

SECOND REGULAR SESSION
HOUSE COMMITTEE SUBSTITUTE FOR
HOUSE BILL NO. 2415
99TH GENERAL ASSEMBLY

6339H.02C

D. ADAM CRUMBLISS, Chief Clerk

AN ACT

To repeal sections 140.170, 140.190, 140.250, 140.405, 141.220, 141.230, 141.570, 141.980, 141.984, 141.985, and 141.1012, RSMo, and to enact in lieu thereof eleven new sections relating to land banks.

Be it enacted by the General Assembly of the state of Missouri, as follows:

Section A. Sections 140.170, 140.190, 140.250, 140.405, 141.220, 141.230, 141.570,
2 141.980, 141.984, 141.985, and 141.1012, RSMo, are repealed and eleven new sections enacted
3 in lieu thereof, to be known as sections 140.170, 140.190, 140.250, 140.405, 141.220, 141.230,
4 141.570, 141.980, 141.984, 141.985, and 141.1012, to read as follows:

140.170. 1. Except for lands described in subsection 7 of this section, the county
2 collector shall cause a copy of the list of delinquent lands and lots to be printed in some
3 newspaper of general circulation published in the county for three consecutive weeks, one
4 insertion weekly, before the sale, the last insertion to be at least fifteen days prior to the fourth
5 Monday in August.

6 2. In addition to the names of all record owners or the names of all owners appearing on
7 the land tax book it is only necessary in the printed and published list to state in the aggregate
8 the amount of taxes, penalty, interest and cost due thereon, each year separately stated.

9 3. To the list shall be attached and in like manner printed and published a notice of said
10 lands and lots stating that said land and lots will be sold at public auction to discharge the taxes,
11 penalty, interest, and costs due thereon at the time of sale in or adjacent to the courthouse of such
12 county, on the fourth Monday in August next thereafter, commencing at ten o'clock of said day
13 and continuing from day to day thereafter until all are offered. **If any parcel of real estate**
14 **located wholly within a municipality that has a land bank agency, as authorized under**
15 **section 141.981, is included in such list of delinquent lands and lots, the printed and**

EXPLANATION — Matter enclosed in bold-faced brackets [thus] in the above bill is not enacted and is intended to be omitted from the law. Matter in **bold-face** type in the above bill is proposed language.

16 **published notice shall state that the parcel may be sold to the land bank agency if no**
17 **acceptable bids are received.**

18 4. The county collector, on or before the day of sale, shall insert at the foot of the list on
19 his or her record a copy of the notice and certify on his or her record immediately following the
20 notice the name of the newspaper of the county in which the notice was printed and published
21 and the dates of insertions thereof in the newspaper.

22 5. The expense of such printing shall be paid out of the county treasury and shall not
23 exceed the rate provided for in chapter 493, relating to legal publications, notices and
24 advertisements, and the cost of printing at the rate paid by the county shall be taxed as part of the
25 costs of the sale of any land or lot contained in the list.

26 6. The county collector shall cause the affidavit of the printer, editor or publisher of the
27 newspaper in which the list of delinquent lands and notice of sale was published, as provided by
28 section 493.060, with the list and notice attached, to be recorded in the office of the recorder of
29 deeds of the county, and the recorder shall not charge or receive any fees for recording the same.

30 7. The county collector may have a separate list of such lands, without legal descriptions
31 or the names of the record owners, printed in a newspaper of general circulation published in
32 such county for three consecutive weeks before the sale of such lands for a parcel or lot of land
33 that:

34 (1) Has an assessed value of one thousand five hundred dollars or less and has been
35 advertised previously; or

36 (2) Is a lot in a development of twenty or more lots and such lot has an assessed value
37 of one thousand five hundred dollars or less.

38

39 The notice shall state that legal descriptions and the names of the record owners of such lands
40 shall be posted at any county courthouse within the county and the office of the county collector.

41 8. If, in the opinion of the county collector, an adequate legal description of the
42 delinquent land and lots cannot be obtained through researching the documents available through
43 the recorder of deeds, the collector may commission a professional land surveyor to prepare an
44 adequate legal description of the delinquent land and lots in question. The costs of any
45 commissioned land survey deemed necessary by the county collector shall be taxed as part of the
46 costs of the sale of any land or lots contained in the list prepared under this section.

140.190. 1. On the day mentioned in the notice, the county collector shall commence
2 the sale of such lands, and shall continue the same from day to day until each parcel assessed or
3 belonging to each person assessed shall be sold as will pay the taxes, interest and charges
4 thereon, or chargeable to such person in said county.

