

## 1 SENATE BILL NO. 56

2 INTRODUCED BY L. JENT

3 BY REQUEST OF THE DEPARTMENT OF REVENUE

4  
 5 A BILL FOR AN ACT ENTITLED: "AN ACT REQUIRING THE CALCULATION OF FEES AND ASSESSMENTS  
 6 BY LOCAL GOVERNMENTS FOR THE COMPUTATION OF PROPERTY TAXES; LIMITING THE  
 7 DEPARTMENT OF REVENUE'S ROLE IN CALCULATING FEES AND ASSESSMENTS THAT ARE NOT  
 8 MILL-RELATED FOR ENTRY OF TAXES; AMENDING SECTIONS 7-13-4524, ~~AND~~ 15-10-305, 85-7-2136, AND  
 9 85-6-601, MCA; AND PROVIDING ~~AN IMMEDIATE~~ A DELAYED EFFECTIVE DATE."

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

12  
 13 **Section 1.** Section 7-13-4524, MCA, is amended to read:  
 14 **"7-13-4524. Procedure to collect fees.** The month the local water quality district is created pursuant  
 15 to 7-13-4513, the ~~department of revenue or its agents~~ county shall ensure that the amount of the fees is placed  
 16 on the county tax assessments for each fee-assessed unit. Unpaid fees are a lien on the fee-assessed unit and  
 17 may be enforced as a lien for nonpayment of property taxes."

18  
 19 **Section 2.** Section 15-10-305, MCA, is amended to read:  
 20 **"15-10-305. Clerk and recorder to report mill levy -- department to compute and enter taxes. (1)**  
 21 (a) The county clerk and recorder shall by the second Monday in September or within 30 calendar days after  
 22 receiving certified taxable values notify the department of the number of mills needed to be levied for each taxing  
 23 jurisdiction in the county. Except as provided in subsection (1)(b), the department shall compute the taxes by  
 24 multiplying the number of mills times the taxable value of the property to be taxed and shall provide the amounts  
 25 computed to the county treasurer. The county treasurer shall add to the property tax record any fees or  
 26 assessments that are not mill-related and that are required to be levied against ~~a person owning~~ the property.  
 27 All taxes, fees, and assessments must be itemized for the property listed in the property tax record.

28 (b) In conveyances that result in a land split, the taxes must be based on the property as assessed on  
 29 January 1 preceding the conveyance. The department is not required to include the name of the new owner in  
 30 the computation of the amount of taxes, fees, and assessments to be levied against property that is part of a land

1 conveyance if including the new owner's name would cause the department to violate the deadline provided in  
 2 subsection (2).

3 (2) The department shall complete the computation of the amount of taxes, ~~fees, and assessments to~~  
 4 ~~be levied against the property~~ and shall notify the county clerk and recorder and the county treasurer by the  
 5 second Monday in October. The county treasurer shall add to the property tax record any fees and assessments  
 6 that are not mill-related and that are required to be levied against the property. The county treasurer shall provide  
 7 the final tax, assessment, and fee compilation for each property to the department. Notwithstanding the provisions  
 8 of 15-10-321, if a county clerk and recorder fails to timely notify the department of the number of mills needed  
 9 to be levied for each taxing jurisdiction in that county in accordance with subsection (1)(a), the department must  
 10 have additional time to meet the notification requirement of this subsection (2) equal to the number of days that  
 11 the notification required in subsection (1)(a) was received late by the department."  
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13 **SECTION 3. SECTION 85-7-2136, MCA, IS AMENDED TO READ:**

14 **"85-7-2136. Collection of taxes or assessment.** (1) On or before the third Monday in August of each  
 15 year, the board of commissioners shall furnish to the ~~department of revenue~~ county treasurer a correct list of all  
 16 the district lands in the county, together with the amount of the total taxes or assessments against the lands for  
 17 district purposes. The ~~department of revenue~~ county treasurer shall ~~immediately upon receipt of the list~~ enter the  
 18 taxes or assessment roll in on the property tax record of the county subject to taxation or assessment under  
 19 85-7-2104 for each year.

