

1 SB114  
2 174719-2  
3 By Senator Sanders  
4 RFD: Fiscal Responsibility and Economic Development  
5 First Read: 09-JAN-18

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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.