5 2. The person **or land bank agency** offering at said sale to pay the required sum for a
6 tract shall be considered the purchaser of such land; provided, no sale shall be made to any
7 person or designated agent who is currently delinquent on any tax payments on any property,
8 other than a delinquency on the property being offered for sale, and who does not sign an
9 affidavit stating such at the time of sale. Failure to sign such affidavit as well as signing a false
10 affidavit may invalidate such sale. No bid shall be received from any person not a resident of
11 the state of Missouri or a foreign corporation or entity all deemed nonresidents. A nonresident
12 shall file with said collector an agreement in writing consenting to the jurisdiction of the circuit
13 court of the county in which such sale shall be made, and also filing with such collector an
14 appointment of some citizen of said county as agent of said nonresident, and consenting that
15 service of process on such agent shall give such court jurisdiction to try and determine any suit
16 growing out of or connected with such sale for taxes. After the delinquent auction sale, any
17 certificate of purchase shall be issued to the agent. After meeting the requirements of section
18 140.405, the property shall be conveyed to the agent on behalf of the nonresident, and the agent
19 shall thereafter convey the property to the nonresident.

20 3. All such written consents to jurisdiction and selective appointments shall be preserved
21 by the county collector and shall be binding upon any person or corporation claiming under the
22 person consenting to jurisdiction and making the appointment herein referred to; provided
23 further, that in the event of the death, disability or refusal to act of the person appointed as agent
24 of said nonresident the county clerk shall become the appointee as agent of said nonresident.

140.250. 1. Whenever any lands have been or shall hereafter be offered for sale for
2 delinquent taxes, interest, penalty and costs by the collector of the proper county for any two
3 successive years and no person shall have bid therefor a sum equal to the delinquent taxes
4 thereon, interest, penalty and costs provided by law, then such county collector shall at the next
5 regular tax sale of lands for delinquent taxes sell same to the highest bidder, except the highest
6 bid shall not be less than the sum equal to the delinquent taxes, interest, penalties, and costs, and
7 there shall be a ninety-day period of redemption from such sales as specified in section 140.405.

8 2. A certificate of purchase shall be issued as to such sales, and the purchaser at such
9 sales shall be entitled to the issuance and delivery of a collector's deed upon completion of title
10 search action as specified in section 140.405.

11 3. If any lands or lots are not sold at such third offering, then the collector, in his
12 discretion, need not again advertise or offer such lands or lots for sale more often than once every
13 five years after the third offering of such lands or lots, and such offering shall toll the operation
14 of any applicable statute of limitations. **If any lands or lots located wholly within a**
15 **municipality with a land bank agency, as established under section 141.980, are not sold**
16 **at such third offering, such land bank agency shall be deemed to submit a bid in an amount**

17 **equal to all delinquent taxes, interest, penalty, and costs; the collector shall announce such**
18 **land bank agency bid at the sale; and the land bank agency bid shall be announced as**
19 **accepted. A collector shall report a bid made by such land bank agency in the same**
20 **manner as other bids.**

21 4. A purchaser at any sale subsequent to the third offering of any land or lots, whether
22 by the collector or a trustee as provided in section 140.260 **or by a land bank agency under**
23 **subsection 3 of this section**, shall be entitled to the immediate issuance and delivery of a
24 collector's deed and there shall be no period of redemption from such post-third year sales;
25 provided, however, before any purchaser at a sale to which this section is applicable shall be
26 entitled to a collector's deed, it shall be the duty of the collector to demand, and the purchaser
27 to pay, in addition to his bid, all taxes due and unpaid on such lands or lots that become due and
28 payable on such lands or lots subsequent to the date of the taxes included in such advertisement
29 and sale. The collector's deed or trustee's deed shall have priority over all other liens or
30 encumbrances on the property sold except for real property taxes. **Upon issuance of a**
31 **collector's deed to a land bank agency, the collector shall mark the tax bills of the property**
32 **under such deed as "cancelled by sale to the land bank" and shall credit the full amount**
33 **of such tax bills, including principal, interest, penalty, and costs, in the collector's books**
34 **and statements with any other taxing authority.**

35 5. In the event the real purchaser at any sale to which this section is applicable shall be
36 the owner of the lands or lots purchased, or shall be obligated to pay the taxes for the
37 nonpayment of which such lands or lots were sold, then no collector's deed shall be issued to
38 such purchaser, or to anyone acting for or on behalf of such purchaser, without payment to the
39 collector of such additional amount as will discharge in full all delinquent taxes, penalty, interest
40 and costs.

140.405. 1. Any person purchasing property at a delinquent land tax auction shall not
2 acquire the deed to the real estate, as provided for in section 140.250 or 140.420, until the person
3 meets the requirements of this section, except that such requirements shall not apply to
4 post-third-year sales, which shall be conducted under subsection 4 of section 140.250. The
5 purchaser shall obtain a title search report from a licensed attorney or licensed title company
6 detailing the ownership and encumbrances on the property.

