

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

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ENROLLED, An Act,

To amend Section 40-10-28, Code of Alabama 1975, to provide that only a person or entity who has redeemed property sold at a tax sale may receive the excess paid by a tax sale purchaser; to require that the excess be held in escrow in the county treasury for three years until proper application for payment of the escrow is made; and to provide that the excess shall be paid into the county general fund for use by the county if not claimed within 10 years.

BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

Section 1. Section 40-10-28, Code of Alabama 1975, is amended to read as follows:

"§40-10-28.

"The excess arising from the sale of any real estate remaining after paying the amount of the decree of sale, ~~and including~~ costs and expenses subsequently accruing, shall be paid over to ~~the owner, or his agent, or to the person legally representing such owner, or into the county treasury, and it may be paid therefrom to such owner, agent or representative in the same manner as to the excess arising from the sale of personal property sold for taxes is paid. If such excess is not called for~~ a person or entity who has redeemed the property as authorized in Section 40-10-120 or any other provisions of Alabama law authorizing redemption from a tax

1 sale, provided proof that the person or entity requesting
2 payment of the excess has properly redeemed the property is
3 presented to the county commission within three years after
4 such the tax sale by the person entitled to receive the same,
5 upon the order of the county commission stating the case or
6 cases in which such excess was paid, together with a
7 description of the lands sold, when sold and the amount of
8 such excess, has occurred. Until and unless the property is
9 redeemed, the excess funds from the tax sale shall be held in
10 an escrow account in the county treasurer shall place such
11 during the three-year period. If at the end of the three-year
12 period there has been no proper request for the excess of
13 money funds, those funds shall be deposited to the credit of
14 the general fund of the county and make a record on his books
15 of the same, and such money shall thereafter be treated as
16 part of the general fund of the county. At any time within 10
17 years after such excess has been passed to the credit of the
18 general fund of the county the tax sale has occurred, the
19 county commission may shall on proof made by any person or
20 entity that he is the rightful owner of such excess of money
21 property has been properly redeemed by the person or entity
22 under the general laws of the state, the county commission
23 shall order the payment thereof to such owner, his heir or
24 legal representative of the excess funds to such person or

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

3 Section 2. The Department of Revenue shall
4 promulgate rules authorizing the county commission to issue a
5 voucher in the amount of the excess bid to a person or entity
6 which has paid all other costs of redemption as required
7 herein. The person or entity redeeming property may present
8 the voucher to the judge of probate in lieu of the amount
9 equal to the excess bid to complete the redemption process.
10 The rules promulgated by the department shall include forms to
11 be utilized for issuing such vouchers.

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

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Speaker of the House of Representatives

President and Presiding Officer of the Senate

House of Representatives

I hereby certify that the within Act originated in
and was passed by the House 22-MAR-12, as amended.

Greg Pappas
Clerk

Senate	10-MAY-12	Amended and Passed
House	10-MAY-12	Concurred in Senate Amendment