



GOVERNOR'S OFFICE OF
BUDGET AND PROGRAM PLANNING

Fiscal Note 2027 Biennium

Bill#/Title: HB0420.01: Revise tax lien and deed laws and provide equity threshold

Primary Sponsor: Kerri Seekins-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 SUMMARY

	<u>FY 2026 Difference</u>	<u>FY 2027 Difference</u>	<u>FY 2028 Difference</u>	<u>FY 2029 Difference</u>
Expenditures				
General Fund (01)	\$0	\$0	\$0	\$0
Revenues				
General Fund (01)	\$0	\$0	\$0	\$0
Net Impact	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
General Fund Balance	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

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 *minimis*.

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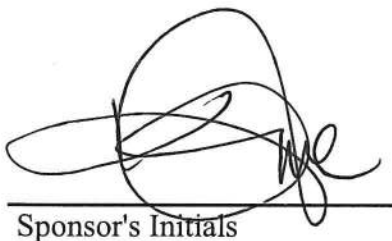
7. Counties currently receive the amount owed for back taxes under current law. While this bill changes the

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

2-13-2025

Date



Budget Director's Initials

2/12/2025

Date