7 2. At least ninety days prior to the date when a purchaser is authorized to acquire the
8 deed, the purchaser shall notify the owner of record and any person who holds a publicly
9 recorded unreleased deed of trust, mortgage, lease, lien, judgment, or any other publicly recorded
10 claim upon that real estate of such person's right to redeem the property. Notice shall be sent by
11 both first class mail and certified mail return receipt requested to such person's last known
12 available address. If the certified mail return receipt is returned signed, the first class mail notice

13 is not returned, the first class mail notice is refused where noted by the United States Postal
14 Service, or any combination thereof, notice shall be presumed received by the recipient. At the
15 conclusion of the applicable redemption period, the purchaser shall make an affidavit in
16 accordance with subsection 5 of this section.

17 3. If the owner of record or the holder of any other publicly recorded claim on the
18 property intends to transfer ownership or execute any additional liens or encumbrances on the
19 property, such owner shall first redeem such property under section 140.340. The failure to
20 comply with redeeming the property first before executing any of such actions or agreements on
21 the property shall require the owner of record or any other publicly recorded claim on the
22 property to reimburse the purchaser for the total bid as recorded on the certificate of purchase
23 and all the costs of the sale required in sections 140.150 to 140.405.

24 4. In the case that both the certified notice return receipt card is returned unsigned and
25 the first class mail is returned for any reason except refusal, where the notice is returned
26 undeliverable, then the purchaser shall attempt additional notice and certify in the purchaser's
27 affidavit to the collector that such additional notice was attempted and by what means.

28 5. The purchaser shall notify the county collector by affidavit of the date that every
29 required notice was sent to the owner of record and, if applicable, any other publicly recorded
30 claim on the property. To the affidavit, the purchaser shall attach a copy of a valid title search
31 report as described in subsection 1 of this section as well as completed copies of the following
32 for each recipient:

- 33 (1) Notices of right to redeem sent by first class mail;
34 (2) Notices of right to redeem sent by certified mail;
35 (3) Addressed envelopes for all notices, as they appeared immediately before mailing;
36 (4) Certified mail receipt as it appeared upon its return; and
37 (5) Any returned regular mailed envelopes.

38

39 As provided in this section, at such time the purchaser notifies the collector by affidavit that all
40 the ninety days' notice requirements of this section have been met, the purchaser is authorized
41 to acquire the deed, provided that a collector's deed shall not be acquired before the expiration
42 date of the redemption period as provided in section 140.340.

43 6. If any real estate is purchased at a third-offering tax auction and has a publicly
44 recorded unreleased deed of trust, mortgage, lease, lien, judgment, or any other publicly recorded
45 claim upon the real estate under this section, the purchaser of said property shall within forty-five
46 days after the purchase at the sale notify such person of the person's right to redeem the property
47 within ninety days from the postmark date on the notice. Notice shall be sent by both first class
48 mail and certified mail return receipt requested to such person's last known available address.

49 The purchaser shall notify the county collector by affidavit of the date the required notice was
50 sent to the owner of record and, if applicable, the holder of any other publicly recorded claim on
51 the property, that such person shall have ninety days to redeem said property or be forever barred
52 from redeeming said property.

53 7. If the county collector chooses to have the title search done then the county collector
54 may charge the purchaser the cost of the title search before giving the purchaser a deed pursuant
55 to section 140.420.

56 8. Failure of the purchaser to comply with this section shall result in such purchaser's
57 loss of all interest in the real estate except as otherwise provided in sections 140.550 and
58 140.570.

59 9. The phrase "authorized to acquire the deed" as used in this chapter shall mean the date
60 chosen by the tax sale purchaser that is more than the minimum redemption period set forth in
61 section 140.340 if the tax sale purchaser has complied with the following requirements entitling
62 the purchaser to the issuance of a collector's deed:

63 (1) Compliance with the requirements of this section to the satisfaction of the collector;

64 (2) Payment of the recording fee for the collector's deed as required under section
65 140.410;

66 (3) Production of the original of the certificate of purchase as required under section
67 140.420, or production of an original affidavit of lost or destroyed certificate approved by the
68 collector as to form and substance; and

69 (4) Payment of all subsequent taxes required to be paid under section 140.440.

