HOUSE BILL NO. 327

INTRODUCED BY F. WILMER

A BILL FOR AN ACT ENTITLED: "AN ACT ESTABLISHING A PROPERTY TAX DEFERRAL PROGRAM TO DEFER PROPERTY TAX INCREASES FOR HOMES OF LOW-INCOME DISABLED PERSONS AND LOW-INCOME PERSONS 62 YEARS OF AGE OR OLDER; PROVIDING STATE REIMBURSEMENT TO COUNTIES FOR PROPERTY TAXES DEFERRED UNDER THE PROPERTY TAX DEFERRAL PROGRAM; LIMITING THE DEFERRAL TO PERCENTAGES OF TAXES OWED OR TO THE VALUE OF THE TAXED PROPERTY; APPROPRIATING UP TO $1 MILLION FOR STARTUP COSTS FOR THE PROPERTY TAX DEFERRAL PROGRAM; PROVIDING A STATUTORY APPROPRIATION; AMENDING SECTIONS 15-18-111 AND 17-7-502, MCA; AND PROVIDING EFFECTIVE DATES AND A RETROACTIVE APPLICABILITY DATE."

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

NEW SECTION. **Section 1. Definitions.** As used in [sections 1 through 21], the following definitions apply:

(1) "Department" means the department of revenue.

(2) "Disabled person" means a person who has been determined to be eligible to receive or who is receiving federal social security benefits due to disability or blindness, including a person who is receiving social security survivor benefits in lieu of social security benefits due to disability or blindness.

(3) "Home" means an owner-occupied residence owned or under contract for deed and actually occupied for at least 7 months a year as the principal dwelling of the taxpayer and the appurtenant land, not exceeding 5 acres, on which it is located. If the home is located in a multiunit building, the home is the portion of the building actually used as the principal dwelling and its percentage of the value of the common elements and of the value of the land on which it is built. The percentage attributable to the unit is the value of the unit consisting of the home compared to the total value of the building exclusive of the common elements, if any. The value of the land and common elements must be divided equally among the units.

(4) "Tax-deferred property" means the property for which taxes are deferred under [sections 1 through 21].

(5) "Taxes" or "property taxes" means ad valorem taxes and other assessments, fees, and charges,

except an assessment for a special improvement district or a rural special improvement district, that constitute a lien against the tax-deferred property and that are required to be paid to the county treasurer.

(6) "Taxpayer" means an individual who has filed a claim for deferral or individuals who have jointly filed a claim for deferral under [section 2].

NEW SECTION. **Section 2. Claim for deferral of tax on home -- eligibility -- effect.** (1) Subject to [section 3], a taxpayer may elect to defer an increase in the property taxes on a home by filing a claim for deferral with the county assessor between January 1 and April 15 of the first year in which deferral is claimed if:

(a) (i) the taxpayer is or, in the case of two or more individuals filing a claim jointly, each individual is 62 years of age or older on April 15 of the year in which the claim is filed; or

(ii) the taxpayer is a disabled person on April 15 of the year in which the claim is filed. In the case of individuals filing a claim jointly, only one individual need be a disabled person in order to make the election.

(b) the taxpayer has a gross household income, as defined in 15-30-171, not greater than $35,000 for the calendar year immediately preceding the calendar year in which the claim is filed.

(2) If a guardian or conservator has been appointed for a taxpayer otherwise qualified to obtain a deferral of taxes under [sections 1 through 21], the guardian or conservator may act for the taxpayer in complying with the provisions of [sections 1 through 21].

(3) If a trustee of an inter vivos trust that was created by and is revocable by a taxpayer who is both the trustor and a beneficiary of the trust and who is otherwise qualified to obtain a deferral of taxes under [sections 1 through 21] owns the fee simple estate under a recorded instrument of sale, the trustee may act for the taxpayer in complying with the provisions of [sections 1 through 21].

(4) If the taxpayer elects to defer property taxes for a year, filing a claim for deferral under subsection (1) has the effect of:

(a) deferring the payment of any increase in the property taxes levied on the home for the tax year beginning in the calendar year in which the claim is filed;

(b) continuing the deferral of the payment by the taxpayer of property taxes that are deferred under [sections 1 through 21] for previous years and that have not become delinquent under [section 11]; and

(c) continuing the deferral of the payment by the taxpayer of future property taxes for as long as the provisions of [section 3] are met.

(5) This section may not be construed to require the spouse of an individual to file a claim jointly with the

individual even though the spouse may be eligible to claim the deferral jointly with the individual.

