

# TAX LIENS AND TAX DEEDS

## LEGISLATOR NOTICE

The Legislative Services Division is required to offer a brief history on the subject matter of a bill draft request prior to drafting. (5-4-105, MCA; [Chapter 309, Laws of 2017](#)) The history must include related legislation introduced over the last five sessions and hyperlinks to the bill, hearing information, and fiscal notes. The legislation links below open to the page showing the status and history of bills introduced on this topic in the past. The bill text and any related fiscal notes can be accessed through the link at the top of that page.

**Legislation can be complex and this history is not intended to be exhaustive. Please contact the drafter of the requested bill for more information.**

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## Background Materials and Research

**Topic Summary:** The purpose of the tax lien and tax deed process is to provide for collection of delinquent property taxes. Laws in Title 15, [chapter 17](#) and [chapter 18](#), outline the process. In each county, the county treasurer administers the tax lien and tax deed process.

By the last Monday in June, the county treasurer is required to publish a notice of properties for which taxes are delinquent and a tax lien will be attached. At least two weeks before the attachment of the tax lien, the county treasurer is also required to send a notice of the pending attachment of a tax lien to the person to whom the property was assessed. The county treasurer then attaches a tax lien to properties for which taxes are still delinquent by the last working day in August.

The tax lien is available for purchase to a person who pays the delinquent taxes, penalties, and interest, and notifies the person to whom property taxes are assessed. If the tax lien has not been paid by the owner, the occupant, or an interested party by the first working day in August, 3 years after the attachment of the lien, the assignee of the tax lien may request a tax deed from the county treasurer. The assignee must notify the occupant of the property and each party (other than a utility) listed on a litigation guarantee during the May preceding the August during which the redemption period expires. If the tax lien has not been redeemed by the redemption period (first working day in August, 3 years after attachment of tax lien), the county treasurer issues the tax deed to the owner of the tax lien if the property does not include a dwelling. If the property contains an owner-occupied dwelling, the treasurer must auction the property and provide excess funds to the original property owner.

### Legislative Services Division Materials:

[Tax Liens and Tax Deeds study](#), 2015-2016 Revenue and Transportation Interim Committee

## Introduced Legislation

### 2021

[House Bill 23](#) – Chapter Number Assigned -- AN ACT GENERALLY REVISING THE TAX LIEN AND TAX DEED PROCESS LAWS; PROVIDING THAT PROPERTY WITH A RESIDENCE IS SUBJECT TO A TAX DEED AUCTION ONLY IF THE OWNER OCCUPIES THE RESIDENCE; CLARIFYING TIMELINES FOR NOTIFICATION REQUIREMENTS; REQUIRING THE HIGH BIDDER TO PAY AUCTION COSTS; PROVIDING FOR CANCELLATION OF AN ASSIGNMENT IF THE AUCTION DOES NOT RESULT IN PURCHASE OF THE TAX DEED; PROVIDING THAT THE COUNTY TREASURER DISTRIBUTES SURPLUS AUCTION PROCEEDS TO THE LEGAL TITLEHOLDER; AMENDING SECTIONS 15-18-112, 15-18-212, 15-18-215, 15-18-216, 15-18-217, 15-18-219, 15-18-220, 15-18-221, AND 70-9-803, MCA; AND PROVIDING AN IMMEDIATE EFFECTIVE DATE AND AN APPLICABILITY DATE.

[Senate Bill 193](#) – Chapter Number Assigned -- AN ACT PROVIDING FOR THE SALE OF TAX-DEED LAND AT AN AMOUNT LESS THAN APPRAISED VALUE; PROVIDING THAT THE SALE ONLY TAKES PLACE IF THE TAX-DEED LAND DID NOT SELL IN TWO CONSECUTIVE AUCTIONS; AND AMENDING SECTIONS 7-8-2301 AND 7-8-2513, MCA.

### 2019

[House Bill 201](#) -- Chapter Number Assigned -- AN ACT REVISING TAX LIEN LAWS; REVISING THE ASSIGNMENT OF RIGHTS FOR PROPERTY TAX LIENS; AND AMENDING SECTION 15-17-323, MCA.

