

## 1 SENATE BILL NO. 352

2 INTRODUCED BY R. HOLDEN

3 BY REQUEST OF THE GOVERNOR

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6 A BILL FOR AN ACT ENTITLED: "AN ACT ALLOWING PAYMENT OF PROPERTY TAXES WITHOUT  
7 PENALTY AND INTEREST IF THE PAYMENT IS MADE WITHIN 20 CALENDAR DAYS OF THE DATE THE  
8 PAYMENT IS DUE; ALLOWING PAYMENT OF PERSONAL PROPERTY TAXES ON MOBILE HOMES  
9 WITHOUT PENALTY AND INTEREST IF THE PAYMENT IS MADE WITHIN 20 CALENDAR DAYS OF THE  
10 DATE THE PAYMENT IS DUE; PROVIDING THAT INTEREST ACCRUES FROM THE DUE DATE IF THE  
11 TAXES ARE PAID LATER THAN 20 CALENDAR DAYS AFTER THE DUE DATE; AND AMENDING  
12 SECTIONS 15-16-101, 15-16-102, 15-23-214, 15-23-507, 15-23-804, AND 15-24-202, MCA."

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

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16 **Section 1.** Section 15-16-101, MCA, is amended to read:17 **"15-16-101. Treasurer to publish notice -- manner of publication.** (1) Within 10 days after the  
18 receipt of the property tax record, the county treasurer shall publish a notice specifying:19 (a) that one-half of all taxes levied and assessed will be due and payable before 5 p.m. on the next  
20 November 30 or within 30 days after the notice is postmarked and that unless paid prior to that time the  
21 amount then due will be delinquent and, if the taxes are not paid within 20 calendar days of the date due,  
22 ~~and~~ will draw interest at the rate of 5/6 of 1% per month from the time of delinquency until paid and 2%  
23 will be added to the delinquent taxes as a penalty;24 (b) that one-half of all taxes levied and assessed will be due and payable on or before 5 p.m. on  
25 the next May 31 and that unless paid prior to that time the taxes will be delinquent and, if the taxes are  
26 not paid within 20 calendar days of that date, will draw interest at the rate of 5/6 of 1% per month from  
27 the time of delinquency until paid and 2% will be added to the delinquent taxes as a penalty; and

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

29 (2) The county treasurer shall send to the last-known address of each taxpayer a written notice,  
30 postage prepaid, showing the amount of taxes and assessments due for the current year and the amount

1 due and delinquent for other years. The written notice must include:

2 (a) the taxable value of the property;

3 (b) the total mill levy applied to that taxable value;

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

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

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

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

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

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

15 (5) If the department revises an assessment that results in an additional tax of \$5 or less, an  
16 additional tax is not owed and a new tax bill does not need to be prepared."

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18 **Section 2.** Section 15-16-102, MCA, is amended to read:

19 **"15-16-102. Time for payment -- penalty for delinquency.** Unless suspended or canceled under  
20 the provisions of Title 15, chapter 24, part 17, all taxes levied and assessed in the state of Montana,  
21 except assessments made for special improvements in cities and towns payable under 15-16-103, are  
22 payable as follows:

23 (1) One-half of the taxes are payable on or before 5 p.m. on November 30 of each year or within  
24 30 days after the tax notice is postmarked, whichever is later, and one-half are payable on or before 5  
25 p.m. on May 31 of each year.

26 (2) Unless one-half of the taxes are paid on or before 5 p.m. on November 30 of each year or  
27 within 30 days after the tax notice is postmarked, whichever is later, the amount payable is delinquent  
28 and, if the taxes are not paid within 20 calendar days of the due date as provided in subsection (4)(b),  
29 draws interest at the rate of 5/6 of 1% a month from and after the delinquency until paid and 2% must  
30 be added to the delinquent taxes as a penalty.

1 (3) All taxes due and not paid on or before 5 p.m. on May 31 of each year are delinquent and, if  
2 not paid within 20 calendar days of that date as provided in subsection (4)(b), draw interest at the rate  
3 of 5/6 of 1% a month from and after the delinquency until paid, and 2% must be added to the delinquent  
4 taxes as a penalty.

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

7 (b) If taxes are paid within 20 calendar days of the date on which the taxes are due, the taxes  
8 may be paid without penalty or interest. If a tax payment is made later than 20 days after the taxes were  
9 due, the penalty must be paid and interest accrues from the date on which the taxes were due.

10 (5) A taxpayer may pay current year taxes without paying delinquent taxes. The county treasurer  
11 shall accept a partial payment equal to the delinquent taxes, including penalty and interest, for one or more  
12 full taxable years, provided that taxes for both halves of the current tax year have been paid. Payment of  
13 taxes for delinquent taxes must be applied to the taxes that have been delinquent the longest. The  
14 payment of taxes for the current tax year is not a redemption of the property tax lien for any delinquent  
15 tax year.

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

19 (7) If the department revises an assessment that results in an additional tax of \$5 or less, an  
20 additional tax is not owed and a new tax bill does not need to be prepared."

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22 **Section 3.** Section 15-23-214, MCA, is amended to read:

23 **"15-23-214. Determination of tax -- payment.** (1) Subject to 15-10-420 and on or before the third  
24 Monday in October, the department of revenue shall compute the tax on railroad car company property  
25 by multiplying the taxable value of the property by the average levy.