(6) The county assessor shall forward each claim filed under subsection (1) to the department. The department shall determine if the property is eligible for a tax deferral.

NEW SECTION. **Section 3. Property eligible for deferral -- limits.** (1) To qualify for a tax deferral under [sections 1 through 21], the property must meet all of the following requirements when the claim is filed and must continue to meet the requirements as long as the payment of taxes by the taxpayer is deferred:

(a) The property must be the home of the taxpayer who files the claim for deferral, except for a taxpayer required to be absent from the home by reason of health.

(b) The person claiming the deferral must, solely or together with a spouse, own the fee simple estate or be purchasing the fee simple estate under a recorded instrument of sale, or two or more persons must together own or be purchasing the fee simple estate, with rights of survivorship, under a recorded instrument of sale.

(c) There may not be a prohibition to the deferral of property taxes contained in any provision of federal law, rule, or regulation applicable to a mortgage, trust deed, land sale contract, or conditional sale contract for which the home is security.

(2) (a) Subject to the limits contained in subsections (2)(b) and (2)(c), the amount of property tax deferred in each year is the difference between property taxes assessed on the last year that taxes were not deferred under [section 1 through 21] and the current tax year, but may not exceed 50% of the tax due. Any year in which taxes are not deferred reestablishes the base year for determining further deferments.

(b) The total amount of property taxes deferred under [sections 1 through 21] may not exceed 50% of the appraised value of the property for which the taxes are deferred.

(c) The total combined amount of property taxes deferred under [sections 1 through 21] plus the outstanding mortgage or other indebtedness secured by the property, if any, for which the taxes are deferred may not exceed 90% of the appraised value of the property for which the taxes are deferred.

(3) Property tax may not be deferred under [sections 1 through 21] for a home that is subject to a reverse annuity mortgage loan under Title 90, chapter 6, part 5.

NEW SECTION. **Section 4. Claim forms -- contents.** A claim for deferral under [section 2] must be in writing on a form supplied by the department and must:

(1) describe the home;

(2) list facts establishing the eligibility for the deferral under the provisions of [sections 1 through 21], including facts that establish that the gross household income, as defined in 15-30-171, of the taxpayer was not greater than $35,000 for the calendar year immediately preceding the calendar year in which the claim is filed;

(3) have attached any documentary proof required by the department to show that the requirements of [section 3] have been met; and

(4) be signed and dated by the taxpayer. The signature is considered an affidavit that the contents of the claim are true.

NEW SECTION. **Section 5. Deferral as lien -- foreclosure.** (1) (a) The department, on behalf of the state of Montana, has a lien against the tax-deferred property for the payment of the deferred taxes plus interest and any fees paid to the county clerk and recorder by the department in connection with the recording, release, or satisfaction of the lien.

(b) The lien for deferred taxes attaches to the property on July 1 of the year in which the taxes are assessed.

(c) The deferred property tax lien has the same priority as other real property tax liens, except that the lien of mortgages or trust deeds that is recorded prior to the attachment of the lien for deferred taxes is considered prior to the lien for deferred taxes.

(2) (a) The lien may be foreclosed by the department as if it were a purchase-money security interest under Title 30, chapter 9. Reasonable attorney fees and costs may be granted to the department in a suit for foreclosure of the lien.

(b) If the receipts from a foreclosure, after allowing for satisfaction of a mortgage or trust deed recorded prior to the attachment of the lien for deferred taxes, are insufficient to satisfy the lien for deferred taxes, the receipts must be considered satisfaction of the lien for deferred taxes.

(3) Receipts from foreclosure proceedings must be credited in the same manner as other repayments of deferred property taxes under [section 20].

NEW SECTION. **Section 6. Listing of tax-deferred property -- interest accrual.** (1) If eligibility for deferral of property taxes is established as provided in [sections 1 through 21], the department shall show which property is tax-deferred property by an entry on the current tax roll clearly designating the property as tax-deferred property.

(2) Interest accrues on the actual amount of taxes advanced to the county for the tax-deferred property at the rate of 6% a year.

(3) For property taxes deferred after January 1, 2006, the state liens are as provided by [section 5(1)(a)] and must be recorded under [section 7].

NEW SECTION. **Section 7. Recording liens in county -- recording to constitute notice of state lien.** (1) In each county where there is tax-deferred property, the department shall record in the mortgage records of the county a list of tax-deferred properties in that county. The list must contain a description of the property as entered on the assessment roll, together with the name of the owner.

