

SENATE BILL NO. 159
INTRODUCED BY BARTLETT

IN THE SENATE

JANUARY 15, 1993 INTRODUCED AND REFERRED TO COMMITTEE
ON TAXATION.

 FIRST READING.

JANUARY 26, 1993 COMMITTEE RECOMMEND BILL
DO PASS AS AMENDED. REPORT ADOPTED.

JANUARY 27, 1993 PRINTING REPORT.

 SECOND READING, DO PASS.

JANUARY 28, 1993 ENGROSSING REPORT.

 THIRD READING, PASSED.
AYES, 45; NOES, 0.

 TRANSMITTED TO HOUSE.

IN THE HOUSE

JANUARY 30, 1993 INTRODUCED AND REFERRED TO COMMITTEE
ON LOCAL GOVERNMENT.

 FIRST READING.

MARCH 5, 1993 COMMITTEE RECOMMEND BILL BE
CONCURRED IN. REPORT ADOPTED.

 POSTED ON CONSENT CALENDAR.

MARCH 6, 1993 CONSENT CALENDAR, QUESTIONS AND ANSWERS.

MARCH 8, 1993 THIRD READING, CONCURRED IN.
AYES, 97; NOES, 1.

MARCH 10, 1993 RETURNED TO SENATE.

IN THE SENATE

MARCH 11, 1993 RECEIVED FROM HOUSE.

 SENT TO ENROLLING.

REPORTED CORRECTLY ENROLLED.

1 Senate BILL NO. 159
 2 INTRODUCED BY Barrett
 3
 4 A BILL FOR AN ACT ENTITLED: "AN ACT REVISING THE TAX DEED
 5 PROCESS; REQUIRING A TAXPAYER WHO REPURCHASES TAX DEED
 6 PROPERTY TO PAY INTEREST; CLARIFYING THAT CERTIFIED MAIL
 7 INCLUDES MAIL WITH A RETURN RECEIPT REQUESTED; CONFORMING
 8 THE TAX DEED FORM TO THE REQUIREMENTS OF THE LAW; PROVIDING
 9 FOR A FORM FOR NOTICE THAT A TAX DEED MAY BE ISSUED AND FOR
 10 A FORM FOR PROOF OF NOTICE; AND AMENDING SECTIONS 7-8-2303,
 11 15-18-114, 15-18-212, AND 15-18-213, MCA."

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

14 **Section 1.** Section 7-8-2303, MCA, is amended to read:

15 "7-8-2303. Repurchase rights of taxpayer or successors.
 16 At any time before the time fixed for the first offering of
 17 property for sale pursuant to 7-8-2301, ~~notice-of-which--has~~
 18 ~~been--given--as--provided--in--7-8-2302,~~ the taxpayer or the
 19 taxpayer's successor in interest or legal representative
 20 ~~whose--property--shall--hereafter--be--deeded--to--the--county~~ may
 21 purchase--such repurchase the property from the county. The
 22 property may be repurchased, subject to the reservations
 23 hereinafter provided for in 7-8-2305, by payment to the
 24 county of the full amount of the taxes, penalties, and
 25 interest due on ~~said~~ the land at the time of taking ~~said~~ the

1 tax deed plus interest on the full amount at the rate
 2 provided for in 15-16-102 from the date of the tax deed to
 3 the date of repurchase. Such The purchase and payment may be
 4 effected by an installment contract with annual payments as
 5 hereinafter provided for in 7-8-2304."

6 **Section 2.** Section 15-18-114, MCA, is amended to read:

7 "15-18-114. Distribution of redemption proceeds. (1)
 8 When a property tax lien for which the county is listed as
 9 purchaser is redeemed, the money received from the
 10 redemption, including penalties and interest but not costs,
 11 must be distributed to the credit of the various funds to
 12 which the taxes would have originally been distributed and
 13 in the same proportion as the taxes would have originally
 14 been distributed.

15 (2) (a) When a property tax lien for which the recorded
 16 purchaser is other than the county is redeemed, the county
 17 treasurer shall distribute to the person listed as the
 18 purchaser on the tax sale certificate and in the record kept
 19 by the county treasurer the amount the purchaser paid the
 20 county for the property tax lien plus any subsequent amount
 21 paid pursuant to 15-18-112 plus interest, as specified in
 22 15-16-102, from the date of payment until the date of
 23 redemption. Any money remaining after distributing
 24 redemption proceeds to the purchaser other than the county
 25 must be distributed pursuant to subsection (1).

1 (b) (i) The distribution must be made by certified
2 mail, return receipt requested, by the county treasurer to
3 the purchaser at the address listed on the tax sale
4 certificate as provided in 15-17-212(1)(e).

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

9 (A) the county treasurer is in possession of money
10 belonging to the purchaser for the redemption of the
11 delinquency on the property named in the tax sale
12 certificate;

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

15 (C) if the money is not claimed by the purchaser within
16 the 1-year period, the purchaser relinquishes all claim to
17 the money and the money will be credited to the county
18 general fund.

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

23 (4) The county treasurer shall keep an accurate account
24 of all money paid in redemption, including a separate
25 accounting of other delinquent taxes, interest, penalties,

1 and costs, and when and to whom distributed."

2 **Section 3.** Section 15-18-212, MCA, is amended to read:

3 "15-18-212. Notice -- proof of notice -- penalty for
4 failure to notify. (1) Not more than 60 days prior to and
5 not more than 60 days following the expiration of the
6 redemption period provided in 15-18-111, a notice must be
7 given as follows:

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

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

24 (2) (a) Except as provided in subsection (2)(b), if the
25 county is the purchaser, no an assignment has not been made,

1 and the board of county commissioners has not directed the
 2 county treasurer to issue a tax deed during the period
 3 described in subsection (1) but the board of county
 4 commissioners at a time subsequent to the period described
 5 in subsection (1) does direct the county treasurer to issue
 6 a tax deed, the county clerk ~~must~~ shall provide notification
 7 to all interested parties and the current occupant, if any,
 8 in the manner provided in subsection (1)(a). The
 9 notification required under this subsection must be made not
 10 less than 60 days or more than 120 days prior to the date on
 11 which the county treasurer will issue the tax deed.

12 (b) If the county commissioners direct the county
 13 treasurer to issue a tax deed within 6 months after giving
 14 the notice required by subsection (1)(a), no additional
 15 notice need not be given.

16 (3) (a) If a purchaser other than the county or an
 17 assignee fails or neglects to give notice as required by
 18 subsection (1)(b) ~~7-which~~ and the failure or neglect is
 19 evidenced by failure of the purchaser or assignee to file
 20 proof of notice with the county clerk as required in
 21 subsection (7), the county treasurer shall notify the
 22 purchaser or assignee of ~~his~~ the obligation to give notice
 23 under subsection (1)(b). The notice of obligation may be
 24 sent by certified mail, return receipt requested, to the
 25 purchaser or assignee at the address contained on the tax

1 sale certificate provided for in 15-17-212 or on the
 2 assignment form provided for in 15-17-323.

