

DELINQUENT TAXES, TAX LIENS, ASSIGNMENTS & TAX DEEDS

The following is a brief outline and timeline for Delinquent Taxes, Tax Liens, and the Assignment process for real property. Blaine County does not offer legal advice to taxpayers or to the purchasers of tax liens. YOU are responsible for using the applicable laws and retaining legal counsel. The Montana Code Annotated is located online at <https://leg.mt.gov/bills/mca/index.html>

DELINQUENT TAXES: Taxes become delinquent on the day after the listed due date on your tax bill. All payments made or postmarked after the due date(s) on the tax bill are considered delinquent, and a 2% penalty is charged. Per Montana Code Annotated (MCA) Section 15-16-102, interest is charged at the rate of 5/6 of 1% per month until paid (interest accrues daily).

Blaine County sends a courtesy delinquent notice after the 1st half of property taxes become delinquent. After the second half of property taxes becomes delinquent, Blaine County places an ad in the Blaine County Journal advising delinquent taxpayers about the possibility that a lien could be placed on their property. Two weeks before the first working day in August, Blaine County mails a Pending Tax Lien notice to each delinquent taxpayer.

Please make sure the MT Department of Revenue (DOR) has the correct mailing address on file for you. It is the property owner's responsibility to update their mailing address with the DOR. Blaine County is serviced by the DOR office in Havre and can be reached at 406-808-7247.

TAX LIENS: If real property taxes become delinquent and remain so before the first working day in August, the Blaine County Treasurer must attach a tax lien to the property per MCA 15-17-125. The tax lien is filed with the Blaine County Clerk & Recorder and a copy of the tax lien certificate is mailed to the owner of record. A list of all parcels with liens is available for inspection in the Blaine County Treasurer's office, and the list can be emailed for free or printed for \$0.25 per page.

ASSIGNMENTS: If the taxes remain unpaid by August 31st, another person (assignee), after following the steps outlined in MCA 15-17-323, can take an "Assignment" on the property by paying all taxes, penalty, interest and costs, which transfers the lien from the County to the assignee.

TIMELINE FOR ASSIGNMENTS:

June 1 – July 31: If an assignment has been taken for any previous year's taxes, an assignee can pay the subsequent delinquent taxes on existing tax liens/assignments before a new

tax lien is attached. If the property is part of the Property Tax Assistance Program, payment of subsequent taxes will have to wait until June 21 (21 days past the due date).

August 1: The first working day in August, all real properties with taxes that remain delinquent will have a tax lien attached by the County. Those liens are then open to anyone to purchase as an Assignment, following the steps outlined below. A list of the delinquent parcels with tax liens is made available for potential assignees. If the owner pays the delinquent taxes, a redemption certificate is filed with the Clerk & Recorder, releasing the lien.

August 15: Before making a payment, a prospective assignee must send a Notice of Pending Assignment as required by MCA 15-17-125 and 15-17-323, by certified mail, to the person to whom the property was assessed. The notice must have been mailed at least two weeks before the payment date but not earlier than August 15 and not more than 60 days before purchasing the assignment. The person making the payment shall provide proof of mailing to the Blaine County Treasurer. A certified mailing receipt lacking either an address or a postmark is insufficient proof. When paying for the assignment, the assignee must submit payment for the delinquent taxes, penalty, interest and a \$25 Assignment fee. A receipt and a Certificate of Assignment is mailed to the assignee.

REDEMPTION PERIOD: Once a property tax lien is under assignment, the owner of the property or interested party has a redemption period of 3 years from the date the oldest tax lien was attached if the property has a habitable dwelling or commercial structure, or 2 years from the date the tax lien attachment if the property does not have a dwelling or commercial structure.

TAX DEED: If a parcel under assignment is not redeemed by the owner or interested party during the Redemption Period, the assignee may begin the process of obtaining a Tax Deed. Briefly outlined, the assignee must have a Litigation Guarantee from the title company and send a Notice That a Tax Deed May Be Issued to each interested party identified in the title report by certified mail with return receipt. The Notice must also be published in the local newspaper once a week for two weeks. Submit proof and all paid receipts to the Treasurer, and file Proof of Notice with the Clerk & Recorder within 30 days of mailing and publishing. After the first working day of August, the Blaine County Treasurer will issue tax deeds to assignees. The Tax Deed fee is \$25 and the assignee also pays a minimum of \$20 for recording.

REMINDER: The processes outlined above are only meant to provide a general overview of delinquent taxes, tax liens, and tax deeds in Blaine County. We strongly encourage anyone interested in Tax Deeds to obtain legal assistance before investing in this process.