- 1 HB177
- 2 138445-3
- 3 By Representative Clouse
- 4 RFD: Financial Services
- 5 First Read: 07-FEB-12

1	ENGROSSED
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3	
4	A BILL
5	TO BE ENTITLED
6	AN ACT
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8	To amend Section 40-10-28, Code of Alabama 1975, to
9	provide that only a person or entity who has redeemed property
10	sold at a tax sale may receive the excess paid by a tax sale
11	purchaser; to require that the excess be held in escrow in the
12	county treasury for three years until proper application for
13	payment of the escrow is made; and to provide that the excess
14	shall be paid into the county general fund for use by the
15	county if not claimed within 10 years.
16	BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:
17	Section 1. Section 40-10-28, Code of Alabama 1975,
18	is amended to read as follows:
19	"§40-10-28.
20	"The excess arising from the sale of any real estate
21	remaining after paying the amount of the decree of sale, and
22	including costs and expenses subsequently accruing, shall be
23	paid over to the owner, or his agent, or to the person legally
24	representing such owner, or into the county treasury, and it
25	may be paid therefrom to such owner, agent or representative
26	in the same manner as to the excess arising from the sale of
27	personal property sold for taxes is paid. If such excess is

1 not called for a person or entity who has redeemed the 2 property as authorized in Section 40-10-120 or any other provisions of Alabama law authorizing redemption from a tax 3 4 sale, provided proof that the person or entity requesting payment of the excess has properly redeemed the property is 5 presented to the county commission within three years after 6 7 such the tax sale by the person entitled to receive the same, 8 upon the order of the county commission stating the case or 9 cases in which such excess was paid, together with a description of the lands sold, when sold and the amount of 10 such excess, has occurred. Until and unless the property is 11 redeemed, the excess funds from the tax sale shall be held in 12 13 an escrow account in the county treasurer shall place such 14 during the three-year period. If at the end of the three-year 15 period there has been no proper request for the excess of money funds, those funds shall be deposited to the credit of 16 17 the general fund of the county and make a record on his books of the same, and such money shall thereafter be treated as 18 part of the general fund of the county. At any time within 10 19 20 years after such excess has been passed to the credit of the 21 general fund of the county the tax sale has occurred, the 22 county commission may shall on proof made by any person or 23 entity that he is the rightful owner of such excess of money 24 property has been properly redeemed by the person or entity 25 under the general laws of the state, the county commission 26 shall order the payment thereof to such owner, his heir or legal representative of the excess funds to such person or 27

1 <u>entity</u>, but if not so ordered and paid within such time, the 2 same shall become the property of the county."

3 Section 2. This act shall become effective on the 4 first day of the third month following its passage and 5 approval by the Governor, or its otherwise becoming law.

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3	House of Representatives
4 5 6 7	Read for the first time and re- ferred to the House of Representa- tives committee on Financial Ser- vices
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9 10 11	Read for the second time and placed on the calendar with 1 substitute and
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13 14	Read for the third time and passed as amended 22-MAR-12
15	Yeas 96, Nays 0, Abstains 0

Greg Pappas Clerk

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