3 (b) If within 120 days after the county treasurer mails
 4 the notice of obligation the purchaser or assignee fails to
 5 give notice as required by subsection (1)(b), as evidenced
 6 by failure to file proof of notice with the county clerk as
 7 required in subsection (7), the county treasurer shall
 8 cancel the property tax lien evidenced by the tax sale
 9 certificate or the assignment.

10 (4) The notice required under subsections (1) and (2)
 11 must be made by certified mail, return receipt requested, to
 12 each interested party and the current occupant, if any, of
 13 the property. The address to which the notice must be sent
 14 is, for each interested party, the address disclosed by the
 15 records in the office of the county clerk and, for the
 16 occupant, the street address or other known address of the
 17 subject property.

18 (5) In all cases in which the address of an interested
 19 party is not known, the person required to give notice
 20 shall, within the period described in subsection (1) or not
 21 less than 60 days or more than 120 days prior to the date
 22 upon which the county treasurer will otherwise issue a tax
 23 deed, whichever is appropriate, commence publishing once a
 24 week for 2 successive weeks, in the official newspaper of
 25 the county or ~~such-other~~ another newspaper as the board of

1 county commissioners may by resolution designate, a notice
2 containing the information contained in subsection (6),
3 plus:

4 (a) the name of the interested party for whom the
5 address is unknown;

6 (b) a statement that the address of the interested
7 party is unknown;

8 (c) a statement that the published notice meets the
9 legal requirements for notice of a pending tax deed
10 issuance; and

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

13 (6) The notices required by subsections (1), (2), and
14 (5) must contain the following:

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

17 (b) a description of the property on which the taxes
18 are or were delinquent, which description must be the same
19 as the description of the property on the tax sale
20 certificate or in the record described in 15-17-214(2)(b);

21 (c) the date that the property taxes became delinquent;

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

24 (e) the amount of taxes due, including penalties,
25 interest, and costs, as of the date of the notice of pending

1 tax deed issuance, which amount must include a separate
2 listing of the delinquent taxes, penalties, interest, and
3 costs that must be paid for the property tax lien to be
4 liquidated;

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

6 (g) the name of the assignee if an assignment was made
7 as provided in 15-17-323;

8 (h) the date that the redemption period expires or
9 expired;

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

18 (j) the business address and telephone number of the
19 county treasurer who is responsible for issuing the tax
20 deed.

21 (7) Proof of notice in whatever manner given must be
22 filed with the county clerk. If the purchaser or assignee is
23 other than the county, the proof of notice must be filed
24 with the county clerk within 30 days of the mailing or
25 publishing of the notice. If the purchaser or assignee is

1 the county, the proof of notice must be filed before the
2 issuance of the tax deed under this chapter. Once filed, the
3 proof of notice is prima facie evidence of the sufficiency
4 of the notice.

5 (8) A county or any officer of a county may not be held
6 liable for any error of notification."

7 **Section 4.** Section 15-18-213, MCA, is amended to read:

8 "15-18-213. **Form of tax deed -- prima facie evidence.**

9 (1) The form of a tax deed issued under the provisions of
10 this chapter, executed by a county treasurer, must be made
11 in substance as follows:

12 This deed is made by (name of county
13 treasurer), county treasurer of the county of
14 (name of county), in the state of Montana, to
15 (name of purchaser, his the purchaser's agent, or assignee),
16 as provided by the laws of the state of Montana:

17 Whereas, there was assessed for (year) the
18 following real property (description of the
19 property); and

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

22 Whereas, the taxes were not paid and a property tax lien
23 for the payment of the taxes attached and was sold to
24 (name of purchaser or his the purchaser's agent
25 or assignee) on (date, including year) for the

1 sum of \$....., which amount included delinquent taxes
2 in the amount of \$....., penalties in the amount of
3 \$....., interest in the amount of \$....., and
4 other costs in the amount of \$.....; and

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

7 Whereas, ~~not--less--than--60--days--or--more--than--90--days~~
8 ~~prior-to-this-date,~~ notice was given to interested parties
9 in accordance with 15-18-212 that the issuance of a tax deed
10 was pending; and

11 Whereas, the property tax lien has not been redeemed by
12 (name of former owner) or any other person
13 entitled to redeem it.

14 Now, therefore, I, (treasurer's name), county
15 treasurer of the county of, in the state of
16 Montana, in consideration of the sum of \$..... paid,
17 hereby grant to (name of purchaser or his the
18 purchaser's agent or assignee) all the property situated in
19 County, state of Montana, described hereinabove
20 in this document.

21 Witness my hand on this date (date, including
22 year).

23 County Treasurer
24 County

25 (2) A tax deed executed in substantially the form

1 provided in subsection (1) is prima facie evidence that:
 2 (a) the property was assessed as required by law;
 3 (b) the taxes were levied in accordance with law;
 4 (c) the taxes were not paid when due;
 5 (d) notice of tax sale was given and a property tax
 6 lien was sold at the proper time and place as provided by
 7 law;
 8 (e) the property was not redeemed, and proper notice of
 9 a pending tax deed issuance was made as required by law;
 10 (f) the person who executed the deed was legally
 11 authorized to do so; and
 12 (g) if the real property was sold to pay delinquent
 13 taxes on personal property, the real property belonged to
 14 the person liable to pay the personal property tax."

15 **NEW SECTION. Section 5. Form of notice that tax deed**
 16 **may issue.** Section 15-18-212 requires that notice be given
 17 to all persons considered interested parties and to the
 18 current occupant of property that may be lost to a tax deed.
 19 The notice may be made as follows:

20 NOTICE THAT A TAX DEED MAY BE ISSUED

21 TO:.....

22 (Name) (Address, when unknown, so state)

23 Pursuant to section 15-18-212, Montana Code Annotated,
 24 NOTICE IS HEREBY GIVEN:

25 1. As a result of a property tax delinquency, a

1 property tax lien exists on the following described real
 2 property in which you may have an interest:

3

4

5 2. The property taxes became delinquent on

6 3. The property tax lien was attached as the result of
 7 a tax sale held on

8 4. The property tax lien was purchased at a tax sale on
 9 by (Name) (Address).

10 5. The lien was subsequently assigned to

11 6. As of the date of this notice, the amount of tax due
 12 is:

13 TAXES:

14 PENALTY:

15 INTEREST:

16 COST:

17 TOTAL:

18 7. For the property tax lien to be liquidated, the
 19 total amount listed in paragraph 6 must be paid by,
 20 which is the date that the redemption period expires or
 21 expired.

22 8. If all taxes, penalties, interest, and costs are not
 23 paid to the county treasurer on or prior to, which
 24 is the date the redemption period expires, or on or prior to
 25 the date on which the county treasurer will otherwise issue

1 a tax deed, a tax deed may be issued to the purchaser on the
2 day following the date that the redemption period expires or
3 on the date the county treasurer will otherwise issue a tax
4 deed.

