

02-03-2025

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# Memo

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**TO**  
City Clerk

**FROM**  
City Attorney

**CC**  
None

**RE**  
Tax Lien Auction  
Procedure

Jessie:

You had asked that I draft a memo explaining the process by which City assessments for nuisance remediation and similar charges are attached to property.

Prior to August of every year, the City Treasurer delivers a list of unpaid assessments to the County Treasurer. Every August 1, the Richland County Treasurer sends notice to property owners who have delinquent property taxes. If those taxes are not paid, a tax lien attaches to the property. Once the lien attaches, the County Commissioners can direct the Treasurer to auction off the property. If they don't, there is a method by which a private person can compel an auction by becoming the assignee of the tax lien. This process is set out in MCA 15-17-323, but it really doesn't matter for our present purposes, as the end result, the public auction, is the same. The property owner has a three year right of redemption for residential property, in which they can redeem their property by paying the lien amount owed, so the County is unlikely to auction anything off until after this time has elapsed.

When Richland County auctions a piece of property for back taxes, the County has to start the bidding with a minimum price set by MCA 15-18-220. That price is equal to the taxes owed, any assessments owed, plus half the assessed value of the land. The County cannot accept a lower bid than this amount, so in any scenario where the City levies on land, the City will receive the money it is owed, unless there are no bidders on the property. If there are not, the City can choose to purchase the lot for the amount owed, minus any assessments (MCA 15-17-317).