

Regular Session, 2012

SENATE BILL NO. 574

BY SENATOR GALLOT

TAX/AD VALOREM. Provides relative to changes of liability for payment of taxes during the redemptive period after a tax sale. (8/1/12)

1 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  
8 hereby 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**~~

1        transferred, the new or current owner, during the period allowed for  
2        redemption.

3                B. (1) Upon the expiration of the period allowed for redemption, any tax  
4                sale purchaser whose tax sale certificate was not redeemed shall be required to  
5                file an affidavit in the conveyance records of the parish within sixty days of the  
6                date of expiration. The affidavit shall be accompanied by a date stamped copy  
7                of the tax sale purchaser's tax sale certificate and shall note the redemption  
8                period expiration date, with such date being calculated from the original filing  
9                date stamped upon the attached tax sale certificate.

10                (2) Upon receipt of such affidavit from the recorder of conveyances, the  
11                assessor shall remove from the tax roll the name or names of any person or  
12                persons not listed as a purchaser on the tax sale certificate accompanying the  
13                affidavit. From that date forward, the tax sale property shall be assessed solely  
14                in the name of and taxes paid by the tax sale purchaser or purchasers.

15                (3) Failure to assess the property in the name of the tax sale purchaser  
16                shall not affect the validity of the tax sale, nor extend the period allowed for  
17                redemption.

18                C. (1) Notwithstanding any other provision of law to the contrary, in the city  
19                of New Orleans, if a tax sale purchaser has made improvements to abandoned or  
20                blighted property, as defined in R.S. 19:136.1, in order to bring the property into  
21                compliance with one or more municipal code ordinances prior to the property being  
22                redeemed, the person redeeming the property shall reimburse the tax sale purchaser  
23                for the costs of improvements required to bring the property into compliance with  
24                any such ordinances. The maximum amount of reimbursement for improvements  
25                shall be fifteen hundred dollars for abandoned property and three thousand dollars  
26                for blighted property. The maximum amount shall be per property per year.

27                (2) In order to receive reimbursement for the costs of improvements, the tax  
28                sale purchaser shall be required to file an affidavit and receipts in the mortgage  
29                records of the parish documenting the costs of such improvements within sixty days

1 after receiving notice of redemption.

2 (3) The failure by a person redeeming property to reimburse a tax sale  
3 purchaser for improvements made in accordance with the provisions of Paragraph  
4 (1) of this Subsection shall not terminate or otherwise impair in any way the right of  
5 any such person to redeem his property pursuant to the provisions of this Section.

6 \* \* \*

7 **§2164. Liability of tax sale purchaser**

8 **During the period allowed for redemption, except as provided for by**  
9 **R.S. 47:2158, the tax sale purchaser shall not be liable for the tax sale property,**  
10 **or for the payment of taxes due thereon.**

---

The original instrument was prepared by Danielle Doiron. The following digest, which does not constitute a part of the legislative instrument, was prepared by Riley Boudreaux.

---

DIGEST

Gallot (SB 574)

Present law 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.

Proposed law changes present law 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 and that tax sale purchaser is not liable for the tax sale property, or for the payment of taxes thereon except as provided for by R.S. 47:2158 (relative to orders of a political subdivision for the purpose of enforcing property standards).

Upon the expiration of the period allowed for redemption, a tax sale purchaser whose tax sale certificate was not redeemed is required to file an affidavit in the conveyance records of the parish within 60 days of the date of expiration, accompanied by a date-stamped copy of the tax sale purchaser's tax sale certificate noting the redemption period expiration date, with such date being calculated from the original filing date which is stamped upon the attached tax sale certificate.

Upon receipt of such affidavit by an assessor from the recorder of conveyances, the assessor must remove from the tax roll the name or names of any person or persons not listed as a purchaser on the tax sale certificate. From that date forward, the tax sale property is required to be assessed solely in the name of, and taxes paid by, the tax sale purchaser or purchasers.

Proposed law provides that failure to assess the property in the name of the tax sale purchaser does not affect the validity of the tax sale, nor extend the period allowed for redemption.

Effective August 1, 2012.

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

Summary of Amendments Adopted by Senate

Committee Amendments Proposed by Senate Committee on Revenue and Fiscal Affairs to the original bill

1. Provides a procedure for naming the tax sale purchaser as the taxpayer of property not redeemed at the expiration of the period allowed for redemption.