(2) The recording of the tax-deferred properties under subsection (1) is notice that the department claims a lien against those properties in the amount provided in [section 5(1)(a)] even though the amount of taxes, interest, or fees is not listed.

(3) The department is not required to pay any filing, indexing, or recording fees to the county in connection with the recording, release, or satisfaction of liens against tax-deferred properties of that county in advance or at the time entry is made.

NEW SECTION. **Section 8. County treasurer to receive amount equivalent to deferred taxes from state.** (1) After determining the amount of deferred taxes on tax-deferred property in a county for the tax year, the department shall pay to the county treasurer an amount equal to the deferred taxes. Payment must be made from the account established in [section 20]. For county budgetary purposes, payments are considered property tax payments of the taxpayers that have benefited from the tax deferments.

(2) The department shall maintain accounts for each tax-deferred property and shall accrue interest only on the actual amount of taxes paid to the county.

NEW SECTION. **Section 9. Notice to taxpayer.** (1) On or before December 15 of each year, the department shall send a notice to each taxpayer who has claimed deferral of property taxes for the current tax year. The notice must:

(a) inform the taxpayer that the property taxes have been deferred in the current year;

(b) inform the taxpayer that a claim must be filed annually;

(c) show the total amount of deferred taxes remaining unpaid since initial application for deferral and the interest accruing to November 15 of the current year;

(d) inform the taxpayer that voluntary payment of the deferred taxes may be made at any time to the department; and

(e) contain other information that the department considers necessary to facilitate administration of the property tax deferral program.

(2) The department shall mail the notice required under subsection (1) to the residence address of the taxpayer as shown in the claim for deferral or as otherwise determined by the department to be the correct address of the taxpayer.

NEW SECTION. **Section 10. Events requiring payment of deferred tax and interest.** All deferred property taxes, including accrued interest, become payable as provided in [section 11] when:

(1) the taxpayer or, if there was more than one claimant, the survivor of the taxpayers dies;

(2) the property for which property taxes were deferred is sold, a contract to sell is entered into, or some person other than the taxpayer who claimed the deferral becomes the owner of the property;

(3) the tax-deferred property is no longer the home of the taxpayer who claimed the deferral, except in the case of a taxpayer required to be absent from the tax-deferred property by reason of health; or

(4) the residence portion of the tax-deferred property is moved out of the county or state.

NEW SECTION. **Section 11. Time for payment -- delinquencies.** (1) When any of the circumstances listed in [section 10] occur:

(a) the deferral of taxes must continue for the assessment year in which the circumstance occurs; and

(b) the amount of deferred property taxes, including accrued interest, for all years is due and payable to the department on August 15 of the year following the calendar year in which the circumstance occurs, except as provided in [section 13], [section 17], and subsection (2) of this section.

(2) Notwithstanding the provisions of [section 17] and subsection (1)(b) of this section, when the residence portion of the tax-deferred property is moved out of the county or state, the amount of deferred taxes is due and payable 5 days before the date of removal of the property from the state.

(3) If the amounts due are not paid on the indicated due date as provided in this section or as extended under [section 17], the amounts are considered delinquent as of that date and the property is subject to foreclosure as provided in [section 5].

NEW SECTION. **Section 12. Loss of eligibility when disability ceases -- prior deferrals.** (1) Property taxes imposed on the home of a taxpayer are ineligible for deferral under [sections 1 through 21] if the basis for deferral was the disability of the taxpayer, the taxpayer is no longer disabled, and the taxpayer:

(a) is younger than 62 years of age; or

(b) is 62 years of age or older and filed the claim for deferral jointly with an individual who is younger than 62 years of age and who is not a disabled person.

(2) The property taxes that are ineligible for deferral under subsection (1) are those property taxes attributable to the home of the taxpayer for tax years beginning after the loss of disability until the individual again qualifies for deferral under [sections 1 through 21].

(3) This section does not affect the continued deferral of taxes that have been deferred for tax years beginning prior to the loss of disability.

NEW SECTION. **Section 13. Election by spouse to continue tax deferral -- extension of time to file claim.** (1) When any of the circumstances listed in [section 10(1) through (3)] occur, a spouse who was not eligible to or did not file a claim jointly with the taxpayer may continue the tax-deferred status of the property by filing a claim within the time and in the manner provided under [section 2] if:

(a) the spouse is or will be 60 years of age or older not later than 6 months from the date the circumstance occurs; and

(b) the property is the home of the spouse and meets the requirements of [section 3(2)].