5 9. The business address and telephone number of the
6 county treasurer who is responsible for issuing the tax deed
7 is: County Treasurer, (Address),
8 (Telephone).

9 FURTHER NOTICE FOR THOSE PERSONS LISTED

10 ABOVE WHOSE ADDRESSES ARE UNKNOWN:

- 11 1. The address of the interested party is unknown.
12 2. The published notice meets the legal requirements
13 for notice of a pending tax deed issuance.
14 3. The interested party's rights in the property may be
15 in jeopardy.

16 DATED at this (Date).

17

18 Signature

19 NEW SECTION. Section 6. Form of proof of notice.

20 Section 15-18-212 requires that proof of notice must be
21 filed with the county clerk. The proof of notice may be made
22 as follows:

23 PROOF OF NOTICE

24 I, (Name and Address), acting as or on behalf
25 of the owner of the property tax lien, have complied with

1 the notice requirements of Title 15, chapter 18, MCA, as
2 follows:

3 1. A "Notice of Issuance of Tax Deed" was mailed to the
4 owners, current occupant, and interested parties, as that
5 term is defined in section 15-18-111(3), MCA. A copy of each
6 notice is attached.

7 2. The notices were mailed by certified mail, return
8 receipt requested. Attached are copies of the return
9 receipts.

10 3. Notice was given to interested parties with unknown
11 addresses by publishing in the official newspaper of the
12 county, which is, on and
13 Proof of publication is attached.

14 DATED:

15

16 (Signature)

17 SUBSCRIBED AND SWORN TO before me this (Date).

18

19 Notary Public for the State of Montana

20 Residing in

21 My Commission Expires

-End-

STATE OF MONTANA - FISCAL NOTE

Form BD-15

In compliance with a written request, there is hereby submitted a Fiscal Note for SB0159, as introduced.

DESCRIPTION OF PROPOSED LEGISLATION:

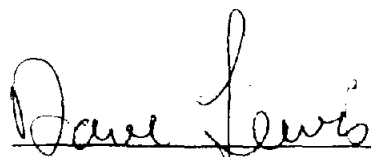
An act revising the tax deed process by requiring a taxpayer who repurchases tax deed property to pay interest, by clarifying that certified mail includes mail with a return receipt requested, by conforming the tax deed form to the requirements of the law, and by providing for a form for notice that a tax deed may be issued and for a form for proof of notice.

ASSUMPTIONS:

1. There is no impact on state revenues or expenditures.

FISCAL IMPACT: None.

EFFECT ON COUNTY OR OTHER LOCAL REVENUES OR EXPENDITURES: Minimal local impact. A small amount of increased interest earnings to county taxing jurisdictions in those isolated instances where a taxpayer or his/her agent repurchases the property during the six month period following the county's taking of tax deed and the first auction of the property. Other changes in the bill appear to be of a legal housekeeping nature and have no fiscal impact.



DAVE LEWIS, BUDGET DIRECTOR

Office of Budget and Program Planning

1-19-93

DATE



SUE BARTLETT, PRIMARY SPONSOR

DATE

1/20/93

Fiscal Note for SB0159, as introduced

SB 159

APPROVED BY COMMITTEE
ON TAXATIONSENATE BILL NO. 159
INTRODUCED BY BARTLETT

A BILL FOR AN ACT ENTITLED: "AN ACT REVISING THE TAX DEED PROCESS; REQUIRING A TAXPAYER WHO REPURCHASES TAX DEED PROPERTY TO PAY INTEREST; CLARIFYING THAT CERTIFIED MAIL INCLUDES MAIL WITH A RETURN RECEIPT REQUESTED; CONFORMING THE TAX DEED FORM TO THE REQUIREMENTS OF THE LAW; PROVIDING FOR A FORM FOR NOTICE THAT A TAX DEED MAY BE ISSUED AND FOR A FORM FOR PROOF OF NOTICE; AND AMENDING SECTIONS 7-8-2303, 15-18-114, 15-18-212, AND 15-18-213, MCA."

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

Section 1. Section 7-8-2303, MCA, is amended to read:

***7-8-2303. Repurchase rights of taxpayer or successors.**

At any time before the time fixed for the first offering of property for sale pursuant to 7-8-2301, ~~notice-of-which--has been--given--as--provided--in--7-8-2302,~~ the taxpayer or the taxpayer's successor in interest or legal representative ~~whose--property--shall--hereafter--be--deeded--to--the--county~~ may purchase such repurchase the property from the county. The property may be repurchased, subject to the reservations hereinafter provided for in 7-8-2305, by payment to the county of the full amount of the taxes, penalties, and interest due on ~~said~~ the land at the time of taking ~~said~~ the

tax deed plus interest on the full amount at the rate provided for in 15-16-102 from the date of the tax deed to the date of repurchase. Such The purchase and payment may be effected by an installment contract with annual payments as hereinafter provided for in 7-8-2304."

Section 2. Section 15-18-114, MCA, is amended to read:

"15-18-114. Distribution of redemption proceeds. (1)

When a property tax lien for which the county is listed as purchaser is redeemed, the money received from the redemption, including penalties and interest but not costs, must be distributed to the credit of the various funds to which the taxes would have originally been distributed and in the same proportion as the taxes would have originally been distributed.

(2) (a) When a property tax lien for which the recorded purchaser is other than the county is redeemed, the county treasurer shall distribute to the person listed as the purchaser on the tax sale certificate and in the record kept by the county treasurer the amount the purchaser paid the county for the property tax lien plus any subsequent amount paid pursuant to 15-18-112 plus interest, as specified in 15-16-102, from the date of payment until the date of redemption. Any money remaining after distributing redemption proceeds to the purchaser other than the county must be distributed pursuant to subsection (1).

(b) (i) The distribution must be made by certified mail, return receipt requested, by the county treasurer to the purchaser at the address listed on the tax sale certificate as provided in 15-17-212(1)(e).

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

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

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

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

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

(4) The county treasurer shall keep an accurate account of all money paid in redemption, including a separate accounting of other delinquent taxes, interest, penalties,

and costs, and when and to whom distributed."

Section 3. Section 15-18-212, MCA, is amended to read:

"15-18-212. Notice -- proof of notice -- penalty for failure to notify. (1) Not more than 60 days prior to and not more than 60 days following the expiration of the redemption period provided in 15-18-111, a notice must be given as follows:

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

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

(2) (a) Except as provided in subsection (2)(b), if the county is the purchaser, no an assignment has not been made,

1 and the board of county commissioners has not directed the
2 county treasurer to issue a tax deed during the period
3 described in subsection (1) but the board of county
4 commissioners at a time subsequent to the period described
5 in subsection (1) does direct the county treasurer to issue
6 a tax deed, the county clerk ~~must~~ shall provide notification
7 to all interested parties and the current occupant, if any,
8 in the manner provided in subsection (1)(a). The
9 notification required under this subsection must be made not
10 less than 60 days or more than 120 days prior to the date on
11 which the county treasurer will issue the tax deed.

