

Regular Session, 2012

HOUSE BILL NO. 605

BY REPRESENTATIVE ARNOLD

TAX/PROPERTY: Provides with respect to procedures and notifications required for tax sales

1 AN ACT

2 To amend and reenact R.S. 47:2126, 2153(A), (B)(1)(a) and (C), 2154, and 2286, to enact  
3 R.S. 47:1993(D)(3) and 2153(B)(8), and to repeal R.S. 47:2122(10) and 2156,  
4 relative to ad valorem tax; to provide with respect to property subject to tax sale; to  
5 require assessors to compile certain information relative to transferred property; to  
6 provide relative to information included on tax rolls; to provide for tax sale  
7 procedures and notifications; to provide for the assessment of property sold at a tax  
8 sale; to repeal the right to a redemption nullity for a tax debtor; and to provide for  
9 related matters.

10 Be it enacted by the Legislature of Louisiana:

11 Section 1. R.S. 47:2126, 2153(A), (B)(1)(a), and (C), 2154, and 2286 are hereby  
12 amended and reenacted and R.S. 47:1993(D)(3) and 2153(B)(8) are hereby enacted to read  
13 as follows:

14 §1993. Preparation and filing of rolls by assessor

15 \* \* \*

16 D.

17 \* \* \*

18 (3) Each assessor shall compile a list that catalogues the name and address  
19 of the owner of property along with the assessment number of property transferred  
20 following the preparation of the current year tax roll through the time the assessor  
21 receives the last tax sale certificate adjudicating the tax roll delinquencies for the  
22 prior year. No later than February fifteenth of each year, the assessor shall provide

1 this list of information to the tax collector. Thereafter, the assessor shall provide this  
2 list of information within thirty days following the date the last tax sale certificate  
3 adjudicating the delinquent amounts due upon the prior year's tax roll is received by  
4 the assessor.

5 \* \* \*

6 §2126. Duty of assessors; single assessment

7 Each assessor shall deliver to the appropriate tax collector the tax roll for the  
8 year in which taxes are collectible by November fifteenth of each calendar year,  
9 except as otherwise provided by law. At the same time, the assessor may file the tax  
10 roll in the mortgage records of the parish in which property subject to the taxes is  
11 located. The assessor shall use reasonable efforts to list on the tax roll all co-owners  
12 of record of the property, ~~or if there has been a tax sale to a party other than a~~  
13 ~~political subdivision, the tax sale purchaser and the other owners, to the extent their~~  
14 ~~interests were not sold at tax sale.~~ The tax roll shall be updated as of January first  
15 or later of the year in which the taxes are collectible. There shall be only one  
16 assessment for each tax parcel, and the full assessment shall be on each tax bill sent  
17 pursuant to R.S. 47:2127(C), provided, however, if requested by a tax debtor, the  
18 assessor may, but shall not be obligated to, make separate assessments for undivided  
19 interests in each tax parcel.

20 \* \* \*

21 §2153. Notice of delinquency and tax sale

22 A.(1)(a) No later than the first Monday of February of each year, or as soon  
23 thereafter as possible, the tax collector shall send a written notice by certified mail,  
24 return receipt requested, to each tax notice party when the tax debtor has not paid all  
25 the statutory impositions which have been assessed on immovable property,  
26 notifying the person that the statutory impositions on the immovable property shall  
27 be paid within twenty days after the sending of the notice or as soon thereafter before  
28 the tax sale is scheduled, or that tax sale title to the property will be sold according  
29 to law. The notice shall be sufficient if it is in the following form:

"Year	Ward	Sect.	Ass. #	Property #	Notice #
*****PLEASE NOTE*****			[NAME OF POLITICAL SUBDIVISION]		
*By law your taxes are delinquent after December thirty-first. The law requires interest be charged as follows: A flat rate of one percent (1%) per month on delinquent ad valorem taxes.					
*If monies for payment of taxes are in escrow, please forward tax notice to your mortgage company.					
*If a receipt is requested, enclose a self-addressed stamped envelope along with your payment.					
*Please notify the sheriff's office or the assessor's office with all address changes.					
*For questions about assessed value or millages contact: Assessor's Office: Property Tax Dept:					
*Payment may be made online at _____					
*[DATE OF NOTICE]. If taxes are not paid within twenty days after this date, the political subdivision will proceed to sell tax sale title to the property at [list location of the tax sale] beginning on [list first day of sale]. You will have the right to pay the amounts due until the day before the actual sale. If tax sale title to the property is sold, you will have three years [or other applicable redemptive period] from the date of the filing of the tax sale certificate in which to redeem the property according to law, but in order to redeem, you will be required to pay a 5% penalty and 1% per month on the amounts past due together with other costs in accordance with law.					