[Senate Bill 253](#) -- Chapter Number Assigned -- AN ACT GENERALLY REVISING TAX LIEN AND TAX DEED LAWS; REVISING THE TAX LIEN AND TAX DEED PROCESS FOR RESIDENTIAL, AGRICULTURAL, AND FOREST PROPERTY WITH A DWELLING; REQUIRING THE ASSIGNEE TO APPLY TO THE COUNTY TREASURER FOR A TAX DEED; PROVIDING THAT UPON APPLICATION FOR A TAX DEED, THE TAX DEED BE AUCTIONED TO THE HIGHEST BIDDER; PROVIDING A REQUIRED OPENING BID AT TAX DEED AUCTION THAT INCLUDES HALF THE ASSESSED VALUE OF THE PROPERTY; PROVIDING THAT THE TRUE PROPERTY OWNER AND LIENHOLDERS OF A TAX DEED AUCTIONED PROPERTY CAN REQUEST FUNDS IN EXCESS OF THE DIFFERENCE BETWEEN THE SALE PRICE AND THE OPENING BID; AMENDING SECTIONS 15-17-121, 15-18-112, 15-18-211, 15-18-212, 15-18-213, 15-18-214, 15-18-215, 15-18-216, 15-18-217, 15-18-411, 15-18-412, 15-18-413, AND 70-9-803, MCA; AND PROVIDING AN IMMEDIATE EFFECTIVE DATE AND AN APPLICABILITY DATE.

### 2017

[House Bill 18](#) – Chapter Number Assigned -- AN ACT REVISING THE PROCESS FOR THE SALE OF A TAX LIEN AND ISSUANCE OF A TAX DEED FOR DELINQUENT TAXES; ELIMINATING THE TAX LIEN SALE; REQUIRING THE COUNTY TO ASSIGN A TAX LIEN TO AN ASSIGNEE WHO PAYS DELINQUENT TAXES; REVISING NOTIFICATION AND NOTICE REQUIREMENTS RELATED TO THE ATTACHMENT OF A TAX LIEN AND ISSUANCE OF A TAX DEED; REQUIRING A DELINQUENT TAXPAYER TO ONLY PAY THE PROPERTY TAXES CURRENTLY DUE BEFORE PAYING DELINQUENT TAXES; ALLOWING AN ASSIGNEE TO PAY SUBSEQUENT YEAR DELINQUENT TAXES ONLY AFTER THE TAXES ARE DELINQUENT;

ALLOWING CANCELLATION OF A TAX LIEN ATTACHED OR ASSIGNED IN ERROR; REVISING THE TIME PERIOD FOR WHICH REAL PROPERTY TAXES MUST BE DELINQUENT BEFORE THE COUNTY COMMISSION MAY CONSIDER CANCELLATION; REPEALING COUNTY TREASURER DUTIES RELATED TO COUNTY CONTRACTUAL OBLIGATIONS FOR SEED GRAIN, FEED, OR OTHER RELIEF; AMENDING SECTIONS 15-16-101, 15-16-102, 15-16-701, 15-17-121, 15-17-122, 15-17-123, 15-17-124, 15-17-131, 15-17-212, 15-17-317, 15-17-318, 15-17-320, 15-17-323, 15-17-324, 15-17-325, 15-17-326, 15-18-111, 15-18-112, 15-18-113, 15-18-114, 15-18-211, 15-18-212, 15-18-213, 15-18-214, 15-18-215, 15-18-216, 15-18-217, 15-18-218, 15-18-411, 15-18-412, 15-18-413, 39-3-501, 85-7-2136, 85-7-2152, 85-7-2155, 85-7-2156, 85-7-2157, 85-7-2158, 85-7-2159, 85-7-2162, 85-7-2163, AND 85-8-601, MCA; REPEALING SECTIONS 15-16-305, 15-17-211, 15-17-213, 15-17-214, AND 15-17-321, MCA; AND PROVIDING AN IMMEDIATE EFFECTIVE DATE AND APPLICABILITY DATES.

[House Bill 516](#) – Chapter Number Assigned -- AN ACT ALLOWING FOR A CIVIL ACTION TO COLLECT DELINQUENT PROPERTY TAXES; SPECIFYING WHO CAN BRING THE ACTION; ALLOWING FOR THE AWARDING OF ATTORNEY FEES; AND PROVIDING AN IMMEDIATE EFFECTIVE DATE AND AN APPLICABILITY DATE.