70 10. Notwithstanding any provision of law to the contrary, any person except a minor or
71 an incapacitated or disabled person may receive notice under this section in a foreign country or
72 outside the United States:

73 (1) By any internationally agreed-upon means of service that is reasonably calculated to
74 give notice, such as the Hague Convention on the Service Abroad of Judicial and Extrajudicial
75 Documents;

76 (2) If there is no internationally agreed-upon means of service, or if an international
77 agreement allows service but does not specify the means, by a method that is reasonably
78 calculated to give notice;

79 (3) As set forth for the foreign country's acceptable method of service in actions in courts
80 of general jurisdiction;

81 (4) As the foreign country directs in response to a letter of request;

82 (5) Unless prohibited by a foreign country's law, by delivering a copy of the notice to the
83 person personally or using a form of mail that requires a signed receipt; or

84 (6) By any other means not prohibited by international agreement as approved by the
85 collector.

141.220. The following words, terms and definitions, when used in sections 141.210 to
2 141.810 and sections 141.980 to 141.1015, shall have the meanings ascribed to them in this
3 section, except where the text clearly indicates a different meaning:

4 (1) "Ancillary parcel" shall mean a parcel of real estate acquired by a land bank agency
5 other than:

6 (a) Pursuant to a deemed sale under subsection 3 of section 141.560 **or subsection 3 of**
7 **section 140.250;**

8 (b) By deed from a land trust under subsection 1 of section 141.984; or

9 (c) Pursuant to a sale under subdivision (2) of subsection 2 of section 141.550;

10 (2) "Appraiser" shall mean a state licensed or certified appraiser licensed or certified
11 pursuant to chapter 339 who is not an employee of the collector or collection authority;

12 (3) "Board" or "board of commissioners" shall mean the board of commissioners of a
13 land bank agency;

14 (4) "Collector" shall mean the collector of the revenue in any county affected by sections
15 141.210 to 141.810 and sections 141.980 to 141.1015;

16 (5) "County" shall mean any county in this state having a charter form of government,
17 any county of the first class with a population of at least one hundred fifty thousand but less than
18 one hundred sixty thousand and any county of the first class with a population of at least
19 eighty-two thousand but less than eighty-five thousand;

20 (6) "Court" shall mean the circuit court of any county affected by sections 141.210 to
21 141.810 and sections 141.980 to 141.1015;

22 (7) "Delinquent land tax attorney" shall mean a licensed attorney-at-law, employed or
23 designated by the collector as hereinafter provided;

24 (8) "Land bank agency", shall mean an agency created under section 141.980;

25 (9) "Land taxes" shall mean taxes on real property or real estate and shall include the
26 taxes both on land and the improvements thereon;

27 (10) "Land trustees" and "land trust" shall mean the land trustees and land trust as the
28 same are created by and described in section 141.700;

29 (11) "Municipality" shall include any incorporated city or town, or a part thereof, located
30 in whole or in part within a county of class one or located in whole or in part within a county
31 with a charter form of government, which municipality now has or which may hereafter contain
32 a population of two thousand five hundred inhabitants or more, according to the last preceding
33 federal decennial census;

34 (12) "Person" shall mean any individual, male or female, firm, copartnership, joint
35 adventure, association, corporation, estate, trust, business trust, receiver or trustee appointed by
36 any state or federal court, trustee otherwise created, syndicate, or any other group or combination
37 acting as a unit, and the plural as well as the singular number;

38 (13) "Political subdivision" shall mean any county, city, town, village, school district,
39 library district, or any other public subdivision or public corporation having the power to tax;

40 (14) "Reserve period taxes" shall mean land taxes assessed against any parcel of real
41 estate sold or otherwise disposed of by a land bank agency for the first three tax years following
42 such sale or disposition;

43 (15) "School district", "road district", "water district", "sewer district", "levee district",
44 "drainage district", "special benefit district", "special assessment district", or "park district" shall
45 include those located within a county as such county is described in this section;

46 (16) "Sheriff" and "circuit clerk" shall mean the sheriff and circuit clerk, respectively,
47 of any county affected by sections 141.210 to 141.810 and sections 141.980 to 141.1015;

48 (17) "Tax bill" as used in sections 141.210 to 141.810 and sections 141.980 to 141.1015
49 shall represent real estate taxes and the lien thereof, whether general or special, levied and
50 assessed by any taxing authority;

51 (18) "Tax district" shall mean the state of Missouri and any county, municipality, school
52 district, road district, water district, sewer district, levee district, drainage district, special benefit
53 district, special assessment district, or park district, located in any municipality or county as
54 herein described;

55 (19) "Tax lien" shall mean the lien of any tax bill as defined in this section;

56 (20) "Taxing authority" shall include any governmental, managing, administering or
57 other lawful authority, now or hereafter empowered by law to issue tax bills, the state of
58 Missouri or any county, municipality, school district, road district, water district, sewer district,
59 levee district, drainage district, special benefit district, special assessment district, or park
60 district, affected by sections 141.210 to 141.810 and sections 141.980 to 141.1015.