12 (b) If the county commissioners direct the county
13 treasurer to issue a tax deed within 6 months after giving
14 the notice required by subsection (1)(a), ~~no~~ additional
15 notice need not be given.

16 (3) (a) If a purchaser other than the county or an
17 assignee fails or neglects to give notice as required by
18 subsection (1)(b), ~~which~~ and the failure or neglect is
19 evidenced by failure of the purchaser or assignee to file
20 proof of notice with the county clerk as required in
21 subsection (7), the county treasurer shall notify the
22 purchaser or assignee of ~~his~~ the obligation to give notice
23 under subsection (1)(b). The notice of obligation may be
24 sent by certified mail, return receipt requested, to the
25 purchaser or assignee at the address contained on the tax

1 sale certificate provided for in 15-17-212 or on the
2 assignment form provided for in 15-17-323.

3 (b) If within 120 days after the county treasurer mails
4 the notice of obligation the purchaser or assignee fails to
5 give notice as required by subsection (1)(b), as evidenced
6 by failure to file proof of notice with the county clerk as
7 required in subsection (7), the county treasurer shall
8 cancel the property tax lien evidenced by the tax sale
9 certificate or the assignment.

10 (4) The notice required under subsections (1) and (2)
11 must be made by certified mail, return receipt requested, to
12 each interested party and the current occupant, if any, of
13 the property. The address to which the notice must be sent
14 is, for each interested party, the address disclosed by the
15 records in the office of the county clerk and, for the
16 occupant, the street address or other known address of the
17 subject property.

18 (5) In all cases in which the address of an interested
19 party is not known, the person required to give notice
20 shall, within the period described in subsection (1) or not
21 less than 60 days or more than 120 days prior to the date
22 upon which the county treasurer will otherwise issue a tax
23 deed, whichever is appropriate, commence publishing once a
24 week for 2 successive weeks, in the official newspaper of
25 the county or ~~such other~~ another newspaper as the board of

1 county commissioners may by resolution designate, a notice
2 containing the information contained in subsection (6),
3 plus:

4 (a) the name of the interested party for whom the
5 address is unknown;

6 (b) a statement that the address of the interested
7 party is unknown;

8 (c) a statement that the published notice meets the
9 legal requirements for notice of a pending tax deed
10 issuance; and

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

13 (6) The notices required by subsections (1), (2), and
14 (5) must contain the following:

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

17 (b) a description of the property on which the taxes
18 are or were delinquent, which description must be the same
19 as the description of the property on the tax sale
20 certificate or in the record described in 15-17-214(2)(b);

21 (c) the date that the property taxes became delinquent;

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

24 (e) the amount of taxes due, including penalties,
25 interest, and costs, as of the date of the notice of pending

1 tax deed issuance, which amount must include a separate
2 listing of the delinquent taxes, penalties, interest, and
3 costs that must be paid for the property tax lien to be
4 liquidated;

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

6 (g) the name of the assignee if an assignment was made
7 as provided in 15-17-323;

8 (h) the date that the redemption period expires or
9 expired;

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

18 (j) the business address and telephone number of the
19 county treasurer who is responsible for issuing the tax
20 deed.

21 (7) Proof of notice in whatever manner given must be
22 filed with the county clerk. If the purchaser or assignee is
23 other than the county, the proof of notice must be filed
24 with the county clerk within 30 days of the mailing or
25 publishing of the notice. If the purchaser or assignee is

the county, the proof of notice must be filed before the issuance of the tax deed under this chapter. Once filed, the proof of notice is prima facie evidence of the sufficiency of the notice.

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

Section 4. Section 15-18-213, MCA, is amended to read:

"15-18-213. Form of tax deed -- prima facie evidence.

(1) The form of a tax deed issued under the provisions of this chapter, executed by a county treasurer, must be made in substance as follows:

This deed is made by (name of county treasurer), county treasurer of the county of (name of county), in the state of Montana, to (name of purchaser, his the purchaser's agent, or assignee), as provided by the laws of the state of Montana:

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

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

Whereas, the taxes were not paid and a property tax lien for the payment of the taxes attached and was sold to (name of purchaser or his the purchaser's agent or assignee) on (date, including year) for the

sum of \$....., which amount included delinquent taxes in the amount of \$....., penalties in the amount of \$....., interest in the amount of \$....., and other costs in the amount of \$.....; and

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

Whereas, ~~not--less--than--60--days--or--more--than--90--days~~ prior-to-this-date, notice was given to interested parties in accordance with 15-18-212 that the issuance of a tax deed was pending; and

Whereas, the property tax lien has not been redeemed by (name of former owner) or any other person entitled to redeem it.

Now, therefore, I, (treasurer's name), county treasurer of the county of, in the state of Montana, in consideration of the sum of \$..... paid, hereby grant to (name of purchaser or his the purchaser's agent or assignee) all the property situated in County, state of Montana, described hereinabove in this document.

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

..... County Treasurer

..... County

(2) A tax deed executed in substantially the form

1 provided in subsection (1) is prima facie evidence that:

2 (a) the property was assessed as required by law;

3 (b) the taxes were levied in accordance with law;

4 (c) the taxes were not paid when due;

5 (d) notice of tax sale was given and a property tax

6 lien was sold at the proper time and place as provided by

7 law;

8 (e) the property was not redeemed, and proper notice of

9 a pending tax deed issuance was made as required by law;

10 (f) the person who executed the deed was legally

11 authorized to do so; and

12 (g) if the real property was sold to pay delinquent

13 taxes on personal property, the real property belonged to

14 the person liable to pay the personal property tax."

15 **NEW SECTION. Section 5. Form of notice that tax deed**

16 **may issue.** Section 15-18-212 requires that notice be given

17 to all persons considered interested parties and to the

18 current occupant of property that may be lost to a tax deed.

19 The notice may be made as follows:

20 NOTICE THAT A TAX DEED MAY BE ISSUED

21 TO:.....

22 (Name) (Address, when unknown, so state)

23 Pursuant to section 15-18-212, Montana Code Annotated,

24 NOTICE IS HEREBY GIVEN:

25 1. As a result of a property tax delinquency, a

1 property tax lien exists on the following described real

2 property in which you may have an interest:

3

4

5 2. The property taxes became delinquent on

6 3. The property tax lien was attached as the result of

7 a tax sale held on

8 4. The property tax lien was purchased at a tax sale on

9 by (Name) (Address).

10 5. The lien was subsequently assigned to

11 6. As of the date of this notice, the amount of tax due

12 is:

13 TAXES:

14 PENALTY:

15 INTEREST:

16 COST:

17 TOTAL:

18 7. For the property tax lien to be liquidated, the

19 total amount listed in paragraph 6 must be paid by,

20 which is the date that the redemption period expires or

21 expired.

