

HOUSE BILL 627

Introduced by T. Nelson

2/13	Introduced
2/13	Referred to Taxation
2/13	First Reading
2/17	Hearing
3/06	Committee Report--Bill Passed as Amended
3/09	2nd Reading Passed
3/11	3rd Reading Passed
	Transmitted to Senate
3/13	First Reading
3/13	Referred to Taxation
4/01	Hearing
4/01	Tabled in Committee

1 *House* BILL NO. 627
 2 INTRODUCED BY *Sam Nelson*
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 4 A BILL FOR AN ACT ENTITLED: "AN ACT PROVIDING THAT A TAX
 5 DEED HOLDER MAY DEMAND A QUITCLAIM DEED FROM AN ADVERSE
 6 OWNER OF THE PROPERTY; AND REQUIRING THAT IF THE TAX DEED
 7 HOLDER PREVAILS IN A QUIET TITLE ACTION OVER AN ADVERSE
 8 PARTY THAT DID NOT EXECUTE A QUITCLAIM DEED, THE ADVERSE
 9 PARTY SHALL PAY THE COSTS OF THE ACTION."

10

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

12 NEW SECTION. **Section 1.** Demand for quitclaim deed --
 13 costs for quiet title action. (1) Prior to bringing an
 14 action to quiet title to property owned under a tax deed,
 15 the tax deed holder may demand that a person execute a
 16 quitclaim deed renouncing all rights in the property if the
 17 tax deed holder has reason to believe that the person claims
 18 to own the property, any interest in or lien upon the
 19 property, a right to redeem the property, or any other right
 20 hostile to the tax deed.

21 (2) A demand for a quitclaim must be served upon or
 22 mailed by certified mail, return receipt requested, to each
 23 individual or entity whom the tax deed holder believes
 24 claims a hostile interest in the property.

25 (3) (a) If a person refuses to execute a quitclaim deed

1 and a quiet title action is commenced under this part and
 2 the title is sustained for the tax deed holder, the person
 3 who refused to execute a quitclaim deed shall pay all the
 4 costs incurred for the quiet title action, including but not
 5 limited to court fees, attorney fees, and publishing costs.
 6 If more than one person refused to execute quitclaim deeds
 7 and the tax deed holder's title is sustained, the refusing
 8 persons are jointly and severally liable for the costs
 9 incurred in the quiet title action. If a person who refused
 10 to execute a quitclaim deed is successful in the quiet title
 11 action, the tax deed holder is responsible for costs
 12 incurred by the successful party.

13 (b) Costs may not be assessed against or be payable for
 14 any party unless a demand for a quitclaim deed was made
 15 against that party.

16 (c) Costs may not be assessed against any party
 17 incompetent to execute a quitclaim deed.

18 NEW SECTION. **Section 2.** Codification instruction.
 19 [Section 1] is intended to be codified as an integral part
 20 of Title 15, and the provisions of Title 15 apply to
 21 [section 1].

-End-



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HB 627
 INTRODUCED BILL

APPROVED BY COMMITTEE
ON TAXATION

HOUSE BILL NO. 627

INTRODUCED BY T. NELSON

A BILL FOR AN ACT ENTITLED: "AN ACT PROVIDING THAT A TAX DEED HOLDER MAY DEMAND A QUITCLAIM DEED FROM AN ADVERSE OWNER OF THE PROPERTY; AND REQUIRING THAT IF THE TAX DEED HOLDER PREVAILS IN A QUIET TITLE ACTION OVER AN ADVERSE PARTY THAT DID NOT EXECUTE A QUITCLAIM DEED, THE ADVERSE PARTY SHALL PAY THE COSTS OF THE ACTION."

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

NEW SECTION. Section 1. Demand for quitclaim deed --
costs for quiet title action. (1) Prior to bringing an action to quiet title to property owned under a tax deed, the tax deed holder may demand that a person execute a quitclaim deed renouncing all rights in the property if the tax deed holder has reason to believe that the person claims to own the property, any interest in or lien upon the property, a right to redeem the property, or any other right hostile to the tax deed.

(2) A demand for a quitclaim must be served upon or mailed by certified mail, return receipt requested, to each individual or entity whom the tax deed holder believes claims a hostile interest in the property.

(3) (a) If a person refuses to execute a quitclaim deed

and a quiet title action is commenced under this part and the title is sustained for the tax deed holder, the person who refused to execute a quitclaim deed shall pay all the costs incurred for the quiet title action, including but not limited to court fees, attorney fees, and publishing costs. If more than one person refused to execute quitclaim deeds and the tax deed holder's title is sustained, the refusing persons are jointly and severally liable for the costs incurred in the quiet title action. If a person who refused to execute a quitclaim deed is successful in the quiet title action, the tax deed holder is responsible for costs incurred by the successful party.

(b) Costs may not be assessed against or be payable for any party unless a demand for a quitclaim deed was made against that party.

(c) Costs may not be assessed against any party incompetent WHO REFUSED to execute a quitclaim deed BECAUSE THE PARTY IS INCAPABLE OF CONTRACTING, AS PROVIDED IN 28-2-201, OR IS OTHERWISE LEGALLY INCOMPETENT TO EXECUTE A QUITCLAIM DEED.

NEW SECTION. Section 2. Codification instruction.
[Section 1] is intended to be codified as an integral part of Title 15, CHAPTER 18, PART 4, and the provisions of Title 15 apply to [section 1].

-End-

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-End-