141.230. 1. The land tax collection law shall apply to all counties of class one which are
2 now operating under the provisions thereof or which may hereafter elect to operate under the
3 provisions of sections 141.210 to 141.810 by adoption of a resolution or order of the county
4 commission of such county, except that counties of the first class not having a charter form of
5 government ~~may~~ **shall** not elect to operate under the provisions of sections 141.210 to 141.810,
6 **except any county of the first classification with more than eighty-three thousand but fewer**
7 **than ninety-two thousand inhabitants and with a home rule city with more than seventy-six**
8 **thousand but fewer than ninety-one thousand inhabitants as the county seat may elect to**
9 **operate under sections 141.210 to 141.810.** Any county commission so adopting such

10 resolution or order shall file a certified copy thereof within ten days after the adoption of said
11 resolution or order with the clerk of the county commission and with the collector of revenue for
12 such county, and with the mayor and city collector or chief financial officer of each municipality
13 in such county, as defined by section 141.220.

14 2. After the adoption of such resolution or order by such county commission, any such
15 municipality may by resolution or ordinance of its proper governing authority elect to adopt and
16 come within the provisions of the land tax collection law, and thereafter shall cooperate with
17 such county under the provisions of sections 141.210 to 141.810. Any such county or
18 municipality which shall, in the manner provided herein, have elected to come within the
19 provisions of sections 141.210 to 141.810 by adoption of such resolution, order or ordinance,
20 may, after a period of one year from the effective date of such resolution, order or ordinance,
21 adopt by similar means a resolution, order or ordinance, rescinding the election to adopt the
22 provisions of the land tax collection law and certified copies of such resolution, order or
23 ordinance shall be filed in the same manner as said original resolution, order or ordinance;
24 provided, that such resolution, order or ordinance rescinding or nullifying the election to adopt
25 the provisions of sections 141.210 to 141.810 shall not become effective for one year thereafter
26 nor shall it invalidate or in any way affect any proceedings in rem for foreclosure which may
27 have been instituted under the provisions of sections 141.210 to 141.810, but all such actions and
28 proceedings so instituted while the provisions of said sections were in full force and effect shall
29 be prosecuted to their conclusion and completion; provided further, that any county or
30 municipality which may have operated under sections 141.210 to 141.810 prior to the enactment
31 of this section may hereafter elect to terminate any further operation under sections 141.210 to
32 141.810 by proceeding in manner and form and to the same effect as though it had originally
33 elected to operate under the provisions of sections 141.210 to 141.810.

34 3. Any city located partly within and partly without a class one county, which city and
35 county now are or hereafter may be operating under the provisions of sections 141.210 to
36 141.810, may collect its delinquent tax bills imposed against real property located in that part of
37 such city situated within such class one county, pursuant to the provisions of sections 141.210
38 to 141.810; provided, however, that tax bills imposed against real estate, located in that part of
39 such city outside of the limits of any such class one county, shall be collected under the
40 provisions of the charter of any such city, or under such other provisions as may be provided by
41 law.

42 **4. Any county that operates under the provisions of sections 140.010 to 140.722 and**
43 **elects to operate under the provisions of sections 141.210 to 141.810 may continue to**
44 **operate under the provisions of sections 140.010 to 140.722 and additionally operate only**

45 **under the provisions of sections 141.210 to 141.810 that do not conflict with sections**
46 **140.010 to 140.722.**

141.570. 1. The title to any real estate which shall vest in the land trust under the
2 provisions of sections 141.210 to 141.810 and sections 141.980 to 141.1015 shall be held by the
3 land trust of such county in trust for the tax bill owners and taxing authorities having an interest
4 in any tax liens which were foreclosed, as their interests may appear in the judgment of
5 foreclosure. The title to any real estate acquired by a land bank agency pursuant to a deemed sale
6 under subsection 3 of section 141.560 **or under subsection 3 of section 140.250**, by deed from
7 a land trust under subsection 1 of section 141.984, or pursuant to a sale under subdivision (2) of
8 subsection 2 of section 141.550 shall be held in trust for the tax bill owners and taxing
9 authorities having an interest in any tax liens which were foreclosed, as their interests may
10 appear in the judgment of foreclosure.