22 8. If all taxes, penalties, interest, and costs are not

23 paid to the county treasurer on or prior to, which

24 is the date the redemption period expires, or on or prior to

25 the date on which the county treasurer will otherwise issue

a tax deed, a tax deed may be issued to the purchaser on the day following the date that the redemption period expires or on the date the county treasurer will otherwise issue a tax deed.

9. The business address and telephone number of the county treasurer who is responsible for issuing the tax deed is: County Treasurer, (Address), (Telephone).

FURTHER NOTICE FOR THOSE PERSONS LISTED

ABOVE WHOSE ADDRESSES ARE UNKNOWN:

1. The address of the interested party is unknown.
2. The published notice meets the legal requirements for notice of a pending tax deed issuance.
3. The interested party's rights in the property may be in jeopardy.

DATED at this (Date).

.....

Signature

NEW SECTION. Section 6. Form of proof of notice.

Section 15-18-212 requires that proof of notice must be filed with the county clerk. The proof of notice may be made as follows:

PROOF OF NOTICE

I, (Name and Address), acting as or on behalf of the owner of the property tax lien, have complied with

the notice requirements of Title 15, chapter 18, MCA, as follows:

1. A "Notice of Issuance of Tax Deed" was mailed to the owners, current occupant, and interested parties, as that term is defined in section 15-18-111(3), MCA. A copy of each notice is attached OR IS ON FILE IN THE OFFICE OF THE COUNTY CLERK.

2. The notices were mailed by certified mail, return receipt requested. ~~Attached-are-copies~~ COPIES of the return receipts ARE ATTACHED OR ARE ON FILE IN THE OFFICE OF THE COUNTY CLERK.

3. Notice was given to interested parties with unknown addresses by publishing in the official newspaper of the county, which is, on and Proof of publication is attached.

DATED:

.....

(Signature)

SUBSCRIBED AND SWORN TO before me this (Date).

.....

Notary Public for the State of Montana

Residing in

My Commission Expires

-End-

SENATE BILL NO. 159

INTRODUCED BY BARTLETT

A BILL FOR AN ACT ENTITLED: "AN ACT REVISING THE TAX DEED PROCESS; REQUIRING A TAXPAYER WHO REPURCHASES TAX DEED PROPERTY TO PAY INTEREST; CLARIFYING THAT CERTIFIED MAIL INCLUDES MAIL WITH A RETURN RECEIPT REQUESTED; CONFORMING THE TAX DEED FORM TO THE REQUIREMENTS OF THE LAW; PROVIDING FOR A FORM FOR NOTICE THAT A TAX DEED MAY BE ISSUED AND FOR A FORM FOR PROOF OF NOTICE; AND AMENDING SECTIONS 7-8-2303, 15-18-114, 15-18-212, AND 15-18-213, MCA."

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

Section 1. Section 7-8-2303, MCA, is amended to read:

"7-8-2303. Repurchase rights of taxpayer or successors.

At any time before the time fixed for the first offering of property for sale pursuant to 7-8-2301, notice-of-which--has been--given--as--provided--in--7-8-2302, the taxpayer or the taxpayer's successor in interest or legal representative ~~whose--property--shall--hereafter--be--deeded--to--the--county~~ may purchase--such repurchase the property from the county. The property may be repurchased, subject to the reservations hereinafter provided for in 7-8-2305, by payment to the county of the full amount of the taxes, penalties, and interest due on said the land at the time of taking said the

tax deed plus interest on the full amount at the rate provided for in 15-16-102 from the date of the tax deed to the date of repurchase. Such The purchase and payment may be effected by an installment contract with annual payments as hereinafter provided for in 7-8-2304."

Section 2. Section 15-18-114, MCA, is amended to read:

"15-18-114. Distribution of redemption proceeds. (1)

When a property tax lien for which the county is listed as purchaser is redeemed, the money received from the redemption, including penalties and interest but not costs, must be distributed to the credit of the various funds to which the taxes would have originally been distributed and in the same proportion as the taxes would have originally been distributed.

(2) (a) When a property tax lien for which the recorded purchaser is other than the county is redeemed, the county treasurer shall distribute to the person listed as the purchaser on the tax sale certificate and in the record kept by the county treasurer the amount the purchaser paid the county for the property tax lien plus any subsequent amount paid pursuant to 15-18-112 plus interest, as specified in 15-16-102, from the date of payment until the date of redemption. Any money remaining after distributing redemption proceeds to the purchaser other than the county must be distributed pursuant to subsection (1).

1 (b) (i) The distribution must be made by certified
2 mail, return receipt requested, by the county treasurer to
3 the purchaser at the address listed on the tax sale
4 certificate as provided in 15-17-212(1)(e).

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

9 (A) the county treasurer is in possession of money
10 belonging to the purchaser for the redemption of the
11 delinquency on the property named in the tax sale
12 certificate;

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

15 (C) if the money is not claimed by the purchaser within
16 the 1-year period, the purchaser relinquishes all claim to
17 the money and the money will be credited to the county
18 general fund.

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

23 (4) The county treasurer shall keep an accurate account
24 of all money paid in redemption, including a separate
25 accounting of other delinquent taxes, interest, penalties,

1 and costs, and when and to whom distributed."

2 **Section 3.** Section 15-18-212, MCA, is amended to read:

3 "15-18-212. Notice -- proof of notice -- penalty for
4 failure to notify. (1) Not more than 60 days prior to and
5 not more than 60 days following the expiration of the
6 redemption period provided in 15-18-111, a notice must be
7 given as follows:

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

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

24 (2) (a) Except as provided in subsection (2)(b), if the
25 county is the purchaser, no an assignment has not been made,

1 and the board of county commissioners has not directed the
 2 county treasurer to issue a tax deed during the period
 3 described in subsection (1) but the board of county
 4 commissioners at a time subsequent to the period described
 5 in subsection (1) does direct the county treasurer to issue
 6 a tax deed, the county clerk ~~must~~ shall provide notification
 7 to all interested parties and the current occupant, if any,
 8 in the manner provided in subsection (1)(a). The
 9 notification required under this subsection must be made not
 10 less than 60 days or more than 120 days prior to the date on
 11 which the county treasurer will issue the tax deed.

12 (b) If the county commissioners direct the county
 13 treasurer to issue a tax deed within 6 months after giving
 14 the notice required by subsection (1)(a), no additional
 15 notice need not be given.

16 (3) (a) If a purchaser other than the county or an
 17 assignee fails or neglects to give notice as required by
 18 subsection (1)(b) ~~which~~ and the failure or neglect is
 19 evidenced by failure of the purchaser or assignee to file
 20 proof of notice with the county clerk as required in
 21 subsection (7), the county treasurer shall notify the
 22 purchaser or assignee of his the obligation to give notice
 23 under subsection (1)(b). The notice of obligation may be
 24 sent by certified mail, return receipt requested, to the
 25 purchaser or assignee at the address contained on the tax

1 sale certificate provided for in 15-17-212 or on the
 2 assignment form provided for in 15-17-323.

