

## SB6 INTRODUCED



1 U94MDG-1  
2 By Senator Coleman-Madison  
3 RFD: County and Municipal Government  
4 First Read: 07-Mar-23  
5 PFD: 30-Jan-23



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SYNOPSIS:

Under existing law, the acquisition of real property by local land bank authorities is subject to certain restrictions on the procedure, geographic location, and costs.

This bill would provide a shortened redemption period for a tax delinquent property that is not acquired by an open market bidder at a tax sale auction, would authorize a local government or a local land bank authority to purchase property at public auction by tendering the minimum bid in the absence of open market bids, and would limit the geographical boundaries of local land bank authority acquisitions.

This bill would also provide for the creation of multijurisdictional local land bank authorities by intergovernmental agreements and a property tax exemption for a property owned by a local land bank authority.

This bill would further provide for the authorization of local governments to allocate a portion of local property tax revenues to local land bank authorities, a local land bank authority to convey properties to state and local governments for floodplain management and storm water drainage, and for the Governor to create a local land bank authority by



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29 executive order following a declaration of a state of  
30 emergency.

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A BILL

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TO BE ENTITLED

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AN ACT

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38 Relating to land bank authorities; to amend Sections  
39 24-9-4, 24-9-6, 24-9-10, 40-1-3, 40-10-1, 40-10-18, 40-10-29,  
40 40-10-120, 40-10-184, and to add Sections 29-4-11 and 29-4-12  
41 to the Code of Alabama 1975; to provide for the creation of  
42 multijurisdictional local land bank authorities; further  
43 authorize the acquisition of tax delinquent property and tax  
44 liens by local land bank authorities; further provide for the  
45 exemption of land bank authority property from taxes and fees;  
46 provide for the allocation of a portion of the ad valorem  
47 taxes on property conveyed by a land bank authority to the  
48 authority; further provide for the conveyance of land bank  
49 authority property; and authorize the Governor to create a  
50 local land bank authority in the event of a state of  
51 emergency.

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BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

53

Section 1. Sections 24-9-4, 24-9-6, and 24-9-10, Code  
54 of Alabama 1975, are amended to read as follows:

55

"§24-9-4

56

When used in the chapter, the following words shall



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57 have the following meanings:

58 (1) AGREEMENT. The intergovernmental cooperation  
59 agreement entered into between an authority and a local  
60 authority by the parties pursuant to this chapter.

61 (2) AUTHORITY. The Alabama Land Bank Authority.

62 (3) BOARD. The Alabama Land Bank Authority Board.

63 (4) LOCAL LAND BANK AUTHORITY. A local land bank  
64 authority created by a county or municipality as provided in  
65 Section 24-9-10.

66 (5) PROPERTY. Real property, including any improvements  
67 thereon.

68 (6) TAX-DELINQUENT PROPERTY. Any property on which the  
69 taxes levied and assessed by any party remain in whole or in  
70 part unpaid on the date due and payable."

71 "§24-9-6

72 (a) The authority, at such times as it deems to be  
73 appropriate, may submit a written request to the Land  
74 Commissioner of the Alabama Department of Revenue for the  
75 transfer of the state's interest in certain properties to the  
76 authority. Upon receipt of such request, the Land Commissioner  
77 shall issue a tax deed conveying the state's interest in the  
78 property to the authority. The authority shall not be required  
79 to pay the amount deemed to have been bid to cover delinquent  
80 taxes or any other amount in order to obtain the tax deed.

81 (b) (1) Delinquent property that may be transferred by  
82 the Land Commissioner to the authority shall be limited to  
83 parcels that have been bid in for the state pursuant to  
84 Chapter 10 of Title 40 for at least three years and the



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85 state's interest in real property acquired pursuant to Chapter  
86 29 of Title 40 for delinquent taxes administered by the state  
87 and held for at least three years. The three-year period shall  
88 not apply to properties encumbered by one or more housing or  
89 building code liens transmitted to the tax collecting official  
90 in accordance with Title 11.

91 (2) The Land Commissioner or his or her agents or  
92 assistants may adopt rules necessary to transfer such  
93 properties to the authority.

94 (c) The authority shall administer properties acquired  
95 by it as follows:

96 (1) All property acquired by the authority shall be  
97 inventoried and the inventory shall be maintained as a public  
98 record.