11 2. The title to any real estate which shall vest in any purchaser, upon confirmation of
12 such sale by the court, shall be an absolute estate in fee simple, subject to rights-of-way thereon
13 of public utilities on which tax has been otherwise paid, and subject to any lien thereon of the
14 United States of America, if any, and all persons, including the state of Missouri, infants,
15 incapacitated and disabled persons as defined in chapter 475, and nonresidents who may have
16 had any right, title, interest, claim, or equity of redemption in or to, or lien upon, such lands, shall
17 be barred and forever foreclosed of all such right, title, interest, claim, lien or equity of
18 redemption, and the court shall order immediate possession of such real estate be given to such
19 purchaser; provided, however, that such title shall also be subject to the liens of any tax bills
20 which may have attached to such parcel of real estate prior to the time of the filing of the petition
21 affecting such parcel of real estate not then delinquent, or which may have attached after the
22 filing of the petition and prior to sheriff's sale and not included in any answer to such petition,
23 but if such parcel of real estate is deemed sold to the land trust pursuant to subsection 2 of
24 section 141.560, or deemed sold to a land bank agency pursuant to subsection 3 of section
25 141.560, or sold to a land bank agency pursuant to subdivision (2) of subsection 2 of section
26 141.550, the title thereto shall be free of any such liens to the extent of the interest of any taxing
27 authority in such real estate; provided further, that such title shall not be subject to the lien of
28 special tax bills which have attached to the parcel of real estate prior to November 22, 1943, but
29 the lien of such special tax bills shall attach to the proceeds of the sheriff's sale or to the proceeds
30 of the ultimate sale of such parcel by the land trust or land bank agency.

141.980. 1. Any municipality located wholly or partially within a county in which a land
2 trust created under section 141.700 was operating on January 1, 2012, **or any home rule city**
3 **with more than seventy-one thousand but fewer than seventy-nine thousand inhabitants**

4 may establish a land bank agency for the management, sale, transfer, and other disposition of
5 interests in real estate owned by such land bank agency.

6 **2.** Any such land bank agency created shall be created to foster the public purpose of
7 returning land, including land that is in a nonrevenue-generating, nontax-producing status to use
8 in private ownership. Such land bank agency shall be established by ordinance or resolution as
9 applicable. Such land bank agency shall not own any interest in real estate that is located wholly
10 or partially outside such establishing municipality. Such land bank agency shall not be
11 authorized to sell more than five contiguous parcels to the same entity in the course of a year.

12 ~~2-~~ **3.** The beneficiaries of the land bank agency shall be the taxing authorities that held
13 or owned tax bills against the respective parcels of real estate acquired by such land bank agency
14 pursuant to a deemed sale under subsection 3 of section 141.560 **or under subsection 3 of**
15 **section 140.250**, by deed from a land trust under subsection 1 of section 141.984, or pursuant
16 to a sale under subdivision (2) of subsection 2 of section 141.550 included in the judgment of
17 the court, and their respective interests in each parcel of real estate shall be to the extent and in
18 the proportion and according to the priorities determined by the court on the basis that the
19 principal amount of their respective tax bills bore to the total principal amount of all of the tax
20 bills described in the judgment.

21 ~~3-~~ **4.** Each land bank agency created pursuant to this chapter shall be a public body
22 corporate and politic, and shall have permanent and perpetual duration until terminated and
23 dissolved in accordance with the provisions of section 141.1012.

141.984. 1. Within one year of the effective date of the ordinance or resolution passed
2 establishing a land bank agency under this chapter, title to any real property held by a land trust
3 created pursuant to section 141.700 that is located wholly within the municipality that created
4 the land bank agency shall be transferred by deed to such land bank agency.

5 2. The income of a land bank agency shall be exempt from all taxation by the state and
6 by any of its political subdivisions. Upon acquiring title to any real estate, a land bank agency
7 shall immediately notify the county assessor and the collector of such ownership, and such real
8 estate shall be exempt from all taxation during the land bank agency's ownership thereof, in the
9 same manner and to the same extent as any other publicly owned real estate, and upon the sale
10 or other disposition of any real estate held by it, such land bank agency shall immediately notify
11 the county assessor and the collector of such change of ownership; provided however, that such
12 tax exemption for improved and occupied real property held by such land bank agency as lessor
13 pursuant to a ground lease shall terminate upon the first such occupancy, and such land bank
14 agency shall immediately notify the county assessor and the collector of such occupancy.

15 3. Subject to the limitation set forth in subsection 1 of section 141.980, a land bank
16 agency may acquire real property or interests in property by gift, devise, transfer, exchange,

17 foreclosure, lease, purchase, or otherwise on terms and conditions and in a manner the land bank
18 agency considers proper.

19 4. Subject to the limitation set forth in subsection 1 of section 141.980, a land bank
20 agency may acquire property by purchase contracts, lease purchase agreements, installment sales
21 contracts, and land contracts, and may accept transfers from political subdivisions upon such
22 terms and conditions as agreed to by the land bank agency and the political subdivision. Subject
23 to the limitation set forth in subsection 1 of section 141.980, a land bank agency may bid on any
24 parcel of real estate offered for sale at a sheriff's foreclosure sale held in accordance with section
25 141.550 **or a tax sale held in accordance with sections 140.220 to 140.250**, provided that if
26 the bid is not a deemed bid under subsection 3 of section 141.560 **or under subsection 3 of**
27 **section 140.250**, such parcel must be located within a low- to moderate-income area designated
28 as a target area for revitalization by the municipality that created the land bank agency.
29 Notwithstanding any other law to the contrary, but subject to the limitation set forth in subsection
30 1 of section 141.980, any political subdivision may transfer to the land bank agency real property
31 and interests in real property of the political subdivision on such terms and conditions and
32 according to such procedures as determined by the political subdivision.