26 (2) After determining the tax, the department shall send to the last-known address of each railroad  
27 car company subject to taxation a written notice, postage prepaid, showing the amount of taxes due for  
28 the current year and any delinquent amount for prior years. The notice must include the taxable value of  
29 the property and the average levy used to compute the tax.

30 (3) The tax is due and payable to the department under the provisions of 15-16-102. A tax not

1 received by the department within the time requirements of 15-16-102 is delinquent and subject to penalty  
2 and interest under that section. The penalty must be assessed and interest begins to accrue on the first  
3 day of delinquency."

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5 **Section 4.** Section 15-23-507, MCA, is amended to read:

6 **"15-23-507. Taxation and payment on royalty interests.** At the time of computing net proceeds  
7 assessments, the department shall also determine the royalty lists or schedules for each county in which  
8 the mines and mining claims are located. The department shall prepare from the net proceeds and royalty  
9 assessments a tax roll that must be furnished to the county treasurer on or before the following September  
10 15. Upon furnishing the tax roll, the taxes are due and payable. Assessments of royalty on production of  
11 metals and minerals other than petroleum and natural gas must be entered by the department in the  
12 property tax record in the name of the recipient or owner of the royalty. The county treasurer shall give  
13 full notice of the assessment to the recipient or royalty owner and shall collect the taxes in the same  
14 manner as taxes on net proceeds of mines. Taxes on the royalty assessments and taxes on net proceeds  
15 of mines are payable at the times specified in 15-16-102, and any delinquencies in the payment are  
16 subject to the interest and penalties provided in 15-16-102. The penalty must be assessed and interest  
17 begins to accrue on the first day of delinquency."

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19 **Section 5.** Section 15-23-804, MCA, is amended to read:

20 **"15-23-804. Taxation of merchantable value.** The department shall prepare from the reported  
21 valuation a tax roll that must be transmitted to the county treasurer on or before September 15 each year.  
22 The county treasurer shall proceed to give full notice to each metal producer and to collect the taxes due  
23 at the times provided for in 15-16-102, and any delinquencies in the payment of the taxes are subject to  
24 the interest and penalties provided for in 15-16-102. The penalty must be assessed and interest begins  
25 to accrue on the first day of delinquency."

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27 **Section 6.** Section 15-24-202, MCA, is amended to read:

28 **"15-24-202. Payment of tax -- interest and penalty -- display of tax-paid sticker.** (1) (a) The owner  
29 of a mobile home, manufactured home, or housetrailer which is not taxed as an improvement, as  
30 improvements are defined in 15-1-101, shall pay the personal property tax in two payments, except as

1 provided in 15-24-206.

2 (b) The first payment is due on or before May 31 or within 30 days from the date of the notice  
3 of taxes due, whichever is later.

4 (c) The second payment is due no later than November 30 of the year in which the property is  
5 assessed.

6 (d) If not paid on or before the date due, the tax is considered delinquent and subject to the  
7 penalty and interest provisions in 15-16-102 applicable to other delinquent property taxes. ~~The penalty~~  
8 ~~must be assessed and interest begins to accrue on the first day of delinquency. The 20-day grace period~~  
9 for penalty and interest in 15-16-102(4)(b) applies to payments under this section.

10 (2) Upon request, the treasurer shall notify a lienholder if taxes on a mobile home, manufactured  
11 home, or housetrailer have not been paid.

12 (3) Taxes assessed against a mobile home or manufactured home after the second payment date  
13 must be prorated to reflect the remaining portion of the tax year. The prorated taxes must be added to the  
14 following year's tax roll and, except as provided in 15-24-206, are due with and must be collected with  
15 the first payment due in that year.

16 (4) The department of revenue shall issue tax-paid stickers to the county treasurers. Except as  
17 provided in 15-24-206 and 15-24-209, if a mobile home, manufactured home, or housetrailer is to be  
18 moved and all taxes, interest, and penalties on the mobile home or housetrailer are paid in full, the  
19 treasurer shall issue a tax-paid sticker to the owner of the mobile home, manufactured home, or  
20 housetrailer. Prior to and while in the process of moving the mobile home, manufactured home, or  
21 housetrailer, the owner shall display the tax-paid sticker, which must be visible from the exterior of the  
22 mobile home, manufactured home, or housetrailer. A mobile home or manufactured home movement  
23 declaration of destination provided for in 15-24-206 may not be issued unless:

24 (a) the taxes have been paid in full to the county treasurer; or

25 (b) the exceptions in 15-24-206(3) or 15-24-209 apply.

26 (5) On the movement of a mobile home, manufactured home, or housetrailer in violation of this  
27 part, the county treasurer for the county where the mobile home, manufactured home, or housetrailer first  
28 comes to rest shall issue a written notice to the owner, showing the amount of delinquent taxes, special  
29 assessments, penalties, and interest due. In addition to the penalties provided in 15-16-102, 20% or \$50,  
30 whichever is greater, must be added to the delinquent taxes as penalty for violation of this part. On receipt

1 of the delinquent taxes, special assessments, penalties, and interest, the county treasurer shall forward  
2 all delinquent taxes, special assessments, penalties, and interest collected under 15-16-102 to the county  
3 treasurer for the county of origin. The county of destination shall retain the penalty."

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