DIGEST

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Brossett HB No. 335

Abstract: Relative to property sold at tax sales in the city of New Orleans, requires a person redeeming abandoned or blighted property to reimburse the tax sale purchaser for the costs of improvements required to bring the property into compliance with municipal code ordinances.

Present law requires, after the date of filing a tax sale certificate selling tax sale title to a tax sale purchaser, that all taxes on property be assessed to and paid by the tax sale purchaser until the property, or any part, is redeemed. Present law further requires the person redeeming the property to pay all statutory impositions assessed upon the property subsequent to the tax sale. Provides that the failure to assess the property in the name of the tax sale purchaser shall not affect the validity of the tax sale.

Proposed law retains present law and additionally requires a person redeeming abandoned or blighted property in the city of New Orleans to reimburse the tax sale purchaser for the costs of improvements required to bring the property into compliance with municipal code ordinances. Provides that the maximum amount of reimbursement is $1,500 for abandoned property and $3,000 for blighted property per property per year. Prior to reimbursement, requires a tax sale purchaser to file an affidavit and receipts in the mortgage records of the parish documenting the costs of the improvements within 60 days after receiving notice of redemption.

Effective upon signature of governor or lapse of time for gubernatorial action.

(Amends R.S. 47:2161)

Summary of Amendments Adopted by House

Committee Amendments Proposed by House Committee on Municipal, Parochial and Cultural Affairs to the original bill.

1. Restricts reimbursement to the costs of improvements required to bring abandoned or blighted property into compliance with municipal code ordinances. Provides a maximum amount for reimbursement. Requires the tax sale purchaser to meet certain requirements prior to being reimbursed.