99 (2) The authority shall have the power to manage,  
100 maintain, protect, rent, lease, repair, insure, alter, sell,  
101 trade, exchange, or otherwise dispose of any property acquired  
102 pursuant to subsection (b)(1), on terms and conditions  
103 determined in the sole discretion of the authority.

104 (d) Nothing contained in Act 2013-249 shall be  
105 construed to grant any power of eminent domain to the  
106 authority or any local authority."

107 "§24-9-10

108 (a) If the number of tax delinquent properties in a  
109 municipality exceeds 100, then the governing body of a  
110 municipality may adopt a resolution declaring that it is wise,  
111 expedient, and necessary that a local land bank authority be  
112 formed by the municipality by the filing for record of a



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113 certificate of incorporation in accordance with the provisions  
114 of subsection ~~(e)~~ (d).

115 (b) If the number of tax delinquent properties in a  
116 municipality exceeds 100, then the governing body of a county  
117 may adopt a resolution declaring that it is wise, expedient,  
118 and necessary that a local land bank authority be formed by  
119 the county by the filing for record of a certificate of  
120 incorporation in accordance with the provisions of subsection  
121 ~~(e)~~ (d).

122 (c) A county and a municipality located within that  
123 county may create a single land bank authority by an  
124 intergovernmental agreement, so long as both the county and  
125 the municipality each meet the criteria of subsections (a) and  
126 (b). The intergovernmental agreement shall comply with all  
127 provisions of subsections (d) and (e).

128 ~~(e)~~ (d) Upon the adoption of the authorizing resolution,  
129 the municipality or county, as the case may be, shall proceed  
130 to incorporate the local land bank authority by filing for  
131 record in the office of the judge of probate of the county a  
132 certificate of incorporation which shall comply in form and  
133 substance with the requirements of this section and which  
134 shall be in the form and executed in the manner herein  
135 provided. The certificate of incorporation of the local land  
136 bank authority shall state all of the following:

137 (1) The name of the local unit of government forming  
138 the local land bank authority.

139 (2) The name of the local land bank authority.

140 (3) The size of the initial governing body of the local



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141 land bank authority, which shall be composed of an odd number  
142 of members, but not less than five.

143 (4) The qualifications, method of selection, and terms  
144 of office of the initial board members.

145 (5) A method for the adoption of bylaws by the  
146 governing body of the local land bank authority.

147 (6) A method for the distribution of proceeds from the  
148 activities of the local land bank authority.

149 (7) A method for the dissolution of the local land bank  
150 authority.

151 (8) Any other matters considered advisable by the local  
152 unit of government, consistent with Act 2013-249.

153 ~~(d)~~ (e) Following incorporation, a local authority may  
154 enter into an intergovernmental agreement with the authority  
155 providing for the transfer to the local authority of any  
156 property held by the authority which is located within the  
157 corporate limits of the municipality or the boundary of the  
158 county which created the land bank.

159 ~~(e)~~ (f) A local land bank authority shall have all of  
160 the powers of the authority as set forth in this chapter. In  
161 addition, a local land bank authority shall have the following  
162 powers:

163 (1) Without the approval of a local unit of government  
164 in which property held by the local land bank authority is  
165 located, control, hold, manage, maintain, operate, repair,  
166 lease as lessor, secure, prevent the waste or deterioration  
167 of, demolish, and take all other actions necessary to preserve  
168 the value of the property it holds or owns. ~~An~~ A local land



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169 bank authority may take or perform the following actions with  
170 respect to property held or owned by the local land bank  
171 authority:

172 a. Grant or acquire a license, easement, or option with  
173 respect to property as the authority determines is reasonably  
174 necessary to achieve the purposes of this chapter.

175 b. Fix, charge, and collect rents, fees, and charges  
176 for use of property under the control of the local land bank  
177 authority or for services provided by the authority.

178 c. Pay any tax or special assessment due on property  
179 acquired or owned by the local land bank authority.

180 d. Take any action, provide any notice, or institute  
181 any proceeding required to clear or quiet title to property  
182 held by the local land bank authority in order to establish  
183 ownership by and vest title to property in the authority,  
184 including, but not limited to, a quiet title and foreclosure  
185 action pursuant to Section 24-9-8.

186 e. Remediate environmental contamination on any  
187 property held by the local land bank authority.

188 (2) Enter into an intergovernmental agreement with a  
189 municipality or county, or another local land bank authority,  
190 providing for one or more of the following:

191 a. The conveyance to the authority of tax delinquent  
192 property held by the municipality or county for title  
193 clearance, including, but not limited to, a quiet title and  
194 foreclosure action under Section 24-9-8.