[House Bill 526](#) – (H) Died in Standing Committee -- AN ACT REVISING TAX LIEN AND TAX DEED LAWS; REQUIRING A COUNTY TREASURER TO SELL A PROPERTY FOR WHICH THE TAX LIEN WAS NOT REDEEMED; REQUIRING A PUBLIC AUCTION AND PROVIDING FOR A PRIVATE SALE IF THE PROPERTY DOES NOT SELL AT AUCTION; PROVIDING FOR MINIMUM SALE PRICES THAT MAY BE ACCEPTED; PROVIDING FOR THE DISTRIBUTION OF PROCEEDS FROM AN AUCTION OR PRIVATE SALE; ALLOWING A PROPERTY OWNER TO CONSENT TO THE SALE OF THE PROPERTY; PROVIDING FOR ISSUANCE OF A TAX DEED IF THE PROPERTY DOES NOT SELL WITHIN 1 YEAR OF EXPIRATION OF THE REDEMPTION PERIOD; REVISING THE REDEMPTION PERIOD; REVISING NOTIFICATION REQUIREMENTS; AMENDING SECTIONS 7-12-4184, 15-17-121, 15-17-212, 15-17-323, 15-18-111, 15-18-112, 15-18-211, 15-18-212, 15-18-213, 15-18-214, 15-18-215, 15-18-216, 15-18-217, 15-18-411, 15-18-413, 76-7-204, AND 77-2-315, MCA; AND PROVIDING AN APPLICABILITY DATE.

[Senate Bill 77](#) – Chapter Number Assigned -- AN ACT REVISING TITLE INSURANCE REQUIREMENTS IN TAX DEED LAWS; REVISING NOTICE REQUIREMENTS; AND AMENDING SECTION 15-18-212, MCA.

## 2015

[House Bill 172](#) – (H) Tabled in Committee -- AN ACT PROHIBITING A COUNTY TREASURER FROM INCLUDING IN A TAX LIEN SALE CERTAIN PROPERTY OWNED BY A SENIOR CITIZEN; AMENDING SECTIONS 15-17-122 AND 15-17-211, MCA.

[House Bill 417](#) – (H) Tabled in Committee -- AN ACT REVISING THE PROCESS FOR THE SALE OF A TAX LIEN AND ISSUANCE OF A TAX DEED FOR DELINQUENT TAXES WHEN THE DELINQUENT PROPERTY IS A PRINCIPAL RESIDENCE; REVISING THE INTEREST RATE PAYABLE ON TAX DELINQUENCIES ON PRINCIPAL RESIDENCES; ALLOWING INSTALLMENT PAYMENTS OF DELINQUENT TAXES ON PRINCIPAL RESIDENCES; PROVIDING FOR ADDITIONAL NOTIFICATION OF A TAX LIEN SALE FOR A PRINCIPAL RESIDENCE; EXTENDING RULEMAKING AUTHORITY; AMENDING SECTIONS 7-6-4414, 15-16-101, 15-16-102, 15-17-121, 15-17-122, 15-17-123, 15-17-131, 15-17-212, 15-17-318, 15-17-321, 15-17-322, 15-18-113, 15-18-114, 15-18-211, AND 15-18-212, MCA; AND PROVIDING AN EFFECTIVE DATE AND AN APPLICABILITY DATE.

[House Bill 621](#) – (H) Third Reading Failed -- AN ACT REVISING THE PROCESS FOR THE SALE OF A TAX LIEN AND ISSUANCE OF A TAX DEED FOR DELINQUENT TAXES WHEN THE DELINQUENT PROPERTY IS A PRINCIPAL RESIDENCE; REQUIRING NOTIFICATION BY A SHERIFF PRIOR TO ISSUANCE OF A TAX DEED; AMENDING SECTIONS 7-6-4414, 15-16-101, 15-16-102, 15-17-121, 15-17-318, 15-17-319, 15-17-320, 15-17-322, 15-17-323, 15-18-211, AND 15-18-212, MCA; AND PROVIDING AN EFFECTIVE DATE AND AN APPLICABILITY DATE.

## 2013

[House Bill 492](#) – (H) Died in Standing Committee -- AN ACT REQUIRING THE DEPARTMENT OF REVENUE TO GIVE A COPY OF A NOTICE OF PENDING TAX LIEN SALE TO THE COUNTY PUBLIC ADMINISTRATOR AND THE COUNTY ADULT PROTECTIVE SERVICE TEAM; REQUIRING THE COUNTY PUBLIC ADMINISTRATOR AND THE COUNTY ADULT PROTECTIVE SERVICE TEAM TO CONTACT A PERSON WHOSE PROPERTY IS SUBJECT TO A PENDING TAX LIEN SALE TO ENSURE THAT THE PERSON IS CAPABLE OF UNDERSTANDING THE TAX LIEN SALE PROCESS AND TO ENSURE THAT THE PERSON UNDERSTANDS THE OPTIONS AVAILABLE TO AVOID THE SALE; AMENDING SECTIONS 7-4-3004 AND 15-17-122, MCA; AND PROVIDING AN IMMEDIATE EFFECTIVE DATE.