(2) A spouse who does not meet the age requirements of subsection (1)(a) but is otherwise qualified to continue the property in its tax-deferred status under subsection (1) may continue the deferral of property taxes deferred for previous years, but not for the current year, by filing a claim within the time and in the manner provided under [section 2]. If a spouse eligible for and continuing the deferral of taxes previously deferred under this subsection reaches 62 years of age prior to April 15 of any year, the spouse may elect to continue the deferral of previous years' taxes deferred under this subsection and may elect to defer the current assessment year's taxes on the home by filing a claim within the time and in the manner provided under [section 2]. Payment of the taxes levied on the home and deferred under this subsection and payment of taxes levied on the home in the current assessment year and in future years may be deferred in the manner provided in and subject to the provisions of [sections 1 through 21].

(3) Notwithstanding the requirement under [section 2] that a claim be filed no later than April 15, if the department determines that good and sufficient cause exists for the failure of a spouse to file a claim under this section on or before April 15, the claim may be filed within 180 days after the taxes are due and payable under [section 11].

NEW SECTION. **Section 14. Payment of deferred taxes and interest.** (1) All payments of deferred taxes must be made to the department.

(2) Subject to subsection (3), all or part of the deferred taxes and accrued interest may at any time be paid to the department by:

(a) the taxpayer;

(b) a next of kin, heir, or child of the taxpayer; or

(c) any person having or claiming a legal or equitable interest in the property.

(3) A person referred to in subsection (2)(c) may make payments of deferred taxes and accrued interest only if no objection is made by the taxpayer within 30 days after the department deposits in the mail a notice to the taxpayer that payment has been tendered.

(4) A payment made under this section must be applied first against accrued interest and any remainder against the deferred taxes. The payment does not affect the deferred-tax status of the property. The payment does not give the person paying the taxes an interest in the property or a claim against the estate in the absence of a valid agreement to the contrary.

(5) When the deferred taxes and accrued interest are paid in full and the property is no longer subject to tax deferral, the department shall prepare and record in the county where the property is located a satisfaction of deferred property tax lien.

NEW SECTION. **Section 15. Taxes unpaid before deferral as lien -- effect on tax sale -- exceptions.** (1) Notwithstanding the provisions of [section 18], upon compliance with [section 16], taxes not in excess of $3,000 assessed against tax-deferred property for a tax year beginning on or after January 1, 2006, that were unpaid as of July 1 of the tax year for which the property tax deferral was initially granted under [sections 1 through 21] and that remain unpaid remain a lien and become delinquent as otherwise provided by law but are not subject to issuance of a tax deed until August 15 of the calendar year following the calendar year in which any of the circumstances listed in [section 10] occur.

(2) A delay in issuance of a tax deed must be denied if:

(a) the residence portion of the tax-deferred property is moved out of the county or state;

(b) the tax-deferred property includes personal property; or

(c) the owner of the tax-deferred property has a gross household income exceeding $35,000 for the calendar year immediately preceding the calendar year in which application is filed under [section 16].

(3) This section does not remove or release property to which this section applies from a tax lien. The unpaid taxes remain valid and subsisting liens.

(4) This section does not affect a tax sale proceeding for delinquent taxes in excess of the amount specified in subsection (1). The tax sale proceedings must be instituted or continued without regard to this section.

(5) Interest on taxes to which this section applies must be determined from the same dates, in the same manner, and until paid as for other property taxes remaining unpaid upon the due dates.

NEW SECTION. **Section 16. Application to delay foreclosure -- effect of denial -- appeal.** (1) The owner of tax-deferred property who wishes to delay an issuance of a tax deed on account of delinquent taxes, as provided in [section 15], shall make application for the delay to the department prior to the date the period of redemption expires. The application must contain or be accompanied by a verified statement of gross household income, as defined in 15-30-171, of the owner for the calendar year immediately preceding the calendar year in which the application is made.

(2) Upon receipt of an application under subsection (1), the department shall approve or deny the application. If the application is denied, the owner may appeal to the county tax appeal board in the county where the tax-deferred property is located within 90 days after notice in writing of the denial is mailed to the owner by the department. A decision of the county tax appeal board may be appealed to the district court within the time and in the manner provided under Title 15, chapter 2, part 3.

