

Tax Deed/Lien Study Committee

Review

Revenue & Transportation Interim Committee

June 9, 2016

We identified problems we felt needed to be addressed. These were:

1. Letters going out to tax payers so early that they may not even be delinquent when they receive the tax deed purchase letter.
2. The mixture of 'filing vs recording' thru out the code -
3. Cleaning up the time line in order to reduce confusion and chances of mistake
4. Eliminating unnecessary steps of passing paperwork in the process
5. Making MCA 15-16-102 – property owner redemptions – easier to understand
6. Adding more notification to tax payers

The committee then came up with the following proposals:

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.
2. Make the courtesy July delinquent letter a mandatory letter prior to the county placing the tax lien on the property.
3. Define dates certain where ever possible throughout this section of code
4. Move the notice of assignment form from the 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.
5. Remove the requirement to send redemption money certified mail.
6. Making some minor clarifications to MCA 15-17-323 assignment of rights form to clarify how the clerks and treasurers handle the paperwork and make it more streamlined and simpler to understand.
7. Change the language to allow a delinquent taxpayer ton 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.
8. Clarify that a tax lien investor may pay subsequent taxes on property where they already hold a lien but **ONLY** after the taxpayer is delinquent on those taxes.
9. Clarify "litigation" guarantee with input from the title companies.
10. Add language that the redemption fee must be issued by the county treasurer within 30 days.
11. Re-write the statutory notices to make them more understandable and eliminate the language that the notice must be *substantially* similar and make it **mandatory** to use the statutory language.