

Summary of Changes Contained in Draft Bills to Revise Tax Lien and Tax Deed Process

Prepared for Revenue and Transportation Interim Committee

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	LC Number	Bill Section Number	MCA Section	Comments
Recommendations Submitted in June				
1. Eliminate the tax lien sale in its entirety and allow the county to take the tax lien and then offer the assignment for sale later in the month	Lctl01	Sections 5, 9, and 42	15-17-122, 15-17-212; repeal of 15-17-211, 15-17-213, 15-17-214, 15-17-321	
2. Make the courtesy July delinquent letter mandatory prior to the county placing the tax lien on the property	Lctl01	Section 9	15-17-212(4)	
3. Define dates certain wherever possible throughout this section of code	Lctl01	Sections 13, 17, 22	15-17-323(1), 15-17-323(5), 15-18-111, 15-18-212	
4. Move the notice of assignment form from DOR rules into statute. This would remove DOR from the tax deed/lien process entirely and allow the Legislature to control how the information in this letter is presented to the delinquent taxpayer	Lctl01	Sections 9, 13	15-17-212, 15-17-323	
5. Remove the requirement to send redemption money certified mail	Lctl01	Section 20	15-18-114	
6. Make minor clarifications to assignment of rights form to clarify how the clerks and treasurers handle the paperwork and make it more streamlined and simpler to understand	Lctl01	Section 13	15-17-323	
7. Change the language to allow a delinquent taxpayer to get caught up if they only pay what is currently due, i.e. if they pay November's taxes and then want to get caught up on all their back taxes in January, they can do so without paying the taxes due in May	Lctl01	Section 2	15-16-102	

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Recommendations Submitted in June, Continued				
8. Clarify that a tax lien investor may pay subsequent taxes on property for which they hold a lien but ONLY after the taxpayer is delinquent on those taxes	LCtl01	Section 18	15-18-112	
9. Clarify "litigation" guarantee with input from the title companies.	None			Determined to be an isolated issue and removed from recommendations
10. Add language that the redemption fee must be issued by the county treasurer within 30 days.	LCtl01	Section 20	15-18-114	
11. Rewrite the statutory notices to make them more understandable and eliminate the language that the notice must be <i>substantially</i> similar and make it mandatory to use the statutory language	LCtl01	Sections 13, 19, 23, 25, 26, 27	15-17-323, 15-18-113, 15-18-213, 15-18-215, 15-18-216, 15-18-217	
Other Recommendations, Including Requests by Committee and Requests Arising During Drafting and Review Process				
12. Committee request for recommendation to address situation in which more than one person seeks an assignment	LCtl02	Section 1	15-17-323	
13. Standardize public notice requirements to reference county publication and content of notice statute	LCtl01	Sections 1, 5, 20, 22, 26, 29, 31	15-16-101, 15-17-122, 15-18-114, 15-18-212, 15-18-216, 15-18-411, 15-18-413	
14. Allow cancellation of a tax lien attached or assigned in error	LCtl01	Section 16	15-17-326	
15. Change time period for which real property taxes must be delinquent before the county commission can consider cancellation (from 10 years to 5 years)	LCtl01	Section 3	15-16-701	Cancellation provision is contained in 15-16-702

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Other Recommendations, Including Requests by Committee and Requests Arising During Drafting and Review Process, Continued				
16. Change the provision requiring county treasurers to notify assignees who failed to file proof of notice of pending assignment of tax deed to a provision requiring county treasurers to notify all assignees of their obligation to provide notice of a pending assignment of a tax deed	LCtl01	Section 22(3)(a)	15-18-212(3)(a)	
17. Require assignee to provide notice (in the newspaper or by posting) of a pending issuance of a tax deed for all pending tax deeds.	LCtl01	Section 22(5)	15-18-212(5)	Current law only requires a published notice if the address of an interested party is unknown. The letter to interested parties with known addresses would still be required.