33 5. A land bank agency shall maintain all of its real property in accordance with the laws
34 and ordinances of the jurisdictions in which the real property is located.

35 6. Upon confirmation under section 141.580 of a sheriff's foreclosure sale, **or upon**
36 **issuance of a deed of a delinquent land tax auction under subsection 1 of section 140.405**
37 **or subsection 3 of section 140.250**, of a parcel of real estate to a land bank agency under
38 subdivision (2) of subsection 2 of section 141.550, said land bank agency shall pay the amount
39 of the land bank agency's bid that exceeds the amount of all tax bills included in the judgment,
40 interest, penalties, attorney's fees, **taxes**, and costs then due thereon. **If a sheriff's foreclosure**
41 **sale**, such excess shall be applied and distributed in accordance with subsections 3 and 4 of
42 section 141.580, exclusive of subdivision (3) of subsection 3 thereof. **If a delinquent land tax**
43 **auction, such excess shall be applied and distributed in accordance with section 140.230.**
44 Upon such confirmation by the court **or issuance of a deed**, the collector shall mark the tax bills
45 included in the judgment **or sale** as "cancelled by sale to the land bank" and shall take credit for
46 the full amount of such tax bills, including principal amount, interest, penalties, attorney's fees,
47 and costs, on his books and in his statements with any other taxing authorities.

141.985. 1. A land bank agency shall hold in its own name all real property acquired by
2 such land bank agency irrespective of the identity of the transferor of such property.

3 2. A land bank agency shall maintain and make available for public review and
4 inspection an inventory of all real property held by the land bank agency. This inventory shall
5 be available on the land bank agency website and include at a minimum whether a parcel is

6 available for sale, the address of the parcel if an address has been assigned, the parcel number,
7 if no address has been assigned, and the year that a parcel entered the land bank agency's
8 inventory.

9 3. The land bank agency shall determine and set forth in policies and procedures of the
10 board the general terms and conditions for consideration to be received by the land bank agency
11 for the transfer of real property and interests in real property, which consideration may take the
12 form of monetary payments and secured financial obligations, covenants, and conditions related
13 to the present and future use of the property, contractual commitments of the transferee, and such
14 other forms of consideration as determined by the board to be in the best interest of the land bank
15 agency.

16 4. Subject to the limitation set forth in subsection 1 of section 141.980, a land bank
17 agency may convey, exchange, sell, transfer, lease, grant, release and demise, pledge and
18 hypothecate any and all interests in, upon or to property of the land bank agency.

19 5. A municipality may, in its resolution or ordinance creating a land bank agency
20 establish a hierarchical ranking of priorities for the use of real property conveyed by such land
21 bank agency, subject to subsection 7 of this section, including but not limited to:

- 22 (1) Use for purely public spaces and places;
- 23 (2) Use for affordable housing;
- 24 (3) Use for retail, commercial and industrial activities;
- 25 (4) Use as wildlife conservation areas; and
- 26 (5) Such other uses and in such hierarchical order as determined by such municipality.

27

28 If a municipality in its resolution or ordinance creating a land bank agency establishes priorities
29 for the use of real property conveyed by the land bank agency, such priorities shall be consistent
30 with and no more restrictive than municipal planning and zoning ordinances.

31 6. The board may delegate to officers and employees the authority to enter into and
32 execute agreements, instruments of conveyance and all others related documents pertaining to
33 the conveyance of property by the land bank agency.

34 7. A land bank agency shall accept written offers equal to or greater than fair market
35 value to purchase real property held by the land bank agency. If a land bank agency rejects a
36 written offer equal to or greater than fair market value, or does not respond to a written offer
37 equal to or greater than fair market value within sixty days, the land bank agency's action shall
38 be subject to judicial review under chapter 536 or any other applicable provision of law unless
39 the basis for the land bank agency's rejection is that it has accepted another offer equal to or
40 greater than fair market value for that property. Venue shall be in the circuit court of the county
41 in which the land bank agency is located.