195 b. The acquisition and title clearance of property by  
196 the authority of property to be conveyed by the local land





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197 bank authority to the municipality or county or another entity  
198 pursuant to the agreement between the authority and the  
199 municipality or county.

200 c. The performance of operational and administrative  
201 services to be provided to another local land bank authority.

202 (3) Acquire real property at a sale conducted in  
203 accordance with Section 40-10-18 by tendering a bid equal to  
204 the minimum amount specified in the decree of sale and the  
205 costs and expenses subsequently accruing, which shall be  
206 accepted by the judge of probate and the local land bank  
207 authority shall be the purchaser at the sale. The tender of  
208 the minimum bid in accordance with this subsection shall be  
209 for cash, with a credit for any and all components of the  
210 minimum bid already due and payable to the governmental entity  
211 that created the local land bank authority. After 90 days from  
212 the date of sale, the judge of probate shall execute and  
213 deliver to the governmental entity a deed to each lot or  
214 parcel of real estate sold to the local land bank authority.  
215 The deed shall convey to, and vest in, the grantee all right,  
216 title, interest, and estate of any and all persons having an  
217 interest in the property as of the date of the sale.

218 (4) Acquire a tax lien at an auction conducted in  
219 accordance with Section 40-10-184 by tendering a cash bid at  
220 an interest rate of zero percent, which shall be accepted as  
221 the successful bid. The bid shall be tendered for cash subject  
222 to a credit for any and all amounts already due and payable to  
223 the governmental entity that created the local land bank  
224 authority.



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225 ~~(f)~~ (g) A local unit of government and any agency or  
226 department of such local unit of government may do one or more  
227 of the following:

228 (1) Anything necessary or convenient to aid a local  
229 land bank authority in fulfilling its purposes under Act  
230 2013-249.

231 (2) Lend, grant, transfer, appropriate, or contribute  
232 funds to a local land bank authority in furtherance of its  
233 purposes.

234 (3) Lend, grant, transfer, or convey funds to a local  
235 land bank authority that are received from the federal  
236 government or this state or from any nongovernmental entity in  
237 aid of the purposes of Act 2013-249.

238 ~~(g)~~ (h) A local land bank authority created by a county  
239 or a municipality may acquire real property only within the  
240 geographical boundaries of the county or municipality, and  
241 only in those portions of the county or municipality ~~In the~~  
242 ~~event a county creates a local authority, the local authority~~  
243 ~~may acquire real property that has been tax delinquent for~~  
244 ~~three or more years only in those portions of the county~~  
245 located outside of the geographical boundaries of any other  
246 local land bank authority ~~created by any municipality located~~  
247 ~~partially or entirely within the county. The Land Bank~~  
248 ~~Authority may acquire real property that has been tax~~  
249 ~~delinquent for three or more years only in those portions of~~  
250 ~~the state located outside of the geographical boundaries of~~  
251 ~~any local authority created by any municipality or county.~~

252 ~~(h)~~ (i) Any local land bank authority formed by a



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253 municipality or county pursuant to this section shall continue  
254 to exist in accordance with its articles of incorporation and  
255 this section in the event that the number of tax delinquent  
256 properties in the local jurisdiction forming the authority  
257 subsequently decreases to 100 or less.

258 ~~(i)~~ (j) Any local land bank authority formed by a  
259 municipality or county pursuant to this section shall permit  
260 the Alabama Department of Examiners of Public Accounts to  
261 perform an audit upon request by the department. The  
262 department shall assess the cost of the audit against the  
263 local land bank authority.

264 (k) As public property used for public purposes, the  
265 real property of a local land bank authority, including, but  
266 not limited to, real property held by a local land bank  
267 authority pursuant to a long-term lease contract with  
268 community land trusts, and its income are exempt from all  
269 license fees, recording fees, and all other taxes imposed by  
270 the state or by any of its political subdivisions.

