

HOUSE BILL NO. 500

INTRODUCED BY J. ECK

A BILL FOR AN ACT ENTITLED: "AN ACT PROVIDING THAT THE TOTAL AMOUNT OF PENALTIES AND INTEREST ASSOCIATED WITH PROPERTY TAXES DUE IS A LIEN ON REAL PROPERTY AND IMPROVEMENTS; PROVIDING THAT LIEN PRIORITY OF PENALTIES AND INTEREST DATES BACK TO THE YEAR THAT THE TAX WAS DUE; AMENDING SECTION 15-16-403, MCA; AND PROVIDING AN EFFECTIVE DATE AND AN APPLICABILITY DATE."

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

**Section 1.** Section 15-16-403, MCA, is amended to read:

**"15-16-403. Lien on real property and improvements.** (1) Every Any tax due upon real property, including all associated penalties and interest, is a lien against the property assessed, and every any tax due upon improvements upon real estate assessed to other than the owner of the real estate, including all associated penalties and interest, is a lien upon the land and improvements, which several and the liens attach as of January 1 in each year. A person who issues a check, draft, converted check, electronic funds transfer, or order for the payment of real property taxes is subject to the liability provided in 27-1-717 if the instrument is dishonored or if the issuer stops payment with the intent to fraudulently defeat a possessory lien or defraud the payee.

(2) For the purpose of subsection (1), the total amount of penalties and interest that accrues after the tax is due is treated as a lien that arose on January 1 of the year in which the tax was due."

NEW SECTION. Section 2. Effective date. [This act] is effective July 1, 2013.

NEW SECTION. Section 3. Applicability. [This act] applies to taxes due after [the effective date of this act].

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