therefrom ~~on-account-of-such-other-funds.~~

9 (2) Upon the entering of judgment under 15-2-306, the
 10 county commissioners of the affected county shall order a
 11 refund of such portion of the taxes ~~or-license-fees~~ as the
 12 state tax appeal board has judged should be refunded."

13 Section 46. Section 15-16-701, MCA, is amended to
 14 read:

15 "15-16-701. Personal property taxes ten years
 16 delinquent -- list. (1) It shall be the duty of each county
 17 treasurer to prepare in triplicate and submit to the board
 18 of county commissioners of his county, on or before the
 19 first Monday of June in each year, a list of personal
 20 property taxes which that are not a lien on real estate and
 21 which that have been delinquent for 10 years or more. Said
 22 The list shall show the following:

- 23 (a) name and address of the delinquent taxpayer;
 24 (b) amount of the delinquent tax taxes, plus penalty
 25 interest, penalties, and costs, if any; and

1 (c) the year date the tax taxes became delinquent.

2 (2) Every county treasurer shall, within the same
3 time, prepare in triplicate and submit to the board of
4 county commissioners of his county a list of all contractual
5 obligations owed to or held by his county for seed grain,
6 feed, or other relief, the collection of which is barred by
7 the statute of limitations, provided in 27-2-202(1). Said
8 The list shall must show the following:

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

11 (b) the name of the contractual obligation, as "seed
12 loan", "feed loan", "promissory note", as the--case--may--be
13 applicable; and

14 (c) the date of obligation, date when last payment
15 became due, date of last payment thereon, and the date when
16 the collection of the obligation became barred by said the
17 statute of limitations provided in 27-2-202(1)."

18 Section 47. Section 15-16-702, MCA, is amended to
19 read:

20 "15-16-702. Cancellation of taxes and obligations --
21 filing of lists. Upon receipt of such list or lists and
22 within 30 days thereafter, the board of county commissioners
23 shall examine the same and make any necessary corrections.
24 Thereupon, the board of county commissioners shall make its
25 order canceling all such personal property taxes and

1 contractual obligations contained in such the list or lists,
2 as corrected, required by this part to be canceled and
3 spread such order upon its minutes. Such The order and
4 minutes need not set forth in full the contents of such the
5 list or lists, a proper reference therein for their
6 identification being sufficient. At-the-time-of-making--such
7 order When the order is made, the original or copy of such
8 the list or lists, as corrected, shall must be filed with
9 and as a part of the records of the board. One legible copy
10 thereof shall must be filed with the county clerk and
11 recorder as a public record, and one legible copy thereof
12 shall must be filed with the county treasurer as a permanent
13 record of his office."

14 Section 48. Section 15-16-703, MCA, is amended to
15 read:

16 "15-16-703. Adjustment of accounts after cancellation.
17 Upon notification of the above order for cancellation, the
18 county clerk and recorder and county treasurer must shall
19 adjust their taxes-receivable accounts to conform to the
20 said order of cancellation."

21 Section 49. Section 15-16-704, MCA, is amended to
22 read:

23 "15-16-704. Certain unpaid taxes uncollectable --
24 stricken from records. All unpaid taxes,--which--constitute
25 constituting a lien on real property in the state, levied

1 and assessed against real property which have remained
 2 delinquent more than 10 years prior to July 1, 1976, whether
 3 the levy be by general or special assessment or by the state
 4 or any county, city, or political subdivision of the state,
 5 are hereby declared to be uncollectable and stricken from
 6 the respective tax records."

7 Section 50. Section 15-23-704, MCA, is amended to
 8 read:

9 "15-23-704. Lien of tax -- enforcement of payment. The
 10 tax on gross proceeds from coal shall be levied as taxes on
 11 other forms of property, and this tax and the severance tax
 12 on coal production are each a lien upon the coal mine and a
 13 prior lien upon all personal property and improvements used
 14 to produce the coal. These taxes may be collected by the
 15 seizure and sale of the personal property on which the tax
 16 is a lien as provided under 15-16-113 and ~~chapter--17--part~~
 17 ~~97--or--by-suit-under-15-16-501-and-15-16-502~~ [section 15]."

18 Section 51. Section 15-24-302, MCA, is amended to
 19 read:

20 "15-24-302. Collection procedure. All property
 21 mentioned in 15-24-301 is assessed at the same value as
 22 property of like kind and character, and the assessment,
 23 levy, and collection of the tax are governed by the
 24 provisions of 15-8-408¹, 15-16-111 through 15-16-115¹,
 25 15-16-404¹, ~~chapter--17--part--9;~~ [section 15], and

1 15-24-202¹, as amended, except:

2 (1) taxation of motor vehicles under 15-24-301(4) to
 3 the extent that subsection varies from the general
 4 provisions cited above; and

5 (2) livestock taxation governed by 81-7-104 and Title
 6 81, chapter 7, part 2."

