

1 SB44
2 174719-2
3 By Senator Sanders
4 RFD: Fiscal Responsibility and Economic Development
5 First Read: 07-FEB-17
6 PFD: 02/01/2017

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8 SYNOPSIS: Under existing law, a party desiring to
9 redeem property sold to the state for unpaid taxes
10 is required to pay the amount of money for which
11 the property was sold, together with the amount of
12 all taxes found to be due on the property since the
13 date of sale, with interest at the rate of 12
14 percent.

15 This bill would provide that a party
16 desiring to redeem property sold to the state for
17 unpaid taxes would pay interest only on the taxes
18 due at the time of default.

19
20 A BILL
21 TO BE ENTITLED
22 AN ACT
23

24 To amend Section 40-10-121, Code of Alabama 1975; to
25 provide that a party desiring to redeem property sold to the
26 state for unpaid taxes pay interest only on the taxes due at
27 the time of default.

1 BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

2 Section 1. Section 40-10-121, Code of Alabama 1975,
3 is amended to read as follows:

4 "§40-10-121.

5 "(a) In order to obtain the redemption of land from
6 tax sales where the same has been heretofore or hereafter sold
7 to the state, the party desiring to make such redemption shall
8 apply therefor as hereinafter provided and shall deposit with
9 the judge of probate of the county in which the land is
10 situated the amount of money for which the lands were sold,
11 ~~with interest thereon at the rate of 12 percent,~~ together with
12 the amount of all taxes found to be due on such land since the
13 date of sale, as provided herein, with interest at the rate of
14 12 percent on the amount of the actual taxes due at the time
15 of default and all costs and fees due to officers.

16 "(b) Upon application to the probate judge to redeem
17 land where the same has been sold to the state for taxes,
18 which application shall be made on blank forms to be furnished
19 by the Land Commissioner, the probate judge shall submit such
20 application to the tax assessor of the county in which the
21 land sought to be redeemed is located, and the assessor shall
22 without delay enter on such application an assessment value
23 for each of the years for which taxes are due, subsequent to
24 the year for which such land was sold to the state for taxes,
25 and such assessment value shall be such percentage as
26 established by law of the fair and reasonable market value of

1 such lands as of October 1 of the year or years subsequent to
2 the year for which the land was sold for taxes.

3 "(c) Any party having a right to redeem said
4 property, his agents, or attorney, shall have the right to
5 file a written protest with the board of equalization,
6 objecting to the valuation of said land as placed on said
7 property by the tax assessor, setting forth his ground of
8 objection to the assessed value of said property as fixed by
9 said tax assessor, and the board of equalization shall,
10 thereafter, fix a day for hearing said protest by giving to
11 the tax assessor and party desiring to redeem, his agents, or
12 attorney, at least 10 days' written notice of the day and
13 place of hearing said petition, and upon the hearing of said
14 cause, the board of equalization shall have the right to
15 review the assessed value of said property as fixed by the tax
16 assessor and shall fix and determine the assessed value for
17 each of the years subsequent to the year for which such land
18 was sold to the state for taxes, and the board of equalization
19 shall certify to the probate judge the assessed value of the
20 land so fixed.

21 "(d) The redemptioner shall deposit with the probate
22 judge the amount of money for which lands were sold for taxes,
23 plus the amount due for subsequent years based on the
24 assessment value as required to be fixed herein, and interest
25 on the amount of actual taxes due at the time of default,
26 costs, and fees as provided in this section.

1 "(e) If any balance remains due to the state upon
2 any lien arising by reason of any installment redemption the
3 payment of which is secured under the provisions of Section
4 40-10-141, the redemptioner shall also deposit with the
5 probate judge the amount of the balance due upon such lien,
6 with interest to the date of redemption on the amount of the
7 actual taxes due at the time of default.

8 "(f) If the lands sought to be redeemed, or any
9 portion thereof, are situated in any municipality, the
10 redemptioner shall also deposit with the probate judge the
11 amount of any unpaid taxes assessed against the same by such
12 municipality, and an amount equal to any municipal taxes
13 thereon which, subsequent to the tax sale, were not assessed
14 by reason of the fact that such land had been purchased by the
15 State of Alabama, plus interest which would have accrued upon
16 such municipal taxes from the time the same would have
17 otherwise become delinquent, which amounts, with interest,
18 shall be treated and distributed in the same manner as taxes
19 and interest thereon."

20 Section 2. This act shall become effective on
21 October 1, 2016, for actions related to taxes delinquent on or
22 after January 1, 2017.