[House Bill 500](#) – (H) Second Reading Not Passed -- 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.

[House Bill 526](#) – (H) Died in Standing Committee -- AN ACT REQUIRING THE COUNTY TREASURER TO ISSUE A FINAL NOTICE THAT A TAX DEED MAY BE ISSUED; PROVIDING THAT THE FINAL NOTICE IS ISSUED FOR A RESIDENTIAL PROPERTY WITH AN OWNER-OCCUPIED DWELLING; REQUIRING THE COUNTY SHERIFF TO DELIVER THE FINAL NOTICE AND A WRITTEN SUMMARY REGARDING THE COUNTY SHERIFF'S OBSERVATIONS TO THE COUNTY TREASURER; EXTENDING THE TIME OF REDEMPTION OF A PROPERTY TAX LIEN FOR AN OWNER AND CERTAIN INTERESTED PARTIES; AMENDING SECTIONS 15-18-111, 15-18-211, AND 15-18-212, MCA; AND PROVIDING AN APPLICABILITY DATE.

[House Bill 618](#) – (H) Died in Standing Committee -- AN ACT REVISING THE PROCESS FOR THE SALE OF A TAX LIEN AND ISSUANCE OF A TAX DEED FOR DELINQUENT TAXES WHEN THE DELINQUENT PROPERTY IS A PRINCIPAL RESIDENCE; REVISING THE INTEREST RATE PAYABLE ON TAX DELINQUENCIES ON PRINCIPAL RESIDENCES; ALLOWING INSTALLMENT PAYMENTS OF DELINQUENT TAXES ON PRINCIPAL RESIDENCES; PROVIDING FOR ADDITIONAL NOTIFICATION OF A TAX LIEN SALE FOR A PRINCIPAL RESIDENCE; AMENDING SECTIONS 15-16-101, 15-16-102, 15-17-121, 15-17-122, 15-17-123, 15-17-131, 15-17-212, 15-17-318, 15-17-319, 15-17-320, 15-17-321, 15-18-113, 15-18-114, 15-18-211, AND 15-18-212, MCA; AND PROVIDING AN EFFECTIVE DATE AND AN APPLICABILITY DATE.

[Senate Bill 22](#) – (S) Died in Standing Committee -- AN ACT REVISING THE LAW GOVERNING WARRANTS FOR DISTRRAINT; PROVIDING FOR THE FILING OF WARRANTS FOR DISTRRAINT WITH THE SECRETARY OF STATE BY ELECTRONIC MEANS; PROVIDING FOR THE FILING OF LIENS BY ELECTRONIC MEANS;

PROVIDING RULEMAKING AUTHORITY; AMENDING SECTIONS 15-1-701, 15-1-704, AND 15-1-706, MCA; AND PROVIDING AN EFFECTIVE DATE.

## 2011

[House Bill 640](#) – (H) Died in Standing Committee -- AN ACT PROVIDING THAT CERTAIN CLASS FOUR PROPERTY IS CONSIDERED IRREGULARLY ASSESSED FOR TAX LIEN PURPOSES; AMENDING SECTION 15-17-124, MCA; AND PROVIDING AN IMMEDIATE EFFECTIVE DATE AND A RETROACTIVE APPLICABILITY DATE.

## 2009

[Senate Bill 361](#) – Chapter Number Assigned -- AN ACT REVISING LAWS RELATING TO TAX LIENS; PROVIDING THAT A COUNTY TREASURER MAY ALLOW A PURCHASER OF A PROPERTY TAX LIEN TO USE AN AFFIDAVIT OF COSTS IN LIEU OF PRODUCING THE RECEIPTS OF COSTS; PROVIDING THAT THE NOTICE OF PAYMENT FOR A TAX LIEN SALE CERTIFICATE MAY NOT BE MADE MORE THAN 60 DAYS PRIOR TO THE DATE OF PAYMENT; AND AMENDING SECTIONS 15-17-121 AND 15-17-212, MCA.

[Senate Bill 467](#) – Chapter Number Assigned -- AN ACT REQUIRING THAT BEFORE A TAX DEED SALE MAY BE HELD A TITLE GUARANTEE MUST BE OBTAINED ON THE PROPERTY AND NOTICE MUST BE GIVEN TO ALL PARTIES, OTHER THAN UTILITIES, LISTED ON THE TITLE GUARANTEE; AND AMENDING SECTIONS 15-18-212, 15-18-213, AND 15-18-216, MCA.

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