

HOUSE BILL NO. 956

INTRODUCED BY J. CARLSON, G. HERTZ

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A BILL FOR AN ACT ENTITLED: "AN ACT REVISING PROPERTY TAX PAYMENTS TO ALLOW DELINQUENT PROPERTY TAXES TO BE PAID WITHOUT PAYING CURRENT YEAR TAXES; PROVIDING AN APPROPRIATION; AND AMENDING SECTION 15-16-102, MCA."

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

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

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

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

(2) Unless one-half of the taxes are paid on or before 5 p.m. on November 30 of each year or within 30 days after the tax notice is postmarked, whichever is later, the amount payable is delinquent and draws 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 delinquent taxes as a penalty.

(3) All taxes due and not paid on or before 5 p.m. on May 31 of each year are delinquent and draw 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 delinquent taxes as a penalty.

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

(b) If taxes on property qualifying under the property tax assistance program provided for in 15-6-305 are paid within 20 calendar days of the date on which the taxes are due, the taxes may be paid without

1 penalty or interest. If a tax payment is made later than 20 days after the taxes were due, the penalty must be  
2 paid and interest accrues from the date on which the taxes were due.

3 (5) (a) A taxpayer may pay current year taxes without paying delinquent taxes. ~~The county~~  
4 ~~treasurer shall accept a partial payment equal to the delinquent taxes, including penalty and interest, for one or~~  
5 ~~more full tax years if taxes currently due for the current tax year have been paid.~~ Payment of taxes for  
6 delinquent taxes must be applied to the taxes that have been delinquent the longest. The payment of taxes for  
7 the current tax year is not a redemption of the property tax lien for any delinquent tax year.

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

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

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

14 (8) The county treasurer may accept a partial payment of centrally assessed property taxes as  
15 provided in 76-3-207."  
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17 **NEW SECTION. Section 2. Appropriation.** There is appropriated \$500 from the general fund to the  
18 department of administration for the biennium beginning July 1, 2023, to notify counties of the change in  
19 property tax payment procedure provided for in [section 1].

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