7 Section 52. Section 76-13-211, MCA, is amended to
 8 read:

9 "76-13-211. Amount due for protection treated as lien.
 10 (1) Whenever the department provides forest protection
 11 during a forest fire season for any forest land or timber
 12 not protected by the owner thereof as required by this part
 13 or part 1, the amount due for the forest protection is a
 14 lien upon the land or timber which shall continue until such
 15 time as the amount due is paid.

16 (2) The lien has the same force, effect, and priority
 17 as general tax liens under the laws of the state and is
 18 subject and inferior only to tax liens on the lands. The
 19 county attorney of the county in which the land is situated
 20 shall on request of the department foreclose the lien in the
 21 name of the state and in the manner provided by law, or the
 22 county attorney upon the request of the department shall
 23 institute an action against the forest landowner in the name
 24 of the state in any district or justice court having
 25 jurisdiction to recover the debt. The state in the action is

1 not required to pay any fees or costs to the clerk of the
 2 court or justice of the peace. ~~The--complaint--and--all~~
 3 ~~subsequent-proceedings-in-the-action-shall-conform-as-nearly~~
 4 ~~as-practicable-to-those-provided-by-15-16-502.~~

5 (3) The remedies provided by this section are
 6 cumulative and do not affect the other provisions of this
 7 part or part 1 for the payment and collection of amounts due
 8 to the department."

9 Section 53. Section 85-7-2152, MCA, is amended to
 10 read:

11 "85-7-2152. Proceeds of sale. Whenever any lot, tract,
 12 piece, or parcel of land included within and forming a part
 13 of any irrigation district created under the provisions of
 14 this chapter or included within any extension of such
 15 district is sold by the treasurer of the county where such
 16 land is situated in the manner provided by law for the sale
 17 of lands for delinquent taxes for state and county purposes
 18 and taxes or assessments of the irrigation district form all
 19 or a part of the taxes for which such lands are sold, the
 20 county treasurer making such sale or sales shall place to
 21 the credit of the proper funds of such irrigation district,
 22 out of the proceeds of the sale or sales, the total tax or
 23 assessment of the irrigation district, inclusive of the
 24 interest and penalty thereon as provided for by the general
 25 laws relating to delinquent taxes for state and county

1 purposes, and whenever any such lands are struck off at such
 2 sale to the county where they are situated pursuant to the
 3 provisions of 15-17-207 [section 8], the county treasurer of
 4 the county must, upon the issuance of the certificate of tax
 5 sale to the county, issue to the irrigation district, in its
 6 corporate name, a debenture certificate for the amount of
 7 taxes and assessments due to the irrigation district from
 8 the lands and premises so sold, inclusive of the interest
 9 and penalty thereon, which certificate is evidence of and
 10 conclusive of the interest and claim of the irrigation
 11 district in, to, against, and upon the lands and premises so
 12 struck off to the county at the tax sale, and after the
 13 issuance of the certificate, the sum named therein and the
 14 taxes and assessments of the district evidenced thereby
 15 shall bear interest at the rate of 1% a month from the date
 16 of the certificate until redeemed in the manner provided for
 17 by law for the redemption of the lands sold for delinquent
 18 state and county taxes or until paid from the proceeds of
 19 the sale of the lands and premises described therein in the
 20 manner provided for by law, and duplicates of such
 21 certificates so issued to the irrigation district shall be
 22 filed in the office of the county clerk and county treasurer
 23 of the county with the certificate of tax sale of the lands
 24 and premises."

25 Section 54. Section 85-7-2154, MCA, is amended to

1 read:

2 "85-7-2154. Redemption of lands sold. Upon the
3 redemption of any lands so sold for taxes in the manner
4 provided for by ~~15-18-101~~ [sections 16 through 26], the
5 county treasurer of said county, out of the redemption
6 money, shall pay to the holder or holders of such
7 certificate or certificates the sums for which the same were
8 issued, with interest as therein provided to the date of the
9 redemption of said lands."

10 Section 55. Section 85-7-2155, MCA, is amended to
11 read:

12 "85-7-2155. Sale by county commissioners when land not
13 redeemed. When the lands and premises so sold for taxes and
14 upon and against which the certificates have been issued for
15 the taxes and assessments of the irrigation district are not
16 redeemed within the time provided for by ~~15-18-101~~ [section
17 16], the board of county commissioners of the county, within
18 3 months thereafter, shall cause these lands and premises to
19 be sold as provided for by law, and out of the proceeds of
20 the sale, the county treasurer of the county shall pay to
21 the holder or holders of the certificates the sum for which
22 the same were issued, with interest as provided for to the
23 date of the sale of the lands by the board of county
24 commissioners, and no lands and premises so held by any
25 county and against which the certificates provided for by

1 this chapter have been issued may, upon such sale, be struck
2 off or sold for a less sum than the amount of taxes and
3 assessments of the irrigation district represented by the
4 certificate, inclusive of the interest thereon, in addition
5 to the state and county taxes, if any, against the same."