271 (l) Up to 75 percent of the ad valorem taxes collected  
272 on real property, except any state or school district ad  
273 valorem tax, conveyed by a local land bank authority shall be  
274 remitted to the local land bank authority. The specific  
275 percentage of the taxes to be remitted shall be set forth in  
276 the local law, ordinance, resolution, or intergovernmental  
277 contract of the local land bank authority. The allocation of  
278 property tax revenues shall commence with the first taxable  
279 year following the date of conveyance and shall continue for a  
280 period of five consecutive tax years. The funds shall be



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281 remitted to the local land bank authority in accordance with  
282 the administrative procedures established by the tax  
283 commissioner or tax collecting official of the county in which  
284 the local land bank authority is located. The allocation of  
285 property tax revenues shall not occur if the taxes have been  
286 previously allocated to a tax allocation district, or  
287 allocated to secure a debt of the local government, unless the  
288 tax allocation district or local government enters into an  
289 agreement with the local land bank authority for the  
290 remittance of the funds to the local land bank authority."

291 Section 2. Sections 24-9-11 and 24-9-12 are added to  
292 the Code of Alabama 1975, to read as follows:

293 §24-9-11

294 (a) A local land bank authority may convey ownership  
295 of, or interest in, real property to a state or local  
296 governmental entity for purposes of floodplain management or  
297 storm water drainage in the event of all of the following:

298 (1) Floodplain management or storm water retention or  
299 drainage is the highest and best use of the real property.

300 (2) As a result of housing and building code  
301 restrictions, floodplain elevations, and other local, state,  
302 or federal law or public and private agreements, conditions,  
303 and limitations, the real property is no longer suitable for  
304 development or redevelopment.

305 (b) (1) A local land bank authority may convey ownership  
306 of, or interest in, real property under this section by grant,  
307 deed lease, or other form of conveyance, and may include  
308 additional limitations, restrictions, and conditions to be



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309 determined by the local land bank authority.

310 (2) Consideration for the conveyance may be any of the  
311 following not otherwise prohibited by law:

312 a. A nominal monetary payment.

313 b. A contractual obligation in favor of the party to  
314 which the real property is being conveyed.

315 c. An exchange of real property.

316 d. Other consideration determined by the local land  
317 bank authority and the party to whom the real property is to  
318 be conveyed.

319 §24-9-12

320 (a) Upon declaring a state of emergency caused by a  
321 natural disaster that causes widespread damage to, and  
322 destruction of, real property and improvements and dislocation  
323 of residents, the Governor may create a local land bank  
324 authority in accordance with this section.

325 (1) The Governor may issue an executive order providing  
326 for the immediate creation of a local land bank authority of  
327 and for local governments of the geographic areas subject to  
328 the declaration of the state of emergency.

329 (2) The executive order shall provide for incorporation  
330 and certification of the local land bank authority as required  
331 under this chapter.

332 (b) Any local land bank authority created pursuant to  
333 this section shall have all powers of a local land bank  
334 authority created pursuant to Section 24-9-10.

335 (c) Upon the necessary and appropriate action of the  
336 local governments having jurisdiction over the geographic



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337 areas subject to the declaration of the state of emergency, a  
338 local land bank authority created pursuant to this section may  
339 be converted into a local land bank authority created pursuant  
340 to Section 24-9-10, at which time, the local land bank  
341 authority shall be the successor in interest and at law to the  
342 local authority created pursuant to this section.

343 (d) In the event that a local land bank authority  
344 created pursuant to this section is not converted pursuant to  
345 subsection (c), 12 months following the date of the Governor's  
346 executive order, the local land bank authority created by the  
347 executive order shall be dissolved in accordance with the  
348 provisions of the Governor's executive order.

349 Section 3. Sections 40-1-3, 40-10-1, 40-10-18,  
350 40-10-29, 40-10-120, and 40-10-184, Code of Alabama 1975, are  
351 amended to read as follows:

352 "§40-1-3

353 From and after October 1 of each year, when property  
354 becomes assessable the state shall have a lien upon each and  
355 every piece or parcel of property owned by any taxpayer for  
356 the payment of all taxes which may be assessed against him or  
357 her and upon each piece and parcel of property real or  
358 personal assessed to owner unknown, which lien shall continue  
359 until such taxes are paid, and the county shall have a like  
360 lien thereon for the payment of the taxes which may be  
361 assessed by it; and, if such property is within the limits of  
362 a municipal corporation, such municipal corporation shall have  
363 a like lien thereon for the payment of the taxes which may be  
364 assessed by it. These liens shall be superior to all other



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365 liens and shall exist in the order named, and each of such  
366 liens may be enforced and foreclosed by sale for taxes as  
367 provided in this title, or as other liens upon property are  
368 enforced, except as otherwise provided by ~~laws~~law. These taxes  
369 and liens shall include any and all liens transmitted to the  
370 tax collecting official by counties and municipal corporations  
371 in accordance with Sections 11-40-35, 11-53B-16, and  
372 11-67-66."