42 8. When any parcel of real estate acquired by a land bank agency pursuant to a deemed
43 sale under subsection 3 of section 141.560 **or under subsection 3 of section 140.250**, by deed
44 from a land trust under subsection 1 of section 141.984, or pursuant to a sale under subdivision
45 (2) of subsection 2 of section 141.550 is sold or otherwise disposed of by such land bank agency,
46 the proceeds therefrom shall be applied and distributed in the following order:

47 (1) To the payment of the expenses of sale;

48 (2) To fulfill the requirements of the resolution, indenture or other financing documents
49 adopted or entered into in connection with bonds, notes or other obligations of the land bank
50 agency, to the extent that such requirements may apply with respect to such parcel of real estate;

51 (3) The balance to be retained by the land bank agency to pay the salaries and other
52 expenses of such land bank agency and of its employees as provided for in its annual budget;

53 (4) Any funds in excess of those necessary to meet the expenses of the annual budget of
54 the land bank agency in any fiscal year and a reasonable sum to carry over into the next fiscal
55 year to assure that sufficient funds will be available to meet initial expenses for that next fiscal
56 year, exclusive of net profit from the sale of ancillary parcels, shall be paid to the respective
57 taxing authorities that, at the time of the distribution, are taxing the real property from which the
58 proceeds are being distributed. The distributions shall be in proportion to the amounts of the
59 taxes levied on the properties by the taxing authorities. Distribution shall be made on January
60 first and July first of each year, and at such other times as the board may determine.

61 9. When any ancillary parcel is sold or otherwise disposed of by such land bank agency,
62 the proceeds therefrom shall be applied and distributed in the following order:

63 (1) To the payment of all land taxes and related charges then due on such parcel;

64 (2) To the payment of the expenses of sale;

65 (3) To fulfill the requirements of the resolution, indenture, or other financing documents
66 adopted or entered into in connection with bonds, notes or other obligations of the land bank
67 agency, to the extent that such requirements may apply with respect to such parcel of real estate;

68 (4) The balance to be retained by the land bank agency to pay the salaries and other
69 expenses of such land bank agency and of its employees as provided for in its annual budget;

70 (5) Any funds in excess of those necessary to meet the expenses of the annual budget of
71 the land bank agency in any fiscal year and a reasonable sum to carry over into the next fiscal
72 year to assure that sufficient funds will be available to meet initial expenses for that next fiscal
73 year, may be paid in accordance with subdivision (3) of subsection 8 of this section.

74 10. If a land bank agency owns more than five parcels of real property in a single city
75 block and no written offer to purchase any of those properties has been submitted to the agency
76 in the past twelve months, the land bank shall reduce its requested price for those properties and
77 advertise the discount publicly.

141.1012. A land bank agency may be dissolved as a public body corporate and politic
2 not less than sixty calendar days' after an ordinance or resolution for such dissolution is passed
3 by the municipality that established the land bank agency. Not less than sixty calendar days'
4 advance written notice of consideration of such an ordinance or resolution of dissolution shall
5 be given to the members of the board of the land bank agency, shall be published in a local
6 newspaper of general circulation within such municipality, and shall be sent certified mail to
7 each trustee of any outstanding bonds of the land bank agency. No land bank agency shall be
8 dissolved while there remains outstanding any bonds, notes, or other obligations of the land bank
9 agency unless such bonds, notes, or other obligations are paid or defeased pursuant to the
10 resolution, indenture or other financing document under which such bonds, notes, or other
11 obligations were issued prior to or simultaneously with such dissolution. Upon dissolution of
12 a land bank agency pursuant to this section, all real property, personal property, and other assets
13 of the land bank agency shall be transferred by appropriate written instrument to and shall
14 become the assets of the municipality that established the land bank agency. Such municipality
15 shall act expeditiously to return such real property to the tax rolls and shall market and sell such
16 real property using an open, public method that ensures the best possible prices are realized while
17 ensuring such real property is returned to a suitable, productive use for the betterment of the
18 neighborhoods in which such real property is located. Any such real property that was acquired
19 by the dissolved land bank agency pursuant to a deemed sale under subsection 3 of section
20 141.560, by deed from a land trust under subsection 1 of section 141.984, or pursuant to a sale
21 under subdivision (2) of subsection 2 of section 141.550 **or subsection 3 of section 140.250**
22 shall be held by such municipality in trust for the tax bill owners and taxing authorities having
23 an interest in any tax liens which were foreclosed, as their interests may appear in the judgment
24 of foreclosure, and upon the sale or other disposition of any such property by such municipality,
25 the proceeds therefrom shall be applied and distributed in the following order:

- 26 (1) To the payment of the expenses of sale;
- 27 (2) To the reasonable costs incurred by such municipality in maintaining and marketing
28 such property; and
- 29 (3) The balance shall be paid to the respective taxing authorities that, at the time of the
30 distribution, are taxing the real property from which the proceeds are being distributed.

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