

## Fiscal Note 2027 Biennium

Bill#/Title:	HB0420.01: R	1: Revise tax lien and deed laws and provide equity threshold			
Primary Sponsor:	Kerri Seekins-C	Crowe	Status:	As Introduced	
☐ Included in the Executive Budget		☐ Needs to be included in HB 2		☑ Significant Local Gov Impact	
☐ Significant Long-Term Impacts		☐ Technical Concerns		☐ Dedicated Revenue Form Attached	
		FISCAL SU	JMMARY		
		FY 2026 Difference	FY 2027 Difference	FY 2028 Difference	FY 2029 Difference
Expenditures General Fund (01	)	\$0	\$0	\$0	\$0
Revenues General Fund (01	)	\$0	\$0	\$0	\$0
Net Impact General Fund Ba	alance	<u>\$0</u>	\$0	\$0	\$0

### **Description of fiscal impact**

HB 420 has no fiscal impact to the state. The bill changes the delinquency assignment and tax deed process for county Treasurers, including adding a threshold prior to taking a tax deed

#### **FISCAL ANALYSIS**

#### **Assumptions**

#### **Department of Revenue**

- 1. HB 420 revises several laws relating to tax liens and tax deeds.
- 2. These are legal functions to ensure payment of property taxes. These functions are executed by the county treasurers, as they are the collectors of property taxes.
- 3. HB 420 creates a new criteria for tax lien placement of 2% of current market value assessment for a property.
- 4. It is possible that counties would contact the Department of Revenue for these calculations, but in general the most current available valuation is already available to them through county billing software.
- 5. Any assistance from the department to counties in determining market value is assumed to be infrequent and therefore will be absorbed by the department.
- 6. There may be timing differences with payment of delinquent taxes based on the changes in HB 420, but these differences are expected to be de minimis.

#### **MACO**

7. Counties currently receive the amount owed for back taxes under current law. While this bill changes the

## Fiscal Note Request - As Introduced

(continued)

process, the county still only receives delinquent taxes under this bill unless the minimum threshold isn't met. Even in those circumstances the impact is negligible.

# **Effect on County or Other Local Revenues or Expenditures Department of Revenue**

1. HB 420 expands the list of required recipients of the notice of tax lien and tax deed which increases mailing costs for county treasurers.

Sponsor's Initials

2-13·202S

**Budget Director's Initials** 

2/12/2025

Date