3 (b) If within 120 days after the county treasurer mails
 4 the notice of obligation the purchaser or assignee fails to
 5 give notice as required by subsection (1)(b), as evidenced
 6 by failure to file proof of notice with the county clerk as
 7 required in subsection (7), the county treasurer shall
 8 cancel the property tax lien evidenced by the tax sale
 9 certificate or the assignment.

10 (4) The notice required under subsections (1) and (2)
 11 must be made by certified mail, return receipt requested, to
 12 each interested party and the current occupant, if any, of
 13 the property. The address to which the notice must be sent
 14 is, for each interested party, the address disclosed by the
 15 records in the office of the county clerk and, for the
 16 occupant, the street address or other known address of the
 17 subject property.

18 (5) In all cases in which the address of an interested
 19 party is not known, the person required to give notice
 20 shall, within the period described in subsection (1) or not
 21 less than 60 days or more than 120 days prior to the date
 22 upon which the county treasurer will otherwise issue a tax
 23 deed, whichever is appropriate, commence publishing once a
 24 week for 2 successive weeks, in the official newspaper of
 25 the county or ~~such other~~ another newspaper as the board of

1 county commissioners may by resolution designate, a notice
2 containing the information contained in subsection (6),
3 plus:

4 (a) the name of the interested party for whom the
5 address is unknown;

6 (b) a statement that the address of the interested
7 party is unknown;

8 (c) a statement that the published notice meets the
9 legal requirements for notice of a pending tax deed
10 issuance; and

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

13 (6) The notices required by subsections (1), (2), and
14 (5) must contain the following:

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

17 (b) a description of the property on which the taxes
18 are or were delinquent, which description must be the same
19 as the description of the property on the tax sale
20 certificate or in the record described in 15-17-214(2)(b);

21 (c) the date that the property taxes became delinquent;

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

24 (e) the amount of taxes due, including penalties,
25 interest, and costs, as of the date of the notice of pending

1 tax deed issuance, which amount must include a separate
2 listing of the delinquent taxes, penalties, interest, and
3 costs that must be paid for the property tax lien to be
4 liquidated;

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

6 (g) the name of the assignee if an assignment was made
7 as provided in 15-17-323;

8 (h) the date that the redemption period expires or
9 expired;

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

18 (j) the business address and telephone number of the
19 county treasurer who is responsible for issuing the tax
20 deed.

21 (7) Proof of notice in whatever manner given must be
22 filed with the county clerk. If the purchaser or assignee is
23 other than the county, the proof of notice must be filed
24 with the county clerk within 30 days of the mailing or
25 publishing of the notice. If the purchaser or assignee is

the county, the proof of notice must be filed before the issuance of the tax deed under this chapter. Once filed, the proof of notice is prima facie evidence of the sufficiency of the notice.

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

Section 4. Section 15-18-213, MCA, is amended to read:

"15-18-213. Form of tax deed -- prima facie evidence.

(1) The form of a tax deed issued under the provisions of this chapter, executed by a county treasurer, must be made in substance as follows:

This deed is made by (name of county treasurer), county treasurer of the county of (name of county), in the state of Montana, to (name of purchaser, his the purchaser's agent, or assignee), as provided by the laws of the state of Montana:

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

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

Whereas, the taxes were not paid and a property tax lien for the payment of the taxes attached and was sold to (name of purchaser or his the purchaser's agent or assignee) on (date, including year) for the

sum of \$....., which amount included delinquent taxes in the amount of \$....., penalties in the amount of \$....., interest in the amount of \$....., and other costs in the amount of \$.....; and

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

Whereas, ~~not--less--than--60--days--or--more--than--90--days~~ prior-to-this-date, notice was given to interested parties in accordance with 15-18-212 that the issuance of a tax deed was pending; and

Whereas, the property tax lien has not been redeemed by (name of former owner) or any other person entitled to redeem it.

Now, therefore, I, (treasurer's name), county treasurer of the county of, in the state of Montana, in consideration of the sum of \$..... paid, hereby grant to (name of purchaser or his the purchaser's agent or assignee) all the property situated in County, state of Montana, described hereinabove in this document.

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

..... County Treasurer

..... County

(2) A tax deed executed in substantially the form

1 provided in subsection (1) is prima facie evidence that:

2 (a) the property was assessed as required by law;

3 (b) the taxes were levied in accordance with law;

4 (c) the taxes were not paid when due;

5 (d) notice of tax sale was given and a property tax
6 lien was sold at the proper time and place as provided by
7 law;

8 (e) the property was not redeemed, and proper notice of
9 a pending tax deed issuance was made as required by law;

10 (f) the person who executed the deed was legally
11 authorized to do so; and

12 (g) if the real property was sold to pay delinquent
13 taxes on personal property, the real property belonged to
14 the person liable to pay the personal property tax."

15 **NEW SECTION. Section 5. Form of notice that tax deed**
16 **may issue.** Section 15-18-212 requires that notice be given
17 to all persons considered interested parties and to the
18 current occupant of property that may be lost to a tax deed.
19 The notice may be made as follows:

20 **NOTICE THAT A TAX DEED MAY BE ISSUED**

21 **TO:.....**

22 **(Name) (Address, when unknown, so state)**

23 Pursuant to section 15-18-212, Montana Code Annotated,
24 **NOTICE IS HEREBY GIVEN:**

25 1. As a result of a property tax delinquency, a

1 property tax lien exists on the following described real
2 property in which you may have an interest:

3

4

5 2. The property taxes became delinquent on

6 3. The property tax lien was attached as the result of
7 a tax sale held on

8 4. The property tax lien was purchased at a tax sale on
9 by (Name) (Address).

10 5. The lien was subsequently assigned to

11 6. As of the date of this notice, the amount of tax due
12 is:

13 **TAXES:**

14 **PENALTY:**

15 **INTEREST:**

16 **COST:**

17 **TOTAL:**

18 7. For the property tax lien to be liquidated, the
19 total amount listed in paragraph 6 must be paid by,
20 which is the date that the redemption period expires or
21 expired.

22 8. If all taxes, penalties, interest, and costs are not
23 paid to the county treasurer on or prior to, which
24 is the date the redemption period expires, or on or prior to
25 the date on which the county treasurer will otherwise issue

a tax deed, a tax deed may be issued to the purchaser on the day following the date that the redemption period expires or on the date the county treasurer will otherwise issue a tax deed.

9. The business address and telephone number of the county treasurer who is responsible for issuing the tax deed is: County Treasurer, (Address), (Telephone).

FURTHER NOTICE FOR THOSE PERSONS LISTED

ABOVE WHOSE ADDRESSES ARE UNKNOWN:

1. The address of the interested party is unknown.
2. The published notice meets the legal requirements for notice of a pending tax deed issuance.
3. The interested party's rights in the property may be in jeopardy.

DATED at this (Date).

