

1 _____ BILL NO. _____

2 INTRODUCED BY _____
3 (Primary Sponsor)

4 A BILL FOR AN ACT ENTITLED: "AN ACT REVISING PROPERTY TAX PAYMENTS; ALLOWING THE
5 PAYMENT OF DELINQUENT PROPERTY TAXES WHEN CURRENT YEAR TAXES HAVE NOT BEEN PAID;
6 ALLOWING PARTIAL PROPERTY TAX PAYMENTS; AND AMENDING SECTIONS 15-16-102 AND 15-18-
7 112, MCA."

8
9 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

10
11 **Section 1.** Section 15-16-102, MCA, is amended to read:

12 **"15-16-102. Time for payment -- penalty for delinquency.** Unless suspended or canceled under the
13 provisions of 10-1-606 or Title 15, chapter 24, part 17, all taxes levied and assessed in the state of Montana,
14 except assessments made for special improvements in cities and towns payable under 15-16-103, are payable
15 as follows:

16 (1) One-half of the taxes are payable on or before 5 p.m. on November 30 of each year or within 30
17 days after the tax notice is postmarked, whichever is later, and one-half are payable on or before 5 p.m. on May
18 31 of each year.

19 (2) Unless one-half of the taxes are paid on or before 5 p.m. on November 30 of each year or within
20 30 days after the tax notice is postmarked, whichever is later, the amount payable is delinquent and draws
21 interest at the rate of 5/6 of 1% a month from and after the delinquency until paid and 2% must be added to the
22 delinquent taxes as a penalty.

23 (3) All taxes due and not paid on or before 5 p.m. on May 31 of each year are delinquent and draw
24 interest at the rate of 5/6 of 1% a month from and after the delinquency until paid, and 2% must be added to the
25 delinquent taxes as a penalty.

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

28 (b) If taxes on property qualifying under the property tax assistance program provided for in 15-6-305



1 are paid within 20 calendar days of the date on which the taxes are due, the taxes may be paid without penalty
2 or interest. If a tax payment is made later than 20 days after the taxes were due, the penalty must be paid and
3 interest accrues from the date on which the taxes were due.

4 (5) (a) ~~A taxpayer may pay current year taxes without paying delinquent taxes.~~ The county treasurer
5 shall accept a partial payment ~~equal to the delinquent taxes, including penalty and interest, for one or more full~~
6 ~~tax years if taxes currently due for the current tax year have been paid for current year taxes or delinquent~~
7 taxes. A partial payment may not be less than the greater of \$10 or 10% of the total amount of tax, penalty, and
8 interest due for the tax year to which the partial payment is applied. A partial payment must be credited to the
9 tax year for which the payment is made, and penalty and interest must be computed only on the tax remaining
10 unpaid. Payment of taxes for delinquent taxes must be applied to the taxes that have been delinquent the
11 longest. The payment of taxes for the current tax year is not a redemption of the property tax lien for any
12 delinquent tax year.

13 (b) A payment by a co-owner of an undivided ownership interest that is subject to a separate
14 assessment otherwise meeting the requirements of subsection (5)(a) is not a partial payment.

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

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

19 (8) The county treasurer may accept a partial payment of centrally assessed property taxes as
20 provided in 76-3-207."

21

22 **Section 2.** Section 15-18-112, MCA, is amended to read:

23 **"15-18-112. Redemption from property tax lien -- lien on interest in property for taxes paid. (1)**

24 (a) Except as provided in subsections (1)(b) and (4), in all cases in which a property tax lien has been assigned,
25 the assignee may pay the subsequent taxes assessed against the property on or after June 1 and prior to July
26 31 if the taxes have not been paid by the property owner.

27 (b) If the property qualifies for the property tax assistance program provided for in 15-6-305 and the
28 taxes have not been paid by the property owner, the subsequent taxes may be paid after the time period

1 provided for in 15-16-102(4)(b) and prior to July 31.

2 (2) Upon redemption of the property tax lien, the redemptioner shall pay, in addition to the amount of
3 the property tax lien, including penalties, interest, and costs, the subsequent taxes assessed and paid by the
4 assignee as provided in subsection (1)(a), with interest and penalty at the rate established for delinquent taxes
5 in 15-16-102.

6 (3) An owner of less than all of the interest or a lienholder with an interest in real property who
7 redeems a property tax lien on the property has a lien for the taxes paid on the interests of the property that are
8 not owned by the redemptioner.

9 (4) The property tax lien may also be redeemed for a particular tax year by a partial payment of that
10 tax year, as provided in 15-16-102(5), if:

11 (a) the property tax lien for the year in which the partial payment is made is owned by the county;

12 (b) the property taxes, penalties, interest, and fees for the tax year are paid in full; and

13 ~~(b)~~(c) the tax deed has not been issued pursuant to 15-18-211 or 15-18-220."

14 - END -