

SENATE BILL NO. 461

INTRODUCED BY D. SALOMON, D. BEDEY, J. SMALL, W. SALES, S. FITZPATRICK, J. FITZPATRICK, J. KASSMIER

A BILL FOR AN ACT ENTITLED: "AN ACT REVISING THE COLLECTION OF IRRIGATION DISTRICT LEVIES AND TAXES; PROVIDING THAT A COUNTY TREASURY SHALL PAY FOR UNCOLLECTED AND UNRECEIVED IRRIGATION DISTRICT LEVIES AND TAXES; REVISING THE LEVY OF TAXES AND ASSESSMENTS BY COUNTY COMMISSIONERS; REVISING THE COLLECTION OF TAXES OR ASSESSMENTS; AMENDING SECTIONS 85-7-2134, 85-7-2136, AND 85-7-2137, MCA; AND PROVIDING AN APPLICABILITY DATE."

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

Section 1. Section 85-7-2134, MCA, is amended to read:

"85-7-2134. Levy of taxes and assessments by county commissioners. If for any reason a levy of taxes or assessments under 85-7-2104 is not made for any irrigation district in any year by the board of commissioners of the district within the time provided by 85-7-2104, the board of county commissioners of the county in which the district is situated shall, not later than the second Monday in August, ascertain-determine the total amount to be raised for all purposes of the district. The board of county commissioners shall make the levy pursuant to 85-7-2104 that should have been made by the board of commissioners of the district and shall furnish the county clerk with a list of the lands and the amount of taxes or assessments as provided in 85-7-2136. The levy has the same force and effect as though made by the board of commissioners of the district. This section applies only to irrigation districts having a bonded indebtedness and actually in possession of a dependable water supply system and furnishing substantial amounts of water to bona fide users."

Section 2. Section 85-7-2136, MCA, is amended to read:

"85-7-2136. Collection of taxes or assessment. (1) On or before the third Monday in August of each year, the board of commissioners or the operator of the irrigation works supplying the district shall furnish to the

1 department of revenue a correct list of all the district lands in the county, together with the amount of the total
 2 taxes or assessments against the lands for district purposes. The department of revenue shall immediately
 3 upon receipt of the list enter the assessment roll in the property tax record of the county subject to taxation or
 4 assessment under 85-7-2104 for each year.

5 (2) The county treasurer of each county in which any irrigation district is located, in whole or in
 6 part, shall collect and receipt for all taxes and assessments levied by the district, in the same manner and at the
 7 same time as is required in the collection of taxes upon real estate for county purposes as provided in 15-16-
 8 102. The treasurer must receive from any taxpayer, at any time, the amount due on account of any district
 9 assessments of any kind, whether other taxes on the same real estate are paid or not.

10 (3) During the water delivery season, as determined by the irrigation district commissioners, the
 11 county treasurer shall make available to the board of commissioners of an irrigation district notice of the receipt
 12 of payments of district assessments by 9 a.m. on the day following receipt of those payments.

13 (4) If requested in writing by a board of commissioners of an irrigation district, the county treasurer
 14 may receive assistance from an employee of the irrigation district or a commissioner of the district for the
 15 purpose of collecting district assessments as provided in 15-16-102, investing district funds as directed by the
 16 board of commissioners of the district, and preparing district assessment notices.

17 (5) When any real estate on account of which the district taxes and assessments have been levied
 18 has been sold to the county and a tax lien certificate is held by the county, the taxpayer may pay to the
 19 treasurer at any time any semiannual installment of the district tax or assessment, together with the penalty and
 20 interest to date of payment on the installment. However, the payment may not be considered a redemption of
 21 the property from the tax lien but must be credited on account of any redemption that may be made. In case of
 22 any payment pursuant to this subsection, a separate tax receipt must be issued showing exactly what
 23 assessments have been paid and showing that no other tax on the real estate has been received by the
 24 treasurer. The county treasurer may not collect, receive, or receipt for any taxes levied for county purposes
 25 upon real estate situated wholly or in part within any irrigation district upon which an assessment for the
 26 purposes of the irrigation district has been levied unless the assessment levied for irrigation district purposes is
 27 either paid as permitted in this section and the receipt for the payment is presented to the county treasurer at
 28 the time the taxes are paid or paid at the time the irrigation district taxes are paid."

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2 **Section 3.** Section 85-7-2137, MCA, is amended to read:

3 **"85-7-2137. Failure to levy or collect tax or assessment.** ~~In the event that~~ If a county treasurer for
4 any reason fails to levy or collect a special tax or assessment provided for in 85-7-2136, ~~cannot or may not be~~
5 ~~levied and collected in time to meet any interest falling due on any bonds issued, the board of commissioners~~
6 ~~shall provide for and pay such interest when due, either out of any of the funds in hand in the treasury of the~~
7 ~~district not otherwise appropriated or by warrants drawn against the next district tax or assessment levied or to~~
8 ~~be levied. These warrants shall be in addition to those mentioned in 85-7-2004~~ the board of county
9 commissioners shall provide for and pay the amount due to the district out of the county treasury. This section
10 does not apply to an unpaid special tax or assessment."

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12 NEW SECTION. **Section 4. Notification to tribal governments.** The secretary of state shall send a
13 copy of [this act] to each federally recognized tribal government in Montana.

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15 NEW SECTION. **Section 5. Applicability.** [This act] applies to property tax years beginning after
16 December 31, 2023.

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