.....
Signature

NEW SECTION. Section 6. Form of proof of notice.
Section 15-18-212 requires that proof of notice must be filed with the county clerk. The proof of notice may be made as follows:

PROOF OF NOTICE

I, (Name and Address), acting as or on behalf of the owner of the property tax lien, have complied with

the notice requirements of Title 15, chapter 18, MCA, as follows:

1. A "Notice of Issuance of Tax Deed" was mailed to the owners, current occupant, and interested parties, as that term is defined in section 15-18-111(3), MCA. A copy of each notice is attached OR IS ON FILE IN THE OFFICE OF THE COUNTY CLERK.

2. The notices were mailed by certified mail, return receipt requested. Attached-are-copies COPIES of the return receipts ARE ATTACHED OR ARE ON FILE IN THE OFFICE OF THE COUNTY CLERK.

3. Notice was given to interested parties with unknown addresses by publishing in the official newspaper of the county, which is, on and Proof of publication is attached.

DATED:

.....
(Signature)

SUBSCRIBED AND SWORN TO before me this (Date).

.....
Notary Public for the State of Montana
Residing in
My Commission Expires

-End-

SENATE BILL NO. 159
INTRODUCED BY BARTLETT

A BILL FOR AN ACT ENTITLED: "AN ACT REVISING THE TAX DEED PROCESS; REQUIRING A TAXPAYER WHO REPURCHASES TAX DEED PROPERTY TO PAY INTEREST; CLARIFYING THAT CERTIFIED MAIL INCLUDES MAIL WITH A RETURN RECEIPT REQUESTED; CONFORMING THE TAX DEED FORM TO THE REQUIREMENTS OF THE LAW; PROVIDING FOR A FORM FOR NOTICE THAT A TAX DEED MAY BE ISSUED AND FOR A FORM FOR PROOF OF NOTICE; AND AMENDING SECTIONS 7-8-2303, 15-18-114, 15-18-212, AND 15-18-213, MCA."

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

Section 1. Section 7-8-2303, MCA, is amended to read:

"7-8-2303. Repurchase rights of taxpayer or successors. At any time before the time fixed for the first offering of property for sale pursuant to 7-8-2301, ~~notice-of-which--has been--given--as--provided--in--7-8-2302,~~ the taxpayer or the taxpayer's successor in interest or legal representative ~~whose--property--shall--hereafter--be--deeded--to--the--county~~ may purchase such repurchase the property from the county. The property may be repurchased, subject to the reservations hereinafter provided for in 7-8-2305, by payment to the county of the full amount of the taxes, penalties, and interest due on said the land at the time of taking said the

tax deed plus interest on the full amount at the rate provided for in 15-16-102 from the date of the tax deed to the date of repurchase. Such The purchase and payment may be effected by an installment contract with annual payments as hereinafter provided for in 7-8-2304."

Section 2. Section 15-18-114, MCA, is amended to read:

"15-18-114. Distribution of redemption proceeds. (1) When a property tax lien for which the county is listed as purchaser is redeemed, the money received from the redemption, including penalties and interest but not costs, must be distributed to the credit of the various funds to which the taxes would have originally been distributed and in the same proportion as the taxes would have originally been distributed.

(2) (a) When a property tax lien for which the recorded purchaser is other than the county is redeemed, the county treasurer shall distribute to the person listed as the purchaser on the tax sale certificate and in the record kept by the county treasurer the amount the purchaser paid the county for the property tax lien plus any subsequent amount paid pursuant to 15-18-112 plus interest, as specified in 15-16-102, from the date of payment until the date of redemption. Any money remaining after distributing redemption proceeds to the purchaser other than the county must be distributed pursuant to subsection (1).



(b) (i) The distribution must be made by certified mail, return receipt requested, by the county treasurer to the purchaser at the address listed on the tax sale certificate as provided in 15-17-212(1)(e).

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

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

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

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

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

(4) The county treasurer shall keep an accurate account of all money paid in redemption, including a separate accounting of other delinquent taxes, interest, penalties,

and costs, and when and to whom distributed."

Section 3. Section 15-18-212, MCA, is amended to read:

"15-18-212. Notice -- proof of notice -- penalty for failure to notify. (1) Not more than 60 days prior to and not more than 60 days following the expiration of the redemption period provided in 15-18-111, a notice must be given as follows:

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

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

(2) (a) Except as provided in subsection (2)(b), if the county is the purchaser, no an assignment has not been made,

1 and the board of county commissioners has not directed the
 2 county treasurer to issue a tax deed during the period
 3 described in subsection (1) but the board of county
 4 commissioners at a time subsequent to the period described
 5 in subsection (1) does direct the county treasurer to issue
 6 a tax deed, the county clerk ~~must~~ shall provide notification
 7 to all interested parties and the current occupant, if any,
 8 in the manner provided in subsection (1)(a). The
 9 notification required under this subsection must be made not
 10 less than 60 days or more than 120 days prior to the date on
 11 which the county treasurer will issue the tax deed.

12 (b) If the county commissioners direct the county
 13 treasurer to issue a tax deed within 6 months after giving
 14 the notice required by subsection (1)(a), no additional
 15 notice need not be given.

16 (3) (a) If a purchaser other than the county or an
 17 assignee fails or neglects to give notice as required by
 18 subsection (1)(b), ~~which~~ and the failure or neglect is
 19 evidenced by failure of the purchaser or assignee to file
 20 proof of notice with the county clerk as required in
 21 subsection (7), the county treasurer shall notify the
 22 purchaser or assignee of ~~his~~ the obligation to give notice
 23 under subsection (1)(b). The notice of obligation may be
 24 sent by certified mail, return receipt requested, to the
 25 purchaser or assignee at the address contained on the tax

1 sale certificate provided for in 15-17-212 or on the
 2 assignment form provided for in 15-17-323.

3 (b) If within 120 days after the county treasurer mails
 4 the notice of obligation the purchaser or assignee fails to
 5 give notice as required by subsection (1)(b), as evidenced
 6 by failure to file proof of notice with the county clerk as
 7 required in subsection (7), the county treasurer shall
 8 cancel the property tax lien evidenced by the tax sale
 9 certificate or the assignment.

10 (4) The notice required under subsections (1) and (2)
 11 must be made by certified mail, return receipt requested, to
 12 each interested party and the current occupant, if any, of
 13 the property. The address to which the notice must be sent
 14 is, for each interested party, the address disclosed by the
 15 records in the office of the county clerk and, for the
 16 occupant, the street address or other known address of the
 17 subject property.