NEW SECTION. **Section 17. Extension of time for payment upon death of claimant or spouse.** (1) If the taxpayer who claimed a property tax deferral under [sections 1 through 21] dies or if a spouse who continued the deferral under [section 13] dies, the department may extend the time for payment of the deferred taxes and accrued interest with respect to the taxes becoming due and payable under [section 11] if:

(a) the home becomes the property of an individual or individuals by inheritance or devise or because the individual or individuals are heirs or devisees in the course of settlement of the estate;

(b) the individual or individuals commence occupancy of the home as a principal residence on or before August 15 of the calendar year following the calendar year of death; and

(c) the individual or individuals make application to the department for an extension of time for payment of the deferred taxes and interest prior to August 15 of the calendar year following the calendar year of death.

(2) (a) Subject to subsection (2)(b), an extension granted under this section may be for a period not to exceed 6 years after August 15 of the calendar year of death. The terms and conditions under which the extension is granted must be in accordance with a written agreement entered into by the department and the individual or individuals.

(b) An extension granted under this section terminates immediately if:

(i) the home is sold or otherwise transferred by any party to the extension agreement;

(ii) all of the heirs or devisees who are parties to the extension agreement cease to occupy the home as a principal residence; or

(iii) the residence portion of the tax-deferred property is moved out of the county or state.

(3) If the department has reason to believe that the home is not sufficient security for the deferred taxes and interest, the department may require the individual or individuals to furnish a bond conditioned upon payment of the amount extended in accordance with the terms of the extension. The bond may not exceed an amount double the taxes for which tax extension is granted.

(4) During the period of extension and until paid, the deferred taxes continue to accrue interest in the same manner and at the same rate as provided under [section 6]. Interest does not accrue on interest.

NEW SECTION. **Section 18. Limitations.** [Sections 1 through 21] are not intended to and may not be construed to:

(1) except as provided in [section 15], prevent the collection, by tax sale or otherwise, of property taxes that become a lien against tax-deferred property; or

(2) affect any provision of a mortgage or other instrument relating to land and requiring a person to pay property taxes.

NEW SECTION. **Section 19. Deed or contract clauses preventing application for deferral prohibited.** After [the effective date of this section], it is unlawful for any mortgage trust deed or land sale contract to contain a clause or statement prohibiting the owner from applying for the benefits of the deferral of property taxes provided in [sections 1 through 21]. A clause or statement in a mortgage trust deed or land sale contract executed after [the effective date of this section] in violation of this section is void.

NEW SECTION. **Section 20. Disabled and senior property tax deferral account.** (1) There is an account in the state special revenue fund to be used by the department for the purpose of making payments of deferred property taxes to county treasurers.

(2) After paying back the appropriation from the general fund plus interest at 6% a year, all sums received by the department under [sections 1 through 21] as repayment of deferred property taxes must, upon receipt by the department, be credited to the account established in subsection (1). The money in the account is statutorily appropriated, as provided in 17-7-502, to the department for the purpose of making payments of deferred property taxes to county treasurers.

NEW SECTION. **Section 21. Rulemaking authority.** The department may make rules necessary to effectively administer the provisions of [sections 1 through 21].

Section 22. Section 15-18-111, MCA, is amended to read:

"15-18-111. Time for redemption -- interested party. (1) Except as provided in subsection (2), redemption of a property tax lien acquired at a tax sale or otherwise may be made by the owner, the holder of an unrecorded or improperly recorded interest, the occupant of the property, or any interested party within the later of:

(a) 36 months from the date of the first day of the tax sale; ~~or~~

(b) ~~within~~ 60 days following the giving of the notice required in 15-18-212~~, whichever is later~~; or

(c) August 15 following the calendar year in which a tax deferral terminates due to the occurrence of any of the circumstances listed in [section 10].

(2) For property subdivided as a residential or commercial lot upon which special improvement district assessments or rural special improvement district assessments are delinquent and upon which ~~no~~ a habitable dwelling or commercial structure is not situated, redemption of a property tax lien acquired at a tax sale or otherwise may be made by the owner, the holder of an unrecorded or improperly recorded interest, or any interested party within 24 months from the date of the first day of the tax sale or within 60 days following the giving

of the notice required in 15-18-212, whichever is later.

(3) For the purposes of this chapter, an "interested party" includes a mortgagee, vendor of a contract for deed or the vendor's successor in interest, lienholder, or other person who has a properly recorded interest in the property. A person who has an interest in property on which there is a property tax lien but which interest is not properly recorded is not an interested party for the purposes of this chapter."