6 Section 56. Section 85-7-2156, MCA, is amended to
7 read:

8 "85-7-2156. Proceedings where land struck off to
9 county and not redeemed. In case the property so assessed
10 for irrigation district purposes is struck off to the
11 county, as provided for by law, and certificates of the
12 taxes and assessments of said irrigation district issued
13 thereon, as hereinbefore provided for, and the said lands
14 and premises be not redeemed before the next annual
15 assessment for irrigation purposes shall become delinquent
16 thereon, then and in that event ~~{whether--said--lands--and~~
17 ~~premises--be--again--sold--by--the--county-treasurer--of--said~~
18 ~~county--or--the--sale--thereof--adjourned--as--provided--for--by~~
19 ~~15-17-304--and--15-17-305}~~, like certificates for each year's
20 irrigation district taxes and assessments shall be issued
21 against said land and shall be included in and satisfied by
22 any redemption thereof, with interest as hereinbefore
23 provided for, and shall in like manner be paid from the
24 proceeds of sale of said lands by the board of county
25 commissioners, if the same be not redeemed as provided for

1 by law."

2 Section 57. Section 85-7-2163, MCA, is amended to
3 read:

4 "85-7-2163. ~~Period--of--redemption----application-for~~
5 Granting of tax deed. The holder of such the certificate of
6 tax sale of such land, ~~whether-said-holder-be-an-irrigation~~
7 ~~district--or--individual,--may,--at--any--time---after---the~~
8 ~~expiration-of-2-years-from-the-date-of-sale-of-said-property~~
9 ~~for--delinquency,--if-same-has-not-been-redeemed-within-said~~
10 ~~period-of-2-years-from--date--of--sale--of--said--lands--for~~
11 ~~delinquency,--apply--to-the-county-treasurer,--as-provided-by~~
12 ~~law-for-the-issuance-of-a-tax-deed--to--said--property,--and~~
13 ~~upon--such--application, must be granted a tax deed by the~~
14 county treasurer ~~shall-issue-such-tax-deed,~~ in the manner
15 and form provided by law, ~~to--said--holder~~ [sections 16
16 through 26]."

17 Section 58. Section 20-15-403, MCA, is amended to
18 read:

19 "20-15-403. Applications of other school district
20 provisions. (1) When the term "school district" appears in
21 the following sections outside of Title 20, the term
22 includes community college districts and the provisions of
23 those sections applicable to school districts apply to
24 community college districts: 2-9-101, 2-9-111, 2-9-316,
25 2-16-114, 2-16-602, 2-16-614, 2-18-703, 7-3-1101, 7-6-2604,

1 7-6-2801, 7-7-123, 7-8-2214, 7-8-2215, 7-8-2216, 7-11-103,
2 7-12-4106, 7-13-110, 7-13-210, 7-15-4206, 10-1-703,
3 15-1-101, 15-6-204, 15-16-101, 15-16-60, ~~15-18-100,~~
4 15-55-106, 15-70-301, 15-70-322, 17-5-101, 17-5-202,
5 17-6-103, 17-6-204, 17-6-213, 17-7-201, 18-1-102, 18-1-112,
6 18-1-201, 18-2-101, 18-2-103, 18-2-113, 18-2-114, 18-2-404,
7 18-2-432, 18-5-205, 19-1-102, 19-1-811, 22-1-309, 25-1-402,
8 27-18-406, 33-20-1104, 39-3-104, 39-4-107, 39-31-103,
9 39-31-304, 39-71-116, 39-71-117, 39-71-2106, 39-71-2206,
10 40-6-237, 41-3-1132, 49-3-101, 49-3-102, 53-20-304,
11 77-3-321, 82-10-201, 82-10-202, 82-10-203, 85-7-2158, and
12 90-6-208 and Rules 4D(2)(g) and 15(c), M.R.Civ.P., as
13 amended.

14 (2) When the term "school district" appears in a
15 section outside of Title 20 but the section is not listed in
16 subsection (1), the school district provision does not apply
17 to a community college district."

18 NEW SECTION. Section 59. Repealer. Sections
19 15-16-116, 15-16-501, 15-16-502, 15-16-505, 15-17-101,
20 15-17-102, 15-17-111 through 15-17-113, 15-17-201 through
21 15-17-208, 15-17-301 through 15-17-305, 15-17-311,
22 15-17-312, 15-17-901 through 15-17-903, 15-18-101 through
23 15-18-108, 15-18-201 through 15-18-205, 15-18-301 through
24 15-18-309, and 15-18-401 through 15-18-404, MCA, are
25 repealed.

