HLS 12RS-933 ORIGINAL

Regular Session, 2012

HOUSE BILL NO. 427

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BY REPRESENTATIVE ARNOLD

TAX/AD VALOREM TAX: Changes the liability for the payment of taxes during the redemptive period after a tax sale

AN ACT

2 To amend and reenact R.S. 47:2161 and to enact R.S. 47:2164, relative to ad valorem taxes; 3 to require the payment of ad valorem taxes during the redemptive period after a tax 4 sale; to provide for the liability for the payment of such taxes; and to provide for 5 related matters. 6 Be it enacted by the Legislature of Louisiana: 7 Section 1. R.S. 47:2161 is hereby amended and reenacted and R.S. 47:2164 is hereby 8 enacted, to read as follows: 9 §2161. Tax sale Post-sale assessment; title; payment of taxes by purchaser; 10 improvements by tax sale purchaser 11 A. From the date of filing a tax sale certificate selling tax sale title to a tax 12 sale purchaser, all taxes on the property shall, after that date, be assessed to and paid 13 by the tax sale purchaser until the property, or any part, is redeemed. If redeemed, 14 the person redeeming shall pay all statutory impositions assessed upon the property 15 subsequent to the tax sale. The failure to assess the property in the name of the tax 16 sale purchaser shall not affect the validity of the tax sale. Tax sale property shall 17 remain assessed in the name of and taxes paid by the tax debtor, or if transferred, the 18 new or current owner, during the period allowed for redemption.

1	B. Upon the expiration of the period allowed for redemption, tax sale
2	property shall be assessed in the name of and taxes paid by the tax sale purchaser.
3	Failure to assess the property in the name of the tax sale purchaser at that time shall
4	not affect the validity of the tax sale, nor extend the period allowed for redemption.
5	$\underline{C}$ . (1) Notwithstanding any other provision of law to the contrary, in the city
6	of New Orleans, if a tax sale purchaser has made improvements to abandoned or
7	blighted property, as defined in R.S. 19:136.1, in order to bring the property into
8	compliance with one or more municipal code ordinances prior to the property being
9	redeemed, the person redeeming the property shall reimburse the tax sale purchaser
10	for the costs of improvements required to bring the property into compliance with
11	any such ordinances. The maximum amount of reimbursement for improvements
12	shall be fifteen hundred dollars for abandoned property and three thousand dollars
13	for blighted property. The maximum amount shall be per property per year.
14	(2) In order to receive reimbursement for the costs of improvements, the tax
15	sale purchaser shall be required to file an affidavit and receipts in the mortgage
16	records of the parish documenting the costs of such improvements within sixty days
17	after receiving notice of redemption.
18	(3) The failure by a person redeeming property to reimburse a tax sale
19	purchaser for improvements made in accordance with the provisions of Paragraph
20	(1) of this Subsection shall not terminate or otherwise impair in any way the right of
21	any such person to redeem his property pursuant to the provisions of this Section.
22	* * *
23	§2164. Liability of tax sale purchaser
24	During the period allowed for redemption, the tax sale purchaser shall not be
25	liable for the tax sale property, except with regard to properties subject to a writ of
26	possession as provided in R.S. 47:2158.

## **DIGEST**

The digest printed below was prepared by House Legislative Services. It constitutes no part of the legislative instrument. The keyword, one-liner, abstract, and digest do not constitute part of the law or proof or indicia of legislative intent. [R.S. 1:13(B) and 24:177(E)]

Arnold HB No. 427

**Abstract:** Changes the liability for the payment of ad valorem tax after tax sale from the tax sale purchaser to the tax debtor.

<u>Present law</u> requires that after a tax sale, the tax sale purchaser shall pay the taxes on a property until the property is redeemed by the tax debtor.

<u>Proposed law</u> changes <u>present law</u> providing that after a tax sale and through the end of the redemption period the property shall remain assessed in the name of and property taxes paid by the tax debtor or, if transferred, the new owner. Upon the expiration of the redemption period, the property shall be assessed in the name of and taxes paid by the tax sale purchaser.

<u>Proposed law</u> limits the liability of a tax sale purchaser during the redemption period.

(Amends R.S. 47:2161; Adds R.S. 47:2164)