

1 HOUSE BILL NO. 830  
2 INTRODUCED BY G. NIKOLAKAKOS, L. JONES, M. HOPKINS, J. KARLEN

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4 A BILL FOR AN ACT ENTITLED: "AN ACT PROVIDING FOR AN ALTERNATIVE PAYMENT SCHEDULE FOR  
5 PROPERTY TAXES; PROVIDING THAT OWNERS OF PRIMARY RESIDENCES MAY ENTER INTO AN  
6 AGREEMENT TO PAY PROPERTY TAXES IN SEVEN EQUAL PAYMENTS; PROVIDING APPLICATION  
7 DEADLINES; PROVIDING A DEFINITION; PROVIDING AN APPROPRIATION; AMENDING SECTIONS 15-  
8 16-102 AND 15-16-103, MCA; AND PROVIDING AN APPLICABILITY DATE."

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

11  
12 NEW SECTION. Section 1. Alternative payment schedule for primary residences. (1) At the  
13 request of the owner of a primary residence, a county treasurer shall enter into a written agreement with the  
14 owner for the payment of current property taxes on an alternative payment schedule of seven payments as  
15 provided in 15-16-102(2)(b) and this section.

16 (2) To pay property taxes on the alternative payment schedule, the owner of a primary residence  
17 shall apply on forms provided by the county treasurer. The application must include a sworn statement, under  
18 penalty of false swearing provided for in 45-7-202, that the property is a primary residence.

19 (3) Application must be made by September 30 for enrollment in the current year. When enrolled in  
20 the alternative payment schedule, the owner remains enrolled until the owner provides a written request to  
21 terminate the alternative payment schedule. Requests to terminate the alternative payment schedule must be  
22 made before September 30 to apply to the current year. Termination requests made after September 30 will  
23 apply to payments for the next tax year.

24 (4) A county treasurer may require enrollment in an automated payment program as a condition of  
25 enrollment in the alternative payment schedule.

26 (5) A property owner enrolled in the alternative payment schedule may pay taxes before the due  
27 dates provided for in 15-16-102(2)(b). The county treasurer may not accept a payment under the alternative  
28 payment schedule from a third-party escrow service, lender, or mortgage company.

1 (6) As provided in this section, the following definition applies:

2 (a) "Primary residence" means a single-family dwelling unit, unit of a multiple-unit dwelling, trailer,  
3 manufactured home, or mobile home and the surrounding land classified as class four residential property that  
4 was owned and occupied by the taxpayer for at least 7 months of the year.

5 (b) The term does not include a dwelling that is not on a permanent foundation and that is  
6 classified by the department of revenue as personal property.

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8 **Section 2.** Section 15-16-102, MCA, is amended to read:

9 **"15-16-102. Time for payment -- penalty for delinquency.** (1) Unless suspended or cancelled under  
10 the provisions of 10-1-606, 15-23-708, or Title 15, chapter 24, part 17, all taxes levied and assessed in the state  
11 of Montana, except assessments made for special improvements in cities and towns payable under 15-16-103,  
12 are payable as follows: provided in this section.

13 (1)(2) (a) One-half Except as provided in subsection (2)(b), one-half of the taxes are payable on or  
14 before 5 p.m. on November 30 of each year or within 30 days after the tax notice is postmarked, whichever is  
15 later, and one-half are payable on or before 5 p.m. on May 31 of each year.

16 (b) For a taxpayer enrolled in the alternative payment schedule for primary residences provided for  
17 in [section 1], one-seventh of the taxes must be paid on or before 5 p.m. on the last day of each month  
18 beginning on November 30 and ending on May 31 provided that the full amount of the taxes payable is made  
19 by 5 p.m. on May 31 of each year. The seven monthly payments must be equal and are due on November 30,  
20 December 31, January 31, February 28, March 31, April 30, and May 31.

21 (2)(3) (a) (i) Unless Except as provided in subsection (3)(a)(ii), unless one-half of the taxes are paid  
22 on or before 5 p.m. on November 30 of each year or within 30 days after the tax notice is postmarked,  
23 whichever is later, the amount payable is delinquent and draws interest at the rate of 5/6 of 1% a month from  
24 and after the delinquency until paid and 2% must be added to the delinquent taxes as a penalty.

25 (ii) For a taxpayer enrolled in the alternative payment schedule for primary residences provided for  
26 in [section 1], unless one-seventh of the taxes are paid on or before 5 p.m. on November 30 of each year or  
27 within 30 days after the tax notice is postmarked, whichever is later, the amount payable is delinquent and  
28 draws interest and penalty as provided in subsection (3)(a)(i).