1 NEW SECTION. Section 60. Extension of authority. Any
 2 existing authority of the department of revenue to make
 3 rules on the subject of the provisions of this act is
 4 extended to the provisions of this act.

5 NEW SECTION. Section 61. Transition. (1) Per
 6 (A) EXCEPT AS PROVIDED IN SUBSECTION (1)(B), FOR the purpose
 7 of implementing the provisions of [sections 1 through 26],
 8 no tax deed may be applied for or issued during the period
 9 between [the effective date of this act] and July 1, 1988.

10 (B) A TAX DEED MAY BE ISSUED BETWEEN [THE EFFECTIVE
 11 DATE OF THIS ACT] AND JULY 1, 1988, IF THE TAX DEED IS
 12 ISSUED FOR PROPERTY ON WHICH PROPERTY TAXES ARE DELINQUENT
 13 FOR 1982 AND PRIOR YEARS. IN SUCH A CASE THE TAX DEED IS TO
 14 BE ISSUED BASED ON THE PROCEDURES PROVIDED FOR IN [THIS
 15 ACT].

16 (2) During the period between [the effective date of
 17 this act] and July 1, 1988, the county clerk and county
 18 treasurer of each county shall cooperate in identifying all
 19 property in their respective counties on which the taxes are
 20 delinquent or on which a tax sale certificate or assignment
 21 certificate was issued.

22 (3) Not less than 60 days or more than 90 days prior
 23 to July 1, 1988, the county clerk in each county shall give
 24 notice, as provided in [section 21], for each property on
 25 which the taxes have been delinquent for the 3 preceding

1 years or more or for which there had been issued a tax sale
 2 certificate to the county and for which the board of county
 3 commissioners has directed the county treasurer to issue a
 4 tax deed.

5 (4) After January 1, 1988, and before May 1, 1988, the
 6 county clerk shall send a notice to each purchaser other
 7 than the county and to each assignee who has taken an
 8 assignment from the county. The notice must be sent by
 9 certified mail and contain a statement apprising the
 10 purchaser or assignee of his obligation to give notice as
 11 required in [section 21]. The county clerk shall also
 12 publish in the official newspaper of the county or such
 13 other newspaper as the board of county commissioners may
 14 designate a general notice to all purchasers and assignees
 15 stating the obligations to the purchaser or assignee
 16 regarding the notice required in [section 21].

17 NEW SECTION. Section 62. Saving clause. This act does
 18 not affect rights and duties that matured, penalties that
 19 were incurred, or proceedings that were begun before the
 20 effective date of this act.

21 NEW SECTION. Section 63. Effective date. This act is
 22 effective on passage and approval.

-End-

1 SENATE BILL NO. 162
2 INTRODUCED BY MAZUREK
3 BY REQUEST OF THE REVENUE OVERSIGHT COMMITTEE
4
5 A BILL FOR AN ACT ENTITLED: "AN ACT GENERALLY REVISING THE
6 LAWS RELATING TO PROPERTY TAX COLLECTIONS, PROPERTY TAX
7 DELINQUENCIES, AND THE TAX DEEDING PROCESS; AMENDING
8 SECTIONS 7-6-4414, 7-21-2104, 15-16-101, 15-16-102,
9 15-16-111 THROUGH 15-16-115, 15-16-117, 15-16-301 THROUGH
10 15-16-303, 15-16-305, 15-16-401, 15-16-402, 15-16-404,
11 15-16-504, 15-16-601, 15-16-701 THROUGH 15-16-704,
12 15-23-704, 15-24-302, 20-15-403, 76-13-211, 85-7-2152,
13 85-7-2154 THROUGH 85-7-2156, AND 85-7-2163, MCA; REPEALING
14 SECTIONS 15-16-116, 15-16-501, 15-16-502, 15-16-505,
15 15-17-101, 15-17-102, 15-17-111 THROUGH 15-17-113, 15-17-201
16 THROUGH 15-17-208, 15-17-301 THROUGH 15-17-305, 15-17-311,
17 15-17-312, 15-17-901 THROUGH 15-17-903, 15-18-101 THROUGH
18 15-18-108, 15-18-201 THROUGH 15-18-205, 15-18-301 THROUGH
19 15-18-309, AND 15-18-401 THROUGH 15-18-404, MCA; AND
20 PROVIDING AN IMMEDIATE EFFECTIVE DATE."

21

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

23 NEW SECTION. Section 1. Definitions. Except as
24 otherwise specifically provided, when terms mentioned in
25 [sections 1 through 26] are used in connection with

THERE ARE NO CHANGES ON SB 162 AND
WILL NOT BE REPRINTED. PLEASE REFER
TO THIRD READING (BLUE) FOR COMPLETE
TEXT.

**REFERENCE BILL**