

1 HOUSE BILL NO. 515
2 INTRODUCED BY J. CARLSON

3
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~~; AMENDING SECTIONS 7-12-4188, 15-16-101, 15-16-
7 102, 15-16-103, AND 15-18-112, MCA; AND PROVIDING AN IMMEDIATE EFFECTIVE DATE AND AN
8 APPLICABILITY DATE."

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

11
12 **Section 1.** Section 7-12-4188, MCA, is amended to read:

13 **"7-12-4188. Due date for district assessments.** (1) All special assessments or installments of
14 special assessments in cities and towns, duly and regularly levied by resolution according to law, shall be
15 payable in installments as follows:

16 (a) one-half of the payment on or before ~~5 p.m. on~~ November 30 of each year; and

17 (b) one-half of the payment on or before ~~5 p.m. on~~ May 31 of the following year.

18 (2) In the event the same are not paid on or before said dates, the same shall be subject to the
19 same interest and penalties for nonpayment as delinquent property taxes under 15-16-102."

20
21 **Section 2.** Section 15-16-101, MCA, is amended to read:

22 **"15-16-101. Treasurer to publish notice -- manner of publication.** (1) Within 10 days after the
23 receipt of the property tax record, the county treasurer shall publish a notice specifying:

24 (a) that one-half of all taxes levied and assessed will be due and payable ~~before 5 p.m. on~~ the next
25 November 30 or within 30 days after the notice is postmarked and that unless paid prior to that time the amount
26 then due will be delinquent and will draw interest at the rate of 5/6 of 1% a month from the time of delinquency
27 until paid and 2% will be added to the delinquent taxes as a penalty;

Amendment - 2nd Reading-yellow - Requested by: Jennifer Carlson - (H) Committee of the Whole

- 2023

68th Legislature 2023

Drafter: Megan Moore, 406-444-4496

HB0515.001.002

1 notices does not relieve the taxpayer from any tax liability. Any failure to give notice of the tax due for the
2 current year or of delinquent tax will not affect the legality of the tax.

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

5

6 **Section 3.** Section 15-16-102, MCA, is amended to read:

7 **"15-16-102. Time for payment -- penalty for delinquency.** Unless suspended or cancelled under
8 the provisions of 10-1-606, 15-23-708, or Title 15, chapter 24, part 17, all taxes levied and assessed in the state
9 of Montana, except assessments made for special improvements in cities and towns payable under 15-16-103,
10 are payable as follows:

11 (1) One-half of the taxes are payable ~~on or before 5 p.m.~~ on November 30 of each year or within
12 30 days after the tax notice is postmarked, whichever is later, and one-half are payable ~~on or before 5 p.m.~~ on
13 May 31 of each year.

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

18 (3) All taxes due and not paid on or before ~~5 p.m.~~ on May 31 of each year are delinquent and draw
19 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
20 delinquent taxes as a penalty.

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

23 (b) If taxes on property qualifying under the property tax assistance program provided for in 15-6-
24 305 are paid within 20 calendar days of the date on which the taxes are due, the taxes may be paid without
25 penalty or interest. If a tax payment is made later than 20 days after the taxes were due, the penalty must be
26 paid and interest accrues from the date on which the taxes were due.

27 (5) (a) ~~A taxpayer may pay current year taxes without paying delinquent taxes.~~ **The county**

Amendment - 2nd Reading-yellow - Requested by: Jennifer Carlson - (H) Committee of the Whole

- 2023

68th Legislature 2023

Drafter: Megan Moore, 406-444-4496

HB0515.001.002

1 ~~treasurer shall accept a partial payment~~ equal to the delinquent taxes, including penalty and interest, for one or
2 more full tax years if taxes currently due for the current tax year have been paid for current year taxes or
3 delinquent taxes. A partial payment may not be less than the greater of \$25 or 10% of the total amount of tax
4 billed for the tax year to which the partial payment is applied plus penalty and interest. A partial payment must
5 be credited to the tax year for which the payment is made, and penalty and interest must be computed only on
6 the tax remaining unpaid. Payment of taxes for delinquent taxes must be applied to the taxes that have been
7 delinquent the longest oldest unpaid taxes due, by tax year and due date. A taxpayer may pay current year
8 taxes without paying delinquent taxes. Payment of taxes for delinquent taxes must be applied to the taxes that
9 have been delinquent the longest. The payment of taxes for the current tax year is not a redemption of the
10 property tax lien for any delinquent tax year.

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

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

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

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

19
20 **Section 4.** Section 15-16-103, MCA, is amended to read:

21 **"15-16-103. Special improvement districts with annual interest payments -- collection of**
22 **special assessments for all special improvements.** (1) Special assessments or installments of special
23 assessments made for special improvements in towns and cities, the bonds for which annual interest payments
24 have been specified and that were issued after July 1, 1981, and that have been duly and regularly made and
25 levied by resolution according to law, shall be payable as follows:

26 (a) One-half of the taxes are payable on or before ~~5 p.m. on~~ November 30 of each year. If the
27 taxes are not paid on or before that date, they are subject to the same interest and penalty for nonpayment as