18 (5) In all cases in which the address of an interested
 19 party is not known, the person required to give notice
 20 shall, within the period described in subsection (1) or not
 21 less than 60 days or more than 120 days prior to the date
 22 upon which the county treasurer will otherwise issue a tax
 23 deed, whichever is appropriate, commence publishing once a
 24 week for 2 successive weeks, in the official newspaper of
 25 the county or such other another newspaper as the board of

1 county commissioners may by resolution designate, a notice
2 containing the information contained in subsection (6),
3 plus:

4 (a) the name of the interested party for whom the
5 address is unknown;

6 (b) a statement that the address of the interested
7 party is unknown;

8 (c) a statement that the published notice meets the
9 legal requirements for notice of a pending tax deed
10 issuance; and

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

13 (6) The notices required by subsections (1), (2), and
14 (5) must contain the following:

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

17 (b) a description of the property on which the taxes
18 are or were delinquent, which description must be the same
19 as the description of the property on the tax sale
20 certificate or in the record described in 15-17-214(2)(b);

21 (c) the date that the property taxes became delinquent;

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

24 (e) the amount of taxes due, including penalties,
25 interest, and costs, as of the date of the notice of pending

1 tax deed issuance, which amount must include a separate
2 listing of the delinquent taxes, penalties, interest, and
3 costs that must be paid for the property tax lien to be
4 liquidated;

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

6 (g) the name of the assignee if an assignment was made
7 as provided in 15-17-323;

8 (h) the date that the redemption period expires or
9 expired;

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

18 (j) the business address and telephone number of the
19 county treasurer who is responsible for issuing the tax
20 deed.

21 (7) Proof of notice in whatever manner given must be
22 filed with the county clerk. If the purchaser or assignee is
23 other than the county, the proof of notice must be filed
24 with the county clerk within 30 days of the mailing or
25 publishing of the notice. If the purchaser or assignee is

the county, the proof of notice must be filed before the issuance of the tax deed under this chapter. Once filed, the proof of notice is prima facie evidence of the sufficiency of the notice.

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

Section 4. Section 15-18-213, MCA, is amended to read:

"15-18-213. Form of tax deed -- prima facie evidence.

(1) The form of a tax deed issued under the provisions of this chapter, executed by a county treasurer, must be made in substance as follows:

This deed is made by (name of county treasurer), county treasurer of the county of (name of county), in the state of Montana, to (name of purchaser, his the purchaser's agent, or assignee), as provided by the laws of the state of Montana:

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

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

Whereas, the taxes were not paid and a property tax lien for the payment of the taxes attached and was sold to (name of purchaser or his the purchaser's agent or assignee) on (date, including year) for the

sum of \$....., which amount included delinquent taxes in the amount of \$....., penalties in the amount of \$....., interest in the amount of \$....., and other costs in the amount of \$.....; and

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

Whereas, ~~not--less--than--60--days--or--more--than--90--days~~ prior-to-this-date, notice was given to interested parties in accordance with 15-18-212 that the issuance of a tax deed was pending; and

Whereas, the property tax lien has not been redeemed by (name of former owner) or any other person entitled to redeem it.

Now, therefore, I, (treasurer's name), county treasurer of the county of, in the state of Montana, in consideration of the sum of \$..... paid, hereby grant to (name of purchaser or his the purchaser's agent or assignee) all the property situated in County, state of Montana, described hereinabove in this document.

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

..... County Treasurer

..... County

(2) A tax deed executed in substantially the form

1 provided in subsection (1) is prima facie evidence that:

2 (a) the property was assessed as required by law;

3 (b) the taxes were levied in accordance with law;

4 (c) the taxes were not paid when due;

5 (d) notice of tax sale was given and a property tax

6 lien was sold at the proper time and place as provided by

7 law;

8 (e) the property was not redeemed, and proper notice of

9 a pending tax deed issuance was made as required by law;

10 (f) the person who executed the deed was legally

11 authorized to do so; and

12 (g) if the real property was sold to pay delinquent

13 taxes on personal property, the real property belonged to

14 the person liable to pay the personal property tax."

15 **NEW SECTION. Section 5. Form of notice that tax deed**

16 **may issue.** Section 15-18-212 requires that notice be given

17 to all persons considered interested parties and to the

18 current occupant of property that may be lost to a tax deed.

19 The notice may be made as follows:

20 **NOTICE THAT A TAX DEED MAY BE ISSUED**

21 **TO:.....**

22 **(Name) (Address, when unknown, so state)**

23 Pursuant to section 15-18-212, Montana Code Annotated,

24 **NOTICE IS HEREBY GIVEN:**

25 1. As a result of a property tax delinquency, a

1 property tax lien exists on the following described real

2 property in which you may have an interest:

3

4

5 2. The property taxes became delinquent on

6 3. The property tax lien was attached as the result of

7 a tax sale held on

8 4. The property tax lien was purchased at a tax sale on

9 by (Name) (Address).

10 5. The lien was subsequently assigned to

11 6. As of the date of this notice, the amount of tax due

12 is:

13 **TAXES:**

14 **PENALTY:**

15 **INTEREST:**

16 **COST:**

17 **TOTAL:**

18 7. For the property tax lien to be liquidated, the

19 total amount listed in paragraph 6 must be paid by,

20 which is the date that the redemption period expires or

21 expired.

22 8. If all taxes, penalties, interest, and costs are not

23 paid to the county treasurer on or prior to, which

24 is the date the redemption period expires, or on or prior to

25 the date on which the county treasurer will otherwise issue

1 a tax deed, a tax deed may be issued to the purchaser on the
2 day following the date that the redemption period expires or
3 on the date the county treasurer will otherwise issue a tax
4 deed.

5 9. The business address and telephone number of the
6 county treasurer who is responsible for issuing the tax deed
7 is: County Treasurer, (Address),
8 (Telephone).

9 FURTHER NOTICE FOR THOSE PERSONS LISTED

10 ABOVE WHOSE ADDRESSES ARE UNKNOWN:

- 11 1. The address of the interested party is unknown.
- 12 2. The published notice meets the legal requirements
13 for notice of a pending tax deed issuance.
- 14 3. The interested party's rights in the property may be
15 in jeopardy.

16 DATED at this (Date).

17

18 Signature

19 NEW SECTION. Section 6. Form of proof of notice.
20 Section 15-18-212 requires that proof of notice must be
21 filed with the county clerk. The proof of notice may be made
22 as follows:

23 PROOF OF NOTICE

24 I, (Name and Address), acting as or on behalf
25 of the owner of the property tax lien, have complied with

1 the notice requirements of Title 15, chapter 18, MCA, as
2 follows:

3 1. A "Notice of Issuance of Tax Deed" was mailed to the
4 owners, current occupant, and interested parties, as that
5 term is defined in section 15-18-111(3), MCA. A copy of each
6 notice is attached OR IS ON FILE IN THE OFFICE OF THE COUNTY
7 CLERK.

8 2. The notices were mailed by certified mail, return
9 receipt requested. Attached-are-copies COPIES of the return
10 receipts ARE ATTACHED OR ARE ON FILE IN THE OFFICE OF THE
11 COUNTY CLERK.

12 3. Notice was given to interested parties with unknown
13 addresses by publishing in the official newspaper of the
14 county, which is, on and
15 Proof of publication is attached.

16 DATED:

17

18 (Signature)

19 SUBSCRIBED AND SWORN TO before me this (Date).

20

21 Notary Public for the State of Montana

22 Residing in

23 My Commission Expires

-End-