1	Total Assessed Value Tax Distributions	Millages	Homestead Exemption	Taxes and other Statutory Impositions Due	Assessment Information
2					
3					
4	[add taxing districts]			[add amount of tax due each district]	Total Assessed Value
5					Property Description
6	Total Statutory Impositions Due				
7					
8	Interest				
9					
10	Costs				
11	Total				

12 [Name of Tax Collector and Address]

13	Total Statutory Impositions Due	
14	Interest	
15	Cost	
16	Total	

17 [Tax Collector Name]

18	YEAR	WARD	SECT	ASS.#	PROPERTY	NOTICE #
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19 Name of Tax Debtor

20 [address]\_\_\_\_\_

21 Make checks payable to: \_\_\_\_\_ [Tax Collector Name]

22 Mail this portion of tax bill and payment to: \_\_\_\_\_ [address]"

23 (b) No later than thirty days prior to the opening day of the tax sale, or as  
 24 soon thereafter as possible prior to the sale, the tax collector shall send a written  
 25 notice by certified mail, return receipt requested, to each transferee who appears  
 26 upon the list provided pursuant to R.S. 47:1993(D)(3) whose property is eligible for  
 27 tax sale. The written notice shall be sufficient if it is in the form prescribed by  
 28 Subparagraph (a) of this Paragraph.

29 (c) Nothing in this Section shall be construed to prohibit the tax collector  
 30 from sending more than one notice of sale.

1           (2)(a) The tax collector shall research the records of the recorder of  
2           mortgages and conveyances on any property scheduled for the purpose of identifying  
3           the tax sale parties which are on record for the property.

4           (b) No later than thirty days prior to the opening day of the tax sale, or as  
5           soon thereafter as possible prior to the sale, the tax collector shall send a written  
6           notice by certified mail, return receipt requested, to each tax sale party identified  
7           pursuant to Subparagraph (a) of this Paragraph. The notice shall advise the person  
8           that it is required that the statutory impositions on the immovable property be paid  
9           within twenty days after the sending of the notice or the tax sale title to the property  
10           will be sold according to law. This notice shall be sufficient if it is in the following  
11           form:

12                           "TAX SALE PARTY NOTICE OF TAX SALE

13                                           [Date]

14           [Name]

15           [Address]

16           [City], [ST] [Zip]

17           RE: Tax Bill Number:

18           Property: [Property Address]

19                           [Description of Property Abbr]

20           YOU HAVE A PUBLICALLY RECORDED INTEREST IN THE ABOVE  
21           REFERENCED PROPERTY. PLEASE READ THIS NOTICE CAREFULLY.

22           The property taxes for the above referenced property were not paid. In  
23           accordance with the notice requirement contained in Article VII, Section 25  
24           of the Louisiana Constitution, you are hereby notified that if the delinquent  
25           property taxes are not paid within twenty days of the date of this notice, the  
26           property will be sold at tax sale in accordance with law.

1 AFTER THE EXPIRATION OF THE REDEMPTIVE PERIOD, THE PROPERTY  
2 CANNOT BE REDEEMED. CONTINUED POSSESSION OF THE PROPERTY  
3 DOES NOT EXTEND THE REDEMPTIVE PERIOD.

4 Please contact [name of tax collector] if you believe that you received this  
5 notice in error, have sold or transferred this property or for further  
6 information or assistance.

7 Thank you,

8 Tax Collector of [name of political subdivision]

9 [Tax collector phone number]

10 THIS NOTICE CONCERNS ONLY THE PROPERTY DESCRIBED IN  
11 THE "REGARDING" PORTION OF THIS LETTER; the address of that  
12 property may or may not be the same as the mailing address of this notice.  
13 If your recorded interest in this property is no longer valid or enforceable,  
14 you may remove it by visiting the office of the recorder of mortgages and  
15 conveyances located at [mortgage and conveyance office address]."

16 (c) Notwithstanding any other law to the contrary, a tax sale shall not be  
17 annulled or set aside due to lack of notice to a tax sale party.