Section 23. Section 17-7-502, MCA, is amended to read:

"17-7-502. Statutory appropriations -- definition -- requisites for validity. (1) A statutory appropriation is an appropriation made by permanent law that authorizes spending by a state agency without the need for a biennial legislative appropriation or budget amendment.

(2) Except as provided in subsection (4), to be effective, a statutory appropriation must comply with both of the following provisions:

(a) The law containing the statutory authority must be listed in subsection (3).

(b) The law or portion of the law making a statutory appropriation must specifically state that a statutory appropriation is made as provided in this section.

(3) The following laws are the only laws containing statutory appropriations: 2-17-105; 5-11-407; 5-13-403; 10-2-603; 10-3-203; 10-3-310; 10-3-312; 10-3-314; 10-4-301; 15-1-111; 15-1-113; 15-1-121; <u>[section 20];</u> 15-23-706; 15-31-906; 15-35-108; 15-36-332; 15-37-117; 15-38-202; 15-65-121; 15-70-101; 15-70-369; 15-70-601; 16-11-509; 17-3-106; 17-3-212; 17-3-222; 17-3-241; 17-6-101; 17-7-304; 18-11-112; 19-3-319; 19-6-404; 19-6-410; 19-9-702; 19-13-604; 19-17-301; 19-18-512; 19-19-305; 19-19-506; 19-20-604; 20-8-107; 20-9-534; 20-9-622; 20-26-1503; 22-3-1004; 23-4-105; 23-4-202; 23-4-204; 23-4-302; 23-4-304; 23-5-306; 23-5-409; 23-5-612; 23-7-301; 23-7-402; 37-43-204; 37-51-501; 39-71-503; 41-5-2011; 42-2-105; 44-1-504; 44-12-206; 44-13-102; 50-4-623; 53-1-109; 53-6-703; 53-24-108; 53-24-206; 60-11-115; 61-3-415; 69-3-870; 75-1-1101; 75-5-1108; 75-6-214; 75-11-313; 77-2-362; 80-2-222; 80-4-416; 80-5-510; 80-11-518; 82-11-161; 87-1-513; 90-1-115; 90-1-205; 90-3-1003; and 90-9-306.

(4) There is a statutory appropriation to pay the principal, interest, premiums, and costs of issuing, paying, and securing all bonds, notes, or other obligations, as due, that have been authorized and issued pursuant to the laws of Montana. Agencies that have entered into agreements authorized by the laws of Montana to pay the state treasurer, for deposit in accordance with 17-2-101 through 17-2-107, as determined by the state treasurer, an amount sufficient to pay the principal and interest as due on the bonds or notes have statutory

appropriation authority for the payments. (In subsection (3): pursuant to Ch. 422, L. 1997, the inclusion of 15-1-111 terminates on July 1, 2008, which is the date that section is repealed; pursuant to sec. 10, Ch. 360, L. 1999, the inclusion of 19-20-604 terminates when the amortization period for the teachers' retirement system's unfunded liability is 10 years or less; pursuant to sec. 4, Ch. 497, L. 1999, the inclusion of 15-38-202 terminates July 1, 2014; pursuant to sec. 10(2), Ch. 10, Sp. L. May 2000, and secs. 3 and 6, Ch. 481, L. 2003, the inclusion of 15-35-108 terminates June 30, 2010; pursuant to sec. 7, Ch. 314, L. 2005, the inclusion of 23-4-105, 23-4-202, 23-4-204, 23-4-302, and 23-4-304 becomes effective July 1, 2007; and pursuant to sec. 17, Ch. 593, L. 2005, the inclusion of 15-31-906 terminates January 1, 2010.)"

NEW SECTION. **Section 24. Fund transfer -- appropriation -- payback.** (1) There is transferred from the general fund to the account established in [section 20] up to $1 million for the purpose of making payments of deferred property taxes to county treasurers.

(2) The department, pursuant to [section 20], shall deposit repayments of deferred property taxes in the general fund until the amount actually spent plus interest at 6% a year is repaid to the general fund.

NEW SECTION. **Section 25. Codification instruction.** [Sections 1 through 21] are intended to be codified as an integral part of Title 15, chapter 16, and the provisions of Title 15, chapter 16, apply to [sections 1 through 21].

NEW SECTION. **Section 26. Effective dates.** (1) Except as provided in subsection (2), [this act] is effective on passage and approval.

(2) [Section 22] is effective July 1, 2007.

NEW SECTION. **Section 27. Retroactive applicability.** [This act] applies retroactively, within the meaning of 1-2-109, to tax years beginning after December 31, 2006.

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