

HOUSE BILL 13

Introduced by Cobb

7/02	Introduced
7/02	Referred to Taxation
7/92	Fiscal Note Requested
7/06	First Reading
7/07	Fiscal Note Received
7/07	Fiscal Note Printed
7/09	Hearing
	Died in Committee

1 HOUSE BILL NO. 13

2 INTRODUCED BY COBB

3 BY REQUEST OF THE DEPARTMENT OF REVENUE

4
5 A BILL FOR AN ACT ENTITLED: "AN ACT REQUIRING ONE-HALF OF
6 PROPERTY TAXES AND SPECIAL ASSESSMENTS TO BE PAID ON OR
7 BEFORE NOVEMBER 25 AND ONE-HALF TO BE PAID ON OR BEFORE MAY
8 26 OF EACH YEAR; AMENDING SECTIONS 7-12-4188, 15-16-102, AND
9 15-16-103, MCA; AND PROVIDING AN IMMEDIATE EFFECTIVE DATE
10 AND AN APPLICABILITY DATE."
11

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

13 Section 1. Section 15-16-102, MCA, is amended to read:

14 "15-16-102. Time for payment -- penalty for
15 delinquency. Except as provided in 15-16-802 and 15-16-803
16 and unless suspended or canceled under the provisions of
17 Title 15, chapter 24, part 17, all taxes levied and assessed
18 in the state of Montana, except assessments made for special
19 improvements in cities and towns payable under 15-16-103 and
20 assessments made on interim production and new production as
21 provided in Title 15, chapter 23, part 6, and payable under
22 15-16-121, shall be payable as follows:

23 (1) One-half of the taxes are payable on or before 5
24 p.m. on November 30 25 of each year or within 30 25 days
25 after the tax notice is postmarked, whichever is later, and

1 one-half on or before 5 p.m. on May 31 26 of each year.

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

9 (3) All taxes due and not paid on or before 5 p.m. on
10 May 31 26 of each year shall be delinquent and shall draw
11 interest at the rate of 5/6 of 1% per month from and after
12 the delinquency until paid and 2% shall be added to the
13 delinquent taxes as a penalty.

14 (4) If the date on which taxes are due falls on a
15 holiday or Saturday, taxes may be paid without penalty or
16 interest on or before 5 p.m. of the next business day in
17 accordance with 1-1-307.

18 (5) A taxpayer may pay his current year taxes without
19 paying delinquent taxes. The county treasurer must accept a
20 partial payment equal to the delinquent taxes, including
21 penalty and interest, for one or more full taxable years,
22 provided both halves of the current tax year have been paid.
23 Payment of delinquent taxes must be applied to the taxes
24 that have been delinquent the longest. The payment of the
25 current tax year is not a redemption of the property tax

1 lien for any delinquent tax year.

2 (6) The penalty and interest on delinquent assessment
3 payments for specific parcels of land may be waived by
4 resolution of the city council. A copy of the resolution
5 must be certified to the county treasurer."

6 **Section 2.** Section 7-12-4188, MCA, is amended to read:

7 *7-12-4188. Due date for district assessments. (1) All
8 special assessments or installments of special assessments
9 in cities and towns, duly and regularly levied by resolution
10 according to law, shall be payable in installments as
11 follows:

12 (a) one-half of the payment on or before 5 p.m. on
13 November 30 25 of each year; and

14 (b) one-half of the payment on or before 5 p.m. on May
15 31 26 of the following year.

16 (2) In the event the same are not paid on or before
17 said dates, the same shall be subject to the same interest
18 and penalties for nonpayment as delinquent property taxes
19 under 15-16-102."

20 **Section 3.** Section 15-16-103, MCA, is amended to read:

21 *15-16-103. Special improvement districts with annual
22 interest payments -- collection of special assessments for
23 all special improvements. (1) Special assessments or
24 installments of special assessments made for special
25 improvements in towns and cities, the bonds for which annual

1 interest payments have been specified and that were issued
2 after July 1, 1981, and that have been duly and regularly
3 made and levied by resolution according to law, shall be
4 payable as follows:

5 (a) One-half of the taxes are payable on or before 5
6 p.m. on November 30 25 of each year. If the taxes are not
7 paid on or before that date, they are subject to the same
8 interest and penalty for nonpayment as delinquent property
9 taxes under 15-16-102. The penalty and interest may be
10 waived by resolution of the city council, as provided in
11 15-16-102(6).

12 (b) One-half of the taxes are payable on or before 5
13 p.m. on May 31 26 of each year. If the taxes are not paid on
14 or before that date, they are subject to the same interest
15 and penalty for nonpayment as delinquent property taxes
16 under 15-16-102. The penalty and interest may be waived by
17 resolution of the city council, as provided in 15-16-102(6).

18 (2) The collection of special assessments or
19 installments of special assessments made for special
20 improvements in towns and cities are as provided by
21 7-12-4181."

22 **NEW SECTION. Section 4. Applicability.** [This act]
23 applies to all tax and assessment payments received on or
24 after [the effective date of this act], regardless of when
25 the tax obligation accrued.

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1 NEW SECTION. **Section 5. Effective date.** [This act] is
2 effective on passage and approval.

-End-

STATE OF MONTANA - FISCAL NOTE

Form BD-15

In compliance with a written request, there is hereby submitted a Fiscal Note for HB0013, as introduced.

DESCRIPTION OF PROPOSED LEGISLATION:

An act requiring one-half of property taxes and special assessments to be paid on or before November 25 and one-half to be paid on or before May 26 of each year; providing an immediate effective date and an applicability date.

ASSUMPTIONS:

1. The current remittance schedule is the same under this proposal.
2. The cash flow experienced in FY91 applies to FY93.
3. TRANS issue in FY93.

FISCAL IMPACT:

The proposal accelerates \$10 million of accrued property tax revenue into FY93. The revenue would flow to the school equalization account (SEA), and would reduce the amount of the general fund loan to the SEA. The resulting additional cash balance in the general fund will be used for repayment of the proposed TRANS issue.



STEVE YEARKE, BUDGET DIRECTOR
Office of Budget and Program Planning

7/7/92
DATE



JOHN COBB, PRIMARY SPONSOR

7/7/92
DATE

Fiscal Note for HB0013, as introduced

HB 13