18 ~~B.(1)(a) At the expiration of twenty days' notice, counting from the day~~  
19 ~~when the last of the written notices are sent, or as soon thereafter as practicable No~~  
20 ~~later than thirty days prior to the opening day of the tax sale, the tax collector shall~~  
21 ~~proceed to twice publish a consolidated notice that shall serve both as a general~~  
22 ~~notification to the tax debtors of the delinquency and to advertise as an~~  
23 ~~advertisement for the tax sale, the consolidated delinquent tax list under one form~~  
24 ~~two times within thirty days in the official journal of the political subdivision. The~~  
25 ~~publication and advertisement~~ The consolidated notice shall be published in the  
26 official journal of the political subdivision at the interval pursuant to R.S. 43:203(2).  
27 The consolidated notice shall be sufficient if it is in the following form:

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"DELINQUENT TAX LIST

\_\_\_\_\_ vs. Delinquent Tax Debtors

(insert appropriate taxing bodies)

By virtue of the authority vested in me by the constitution and the laws of the State of Louisiana, I will sell, at \_\_\_\_\_, within the legal hours for judicial sales beginning at \_\_\_\_\_ o'clock a.m. on \_\_\_\_\_, the \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_, and continuing on each succeeding legal day, until said sales are completed, tax sale title to all immovable property on which taxes are now due to \_\_\_\_\_, to enforce collection of taxes (insert affected taxing bodies) assessed in the year \_\_\_\_\_, together with interest thereon from January 1, \_\_\_\_\_, at the rate of one percent (1%) per month until paid and all costs. The names of said delinquent tax debtors, the amount of statutory impositions due, including any due for prior years, and the immovable property assessed to each to be offered for sale are as follows: (Insert names of delinquent tax debtors in alphabetical order, the amount of statutory impositions due, including any due for prior years on each specific piece of property, and the description of each specific piece of immovable property to be offered for sale.)

On the day of sale I will sell a tax sale title to such portions of the property as each tax debtor will point out and, in case the debtor will not point out sufficient property, I will at once and without further delay sell the least quantity as undivided interests of said property of any tax debtor which any bidder will buy for the amount of the statutory impositions for which the sale is made, together with interest and costs due by said tax debtor. The sale will be without appraisalment, for cash or other payment method acceptable to the tax collector, in legal tender money of the United States, and the tax sale title to property sold will be redeemable at any time during the applicable redemptive period by paying the price given, including costs and five percent (5%) penalty thereon, with interest at the rate of one percent (1%) per month until redeemed."

\* \* \*

1           (8) The tax collector may extend a right of first refusal to purchase property  
 2           offered at two or more consecutive year tax sales to the original tax sale purchaser.  
 3           It shall be the responsibility of the tax sale purchaser to notify the tax collector of his  
 4           previous purchase. The bid amount adjudicating the successive tax sale title shall  
 5           be the same as the bid amount adjudicating original tax sale title to the original  
 6           purchaser.

7           C.(1) Within thirty days after the filing of the tax sale certificate, or as soon  
 8           thereafter as possible, by utilizing the list of transferred properties compiled by the  
 9           assessor pursuant to R.S. 47:1993(D)(3), the tax collector shall ~~research the records~~  
 10          ~~of the recorder of conveyances on all property to which tax sale title was sold to tax~~  
 11          ~~sale purchasers for any transfers of the property that occurred after the preparation~~  
 12          ~~of the tax roll for the year that the property was sold for taxes. If there has been a~~  
 13          ~~transfer, within thirty days after filing a tax sale certificate, the tax collector shall use~~  
 14          ~~reasonable efforts to send the new owner a written notice that tax sale title to the~~  
 15          ~~property was sold. The notice shall state the amount necessary to redeem the~~  
 16          ~~property. This notice shall also advise the owner that the property may be redeemed~~  
 17          ~~at any time within three years or other applicable redemptive period after the date of~~  
 18          ~~filing of the tax sale certificate. This shall serve as the required notice to the~~  
 19          ~~transferee in Subsection A of this Section. This notice shall be sufficient if it is in~~  
 20          ~~the following form:~~

21          ~~"[Date]~~  
 22          ~~[Name of New Owner]~~  
 23          RE: ~~Property No. \_\_\_\_\_~~  
 24                    Ward \_\_\_\_\_ Section No. \_\_\_\_\_ Assessment No. \_\_\_\_\_  
 25                    Subd. \_\_\_\_\_ Lot \_\_\_\_\_

26          Dear Sir/Madam,  
 27                  ~~This is an important notice. Please read it carefully. We are writing to~~  
 28          ~~inform you that the property taxes for the above noted property were not paid, and~~  
 29          ~~tax sale title to the property was sold to a tax sale purchaser for delinquent taxes for~~

CODING: Words in ~~struck through~~ type are deletions from existing law; words underscored are additions.





1 before May first of the year following the year in which the taxes were assessed, or  
2 as soon thereafter as possible.