20 (2) The county treasurer of each county in which any irrigation district is located, in whole or in part, shall  
 21 collect and receipt for all taxes and assessments levied by the district, in the same manner and at the same time  
 22 as is required in the collection of taxes upon real estate for county purposes as provided in 15-16-102. The  
 23 treasurer must receive from any taxpayer, at any time, the amount due on account of any district assessments  
 24 of any kind, whether other taxes on the same real estate are paid or not.

25 (3) During the water delivery season, as determined by the irrigation district commissioners, the county  
 26 treasurer shall make available to the board of commissioners of an irrigation district notice of the receipt of  
 27 payments of district assessments by 9 a.m. on the day following receipt of those payments.

28 (4) If requested in writing by a board of commissioners of an irrigation district, the county treasurer may  
 29 receive assistance from an employee of the irrigation district or a commissioner of the district for the purpose of  
 30 collecting district assessments as provided in 15-16-102, investing district funds as directed by the board of

1 commissioners of the district, and preparing district assessment notices.

2 (5) When any real estate on account of which the district taxes and assessments have been levied has  
 3 been sold to the county and a tax lien sale certificate is held by the county, the taxpayer may pay to the treasurer  
 4 at any time any semiannual installment of the district tax or assessment, together with the penalty and interest  
 5 to date of payment on the installment. However, the payment may not be considered a redemption of the property  
 6 from the tax lien sale but must be credited on account of any redemption that may be made. In case of any  
 7 payment pursuant to this subsection, a separate tax receipt must be issued showing exactly what assessments  
 8 have been paid and showing that no other tax on the real estate has been received by the treasurer. The county  
 9 treasurer may not collect, receive, or receipt for any taxes levied for county purposes upon real estate situated  
 10 wholly or in part within any irrigation district upon which an assessment for the purposes of the irrigation district  
 11 has been levied unless the assessment levied for irrigation district purposes is either paid as permitted in this  
 12 section and the receipt for the payment is presented to the county treasurer at the time the taxes are paid or paid  
 13 at the time the irrigation district taxes are paid."

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15 **SECTION 4. SECTION 85-8-601, MCA, IS AMENDED TO READ:**

16 **"85-8-601. Certification and collection of district taxes.** (1) Subject to 15-10-420 and on or before  
 17 the third Monday in August of each year, the commissioners shall certify to the ~~department of revenue~~ county  
 18 treasurer a correct list of all the district lands in each county and the owners of the lands, together with a  
 19 statement of the amount of the total tax or assessment against the lands for district purposes for that year. The  
 20 ~~department of revenue~~ county treasurer shall immediately enter the taxes or assessment ~~roll in~~ on the property  
 21 tax record of the county for each year.

22 (2) The county treasurer of each county in which a drainage district is located, in whole or in part, shall  
 23 collect and receipt for all taxes and assessments levied by the district in the same manner and at the same time  
 24 as is required in the collection of taxes upon real estate for county purposes as provided in 15-16-102. However,  
 25 the treasurer must receive from any taxpayer, at any time, the amount due on account of any district assessments  
 26 of any kind, whether other taxes on the same real estate are paid or not. When any real estate on account of  
 27 which the district taxes and assessments have been levied has been sold to the county and the tax lien sale  
 28 certificate is held by the county, the taxpayer may pay to the treasurer at any time any semiannual installment  
 29 of the district tax or assessment, together with the penalty and interest to date of payment on the installment.  
 30 However, the payment may not be considered a redemption of the property from the tax lien sale, but must be

1 credited on account of any redemption that may later be made. In case of any payment pursuant to this  
2 subsection, a separate tax receipt must be issued showing exactly what assessments have been paid and  
3 showing that no other tax on the real estate has been received by the treasurer. However, the county treasurer  
4 may not collect, receive, or receipt for any taxes levied for county purposes upon real estate situated wholly or  
5 in part within any drainage district upon which an assessment for the purposes of the drainage district has been  
6 levied unless the assessment levied for the drainage district purposes is either paid as provided in this section  
7 and the receipt is presented to the county treasurer at the time the real estate taxes are paid or paid at the time  
8 the drainage district taxes are paid."

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10 NEW SECTION. Section 5. Effective date. [This act] is effective on passage and approval OCTOBER  
11 1, 2014.

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