373           "§40-10-1

374           (a) The probate court of each county may order the sale  
375 of lands therein for the payment of taxes assessed on the  
376 lands, or against the owners of the lands, when the tax  
377 collector shall report to the court that he or she or the  
378 holder of a tax lien issued pursuant to Acts 1995, No. 95-408  
379 was unable to collect the taxes assessed against the land, or  
380 any mineral, timber or water right or special right, or  
381 easement therein, or the owner thereof, without a sale of the  
382 land.

383           (b) For purposes of any enforcement proceedings under  
384 this chapter, the taxes due shall include any and all liens of  
385 a municipality for housing and building code violations and  
386 enforcement actions which liens are transmitted to the tax  
387 collecting official in accordance with Title 11."

388           "§40-10-18

389           (a) If no person shall bid for any real estate offered  
390 at such sale an amount ~~sufficient to pay the sum~~ greater than  
391 the minnimum bid specified in the decree of sale, and the  
392 costs and expenses subsequently accruing, and no minimum bid



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393 is tendered by a local government or a local land bank  
394 authority, the judge of probate shall bid in such real estate  
395 for the state at ~~a price not exceeding the sum specified in~~  
396 ~~such decree and such subsequently accruing cost and~~  
397 ~~expenses~~the minimum bid. In no event shall the judge of  
398 probate bid in for the state less than the entire amount of  
399 real estate included in any assessment.

400 (b) If no person shall bid for any real estate offered  
401 at such sale, an amount greater than the minimum bid specified  
402 in the decree of sale, and the costs and expenses subsequently  
403 accruing, a local government or local land bank authority in  
404 which the real estate is located may tender a bid for the  
405 minimum amount which bid shall be accepted by the judge of  
406 probate, and the successful bidder shall be the purchaser at  
407 the sale. The tender of the minimum bid in accordance with  
408 this subsection shall be for cash, with a credit for any and  
409 all amount already due and owing the local governmental entity  
410 submitting the bid."

411 "§40-10-29

412 (a) After the expiration of three years from the date  
413 of the sale of any real estate for taxes, the judge of probate  
414 then in office must execute and deliver to the purchaser,  
415 other than the state, or person to whom the certificate of  
416 purchase has been assigned, upon the return of the  
417 certificate, proof that all ad valorem taxes have been paid,  
418 and payment of a fee of five dollars (\$5) to the judge of  
419 probate, a deed to each lot or parcel of real estate sold to  
420 the purchaser and remaining unredeemed, including therein, if





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421 desired by the purchaser, any number of parcels, or lots  
422 purchased by him or her at such sale; and such deed shall  
423 convey to and vest in the grantee all the right, title,  
424 interest, and estate of the person whose duty it was to pay  
425 the taxes on such real estate and the lien and claim of the  
426 state and county thereto, but it shall not convey the right,  
427 title, or interest of any reversioner or remainderman therein.

428 (b) After the expiration of 90 days from the sale for  
429 the minimum bid to a local government or local land bank  
430 authority, the judge of probate then in office shall execute  
431 and deliver to the entity a deed to the real estate sold to  
432 the entity and the deed shall convey to and vest in the  
433 grantee all of the right, title, and interest of any and all  
434 persons having an interest in the property as of the date of  
435 the sale."

436 "§40-10-120

437 (a) Except as otherwise provided in this subsection,  
438 real ~~Real~~ estate which hereafter may be sold for taxes and  
439 purchased by the state may be redeemed at any time before the  
440 title passes out of the state or, if purchased by any other  
441 purchaser, may be redeemed at any time within three years from  
442 the date of the sale by the owner, his or her heirs, or  
443 personal representatives, or by any mortgagee or purchaser of  
444 such lands, or any part thereof, or by any person having an  
445 interest therein, or in any part thereof, legal or equitable,  
446 in severalty or as tenant in common, including a judgment  
447 creditor or other creditor having a lien thereon, or on any  
448 part thereof; and an infant or insane person entitled to



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449 redeem at any time before the expiration of three years from  
450 the sale may redeem at any time within one year after the  
451 removal of the disability; and such redemption may be of any  
452 part of the lands so sold, which includes the whole of the  
453 interest of the redemptioner. If the mortgage or other  
454 instrument creating a lien under which a party seeks to redeem  
455 is duly recorded at the time of the tax sale, the party shall,  
456 in addition to the time herein specified, have the right to  
457 redeem the real estate sold, or any portion thereof covered by  
458 his or her mortgage or lien, at any time within one year from  
459 the date of written notice from the purchaser of his or her  
460 purchase of the lands at tax sale served upon such party, and  
461 notice served upon either the original mortgagees or  
462 lienholders or their transferee of record, or their heirs,  
463 personal representatives, or assigns shall be sufficient  
464 notice.