3 B. The tax sale shall be conducted on any weekday within the legal hours for  
4 judicial sales with bidding opening not earlier than 8:00 a.m. and closing not later than  
5 4:30 p.m.; however, when a tax sale is conducted by using an online or electronic  
6 bidding process which is conducted over the course of multiple days, bids may be  
7 placed on any day at any time on any sale property upon which bidding has not  
8 closed, provided that all sales of property close on a weekday within the legal hours  
9 for sale as prescribed in this Subsection.

10 (C) The price shall be the amount of statutory impositions due on the  
11 property, costs, and interest.

12 \* \* \*

13 §2286. Actions to annul

14 No tax sale shall be set aside except for a payment nullity, ~~redemption nullity,~~  
15 or a nullity under R.S. 47:2162, all of which are relative nullities. The action shall  
16 be brought in the district court of the parish in which the property is located. In  
17 addition, the action may be brought as a reconventional demand or an intervention  
18 in an action to quiet title under R.S. 47:2266 or as an intervention in a monition  
19 proceeding under R.S. 47:2271 through 2280.

20 Section 2. R.S. 47:2122(10) and 2156 are repealed in their entirety.

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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)]

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Arnold

HB No. 605

**Abstract:** Regarding property subject to tax sale, changes certain notification requirements and rights, establishes specific days and times for bidding on properties, and requires reporting of information on properties transferred after the preparation of the tax roll.

Present law requires each assessor to deliver to the appropriate tax collector, by Nov. 15 of each year, the tax roll for the year in which taxes are collectible. Further requires the assessor to use reasonable efforts to list all co-owners of record of the property, or if there has been a tax sale to a party other than a political subdivision, the tax sale purchaser and other owners, to the extent their interests were not sold at tax sale.

Proposed law changes present law to require each assessor to compile a list that catalogues the name and address of the owner of property along with the assessment number of property which is transferred following the preparation of the current year tax roll up until the time the assessor receives the last tax sale certificate adjudicating the tax roll delinquencies for the prior year. Further requires that no later than Feb. 15, the assessor provide this list to the tax collector. Thereafter, the assessor shall provide this list within 30 days following the date the last tax sale certificate adjudicating the delinquent amounts due upon the prior year's tax roll is received by the assessor.

Present law requires the payment of ad valorem taxes by an owner of immovable property. The taxes for each year are due by Dec. 31.

Present law requires the tax collector, in the case of nonpayment of taxes, to notify a tax debtor and all tax notice parties by Feb. 1 if the taxes on their property for the recently concluded year have not been paid. The notice also provides that if payment is not made within 20 days the property will be subject to tax sale.

Proposed law retains present law and adds the requirement that within 30 days of the scheduled tax sale, the tax collector shall provide notification of the pending tax sale to persons who have recently acquired the property, as well as all tax sale parties for the property as recorded with the recorder of mortgages and conveyances.

Present law requires the tax collector to notify a tax debtor of a pending tax sale by publishing an advertisement in the official journal of the political subdivision in which the property is located. The collector is also required to publish in the same official journal a notice for purposes of advertising the tax sale to the public.

Proposed law changes present law by specifying that the notice required by present law be a consolidated notice to serve as a both general notification to tax debtors as well as advertisement of the tax sale.

Proposed law provides that in cases where a property was purchased at tax sale and tax sale certificate has been issued and such property is subsequently offered at another tax sale before the end of the redemption period, the tax collector is authorized to offer a right of first refusal to the original tax sale purchaser.

Present law provides that after a tax title is sold on a property the tax collector is required to search the records of the recorder of conveyances for such property in an effort to discover any transfers of the property which may have occurred after the preparation of the tax roll. If a transfer did occur, the tax collector is required to notify the new owner that the property has been sold at tax sale and that the property may be redeemed within three years after the filing date of the tax sale certificate.

Proposed law changes present law with regard to the effect of the tax sale on the tax sale purchaser of a property which was transferred after the tax roll was prepared. If the tax collector discovers that a property was transferred after preparation of the tax roll and that the new owner of the property did not receive a notice of the tax sale, then he shall cancel the tax sale.

Proposed law authorizes the tax collector to seize, advertise, and sell title to property upon which delinquent taxes are due.

Proposed law retains present law and specifies requirements for the conduct of the tax sale by providing the days and hours at which bids may be placed.

Present law grants a tax debtor the right to annul a tax sale if he was not notified at least six months before the termination of the redemptive period.

Proposed law repeals present law.

Present law requires a tax sale purchaser to send periodic notices to tax sale parties during the redemptive period regarding the sale of the property and pending end of the redemptive period.

Proposed law repeals present law.

(Amends R.S. 47:2126, 2153(A), (B)(1)(a), and (C), 2154, and 2186; Adds R.S. 47:1993(D)(3) and 2153(B)(8); Repeals R.S. 47:2122(10) and 2256)