465 (1) When any real property is sold for taxes and has  
466 also been sold in one or more prior sales for taxes without  
467 redemption from such prior tax sales, the three-year period  
468 for redemption shall be measured from the date of the earliest  
469 sale of the real property for taxes.

470 (2) When any real property is sold for taxes and the  
471 minimum bid specified in the decree of sale, and the costs and  
472 expenses subsequently accruing includes amounts attributable  
473 to one or more housing and building code liens or nuisance  
474 abatement liens and the property is not lawfully occupied as a  
475 residence, the period for redemption shall be one year from  
476 the date of the sale.



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477 (3) When any real property is sold to a local  
478 government or local land bank in accordance with Section  
479 40-10-18 for the minimum bid specified in the decree of sale  
480 and the costs and expenses subsequently accruing, the period  
481 for redemption shall be one year from the date of the sale.

482 (b) If any real property has been sold for taxes and is  
483 subject to redemption from the sale as set forth in subsection  
484 (a) and has also been sold in one or more subsequent sales for  
485 taxes, then any party entitled to redeem such sale for taxes  
486 may redeem such sale if the redemptioner simultaneously  
487 redeems his or her sale and all subsequent sales. In the event  
488 of a redemption of successive sales, the redemption amount  
489 shall be ascertained by applying the provisions of Sections  
490 40-10-121 and 40-10-122. Redemption amounts computed pursuant  
491 to Section 40-10-121 shall be paid as stated therein.  
492 Redemption amounts computed pursuant to Section 40-10-122  
493 shall be paid as stated therein if the purchaser had the right  
494 to redeem pursuant to subsection (a) or was the owner of the  
495 then current tax certificate or tax title. Otherwise, those  
496 funds shall be disposed of as set forth in Section 40-10-28  
497 and paid to such purchaser or his or her assignee only as set  
498 forth in Section 40-10-28, with the time limits for such  
499 application computed utilizing the sale date when the  
500 purchaser's interest was sold for taxes."

501 "§40-10-184

502 (a) On the day and time designated for a tax lien  
503 auction, the tax collecting official shall proceed to auction  
504 all tax liens described in the tax lien auction list compiled



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505 as provided in Section 40-10-183, except those for which the  
506 taxes, penalties, interest, fees, and costs thereon have been  
507 paid. Any tax lien unsold after a tax lien auction shall be  
508 retained by the county for future auction or sale as provided  
509 in this article.

510 (b) A tax lien shall be sold at auction pursuant to  
511 this article to the person who pays all taxes, interest,  
512 penalties, fees, and costs due on the property, including an  
513 origination cost of twenty dollars (\$20) as of the date of  
514 auction and a twenty dollar (\$20) auction fee, and who, in  
515 addition, bids the lowest interest rate on the amount required  
516 to be paid to redeem the property from the sale. The beginning  
517 interest rate bid shall not exceed a rate of 12 percent and  
518 additional bids may be made at a rate less than the  
519 immediately preceding bid. If the interest rate bid for the  
520 property reaches ~~0.00~~ zero percent and a bid is submitted by  
521 the local government or local land bank authority in which the  
522 property is located, the bid shall be accepted as the  
523 successful bid. The tender of the bid shall be for cash, with  
524 a credit for any and all amounts already due and payable to  
525 the local governmental entity submitting the bid. If no bid is  
526 submitted and more than one bidder remains, the tax collecting  
527 official shall draw lots to determine the winning bidder for  
528 the property.

529 (c) The sale of a tax lien does not extinguish any deed  
530 restriction, deed covenant, or easement on or appurtenant to  
531 the parcel. A tax lien offered for auction or sale shall be  
532 identified by a uniform parcel number and a legal



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533 description."

534           Section 4. This act shall become effective immediately  
535 following its passage and approval by the Governor, or its  
536 otherwise becoming law.