

RESOLUTION OF THE CITY COUNCIL

No. 229

Approved May 9, 1997

RESOLVED, That the City Council endorses and urges passage by the General Assembly of An Act Relating to Taxation - Tax Sales, in substantially the form attached.

IN CITY COUNCIL
MAY 1 1997
READ AND PASSED

Evelyn V. Fargnoli
PRES
Michael R. Clement
CLERK

APPROVED
MAY 9 1997
Vincent DiLancia
MAYOR

THE COMMITTEE ON
MAR 6 1997

Recommends

Clerk

THE COMMITTEE ON
APR 21 1997

Approved Passage of
The Within Resolution

Clerk

State Legislation

Juan M. Anguiano
Clerk

Council President Jarguole and Councilman Gallen (By request)

97 -- H 6073

DT302

STATE OF RHODE ISLAND
IN GENERAL ASSEMBLY
JANUARY SESSION, A.D. 1997

AN ACT

RELATING TO TAXATION -- TAX SALES

Introduced By: Representatives Metts, Giannini, Slater, Moura and Carpenter
Date Introduced: February 4, 1997
Referred To: House Committee on Judiciary

It is enacted by the General Assembly as follows

SECTION 1. Sections 44-9-7, 44-9-8, 44-9-12, 44-9-13, 44-9-14, 44-9-15 and 44-9-18 of the General Laws in Chapter 44-9 entitled "Tax Sales" are hereby amended to read as follows:

44-9-7. Advertisement and sale of real estate. -- The collector may advertise {ADD and take ADD} and sell any real estate liable for taxes in the manner directed.

44-9-8. Sale of undivided part or whole of land. -- If the taxes are not paid, the collector shall, at the time and place appointed for the sale, sell by public auction for the amount of the taxes, assessments, rates, liens, interest, and necessary intervening charges, the smallest undivided part of the land which will bring the amount, or the whole for the amount if no person offers to take an undivided part {ADD or take such land for the city or town equal to the aforementioned interest ADD} .

44-9-12. Collector's deed -- Rights conveyed to purchaser -- Recording. -- The collector shall execute and deliver to the purchaser a deed of the land, stating the cause of sale, the price for which the land was sold, the places where the notices were posted, the name of the newspaper in which the advertisement of the sale was published, and the residence of the grantee. The deed shall convey the land to the purchaser, subject to the right of redemption. The title thus conveyed shall, until redemption or until the right of redemption is foreclosed, be held as security for the repayment of the purchase price, with all intervening costs, terms imposed for redemption, and charges, with interest thereon, and the premises conveyed, both before and after either redemption or foreclosure, shall also be subject to and have the benefit of all easements and restrictions lawfully existing in, upon, or over the land or appurtenant to the land. The deed shall not be valid unless recorded within sixty (60) days after the sale. If so recorded it shall be prima facie evidence of all facts essential to the validity of the title conveyed be the deed. Except as otherwise provided, no sale shall give to the purchaser any right to either the possession, or the rents, or profits of the land until the expiration of one year after the date of the sale, nor shall any sale obviate or transfer any responsibility of an owner of property to comply with any statute of this state or ordinance of any municipality governing the use, occupancy, or maintenance or conveyance of property until the right of redemption is foreclosed. {ADD Upon the expiration of one (1) year after the date of the sale, the tax title holder shall be jointly and severally liable with the owner for all responsibility and liability for the property and

shall be responsible to comply with any statute of this state or ordinance of any municipality governing the use, occupancy, or maintenance or conveyance of the property even prior to the right of redemption is foreclosed. ADD}

44-9-13. Entry by collector not required -- Recording of tax sale list. -- No entry upon the land by the collector shall be deemed necessary, but the collector in all cases of sales of real estate shall deliver to the clerk's or recorder's office a list of those properties sold at tax sale which the clerk or recorder shall record or post in the land evidence records for their respective city or town within forty-eight (48) hours after the sale of real estate. The recorded or posted list shall include the assessed owner's name(s), the address of the property, and the assessor's plat and lot, and the recorded or posted list shall be conclusive evidence of the facts stated in the list. {ADD No properties shall be sold at tax sale to any individual who is delinquent in the paying of taxes or is an officer, more than ten percent (10%) shareholder or owner of a partnership or corporation that is delinquent in the paying of taxes on any property located within the city or town in which the tax sale is held, unless said individual has agreed to a written payment plan approved by the collector and is current on any and all payments required by said plan. ADD}

44-9-14. Purchase by collector for town. -- If at the time and place of sale {ADD the collector takes the land for the city or town or ADD} no person bids for the land offered for sale an amount equal to the tax and charges, the collector shall then and there make public declaration of the fact; ~~{DEL and, if no bid equal to the tax and charges is then made, the collector shall DEL}~~ {ADD and ADD} give public notice that the collector purchases for the town by which the tax is assessed the land ~~{DEL as offered for sale DEL}~~ at the amount of the tax and the charges and expenses of the levy and sale. This amount, together with the cost of recording the deed of purchase, shall be allowed the collector in his or her settlement with the town, provided the collector causes the deed to be duly recorded within sixty (60) days after the purchase and to be delivered to the town treasurer.

44-9-15. Recital in deed to town. -- If the town becomes the purchaser, the deed to it, in addition to the statements required by section 44-9-12, shall set forth the fact that no sufficient bid was made at the sale {ADD or that the land was taken by the town ADD} and shall confer upon the town the rights and duties of an individual purchaser.

44-9-18. Management and sale of land purchased by town -- Assignment of tax title. -- Towns may make regulations for the possession, management, and sale of land purchased or taken for taxes not inconsistent with law or with the right of redemption. The treasurer of any town holding a tax title, upon payment to the town of a sum not less or more than the amount necessary for redemption, may assign and transfer the tax title to any person, and may execute and deliver on behalf of the town any instrument necessary therefor. The treasurer shall send notice of the intended assignment to the owner of record at the owner's last known address, by registered or certified mail, at least ten (10) days prior to the assignment, but failure to receive the notice shall not affect the validity of the assignment. The instrument of assignment shall be recorded within sixty (60) days from its date and if so recorded shall be prima facie evidence of all facts essential to its validity. Except as otherwise provided, all provisions of law applicable in cases where the original purchaser at a tax sale is another than the city or town shall thereafter apply in the case of an assignment, as if the assignee had been a purchaser for the original sum at the original sale and had paid to the town the subsequent taxes and charges included in the sum paid for the assignment (Forms 1 and 2). {ADD Neither a city or town or any of its officers, agents or employees shall be liable or accountable to the owner or to any other person having an interest in such land for failure to collect rent or other income therefrom; and neither said city or town nor any of its officers, agents or employees shall be liable for injury or damage caused by the possession of land or to the person or property of any person. ADD}

SECTION 2. Chapter 44-9 of the General Laws entitled "Tax Sales" is hereby amended by adding thereto the following section:

{ADD 44-9-13.1. Tax title holders. -- Filing requiring statements. -- {ADD Prior to receive a

deed, whoever has a title to land under a sale for nonpayment of taxes or other assessment, shall file with the treasurer thereof and in the registry of deed as statement of his or her residence and place of business, with the street and number, if any. Such person, who is not a resident of the city or town where the tax sale is held, shall also appoint an agent residing therein, or in the city or town where the tax deed is recorded, authorized to release such land. He or she shall also file the statement above required in which he or she shall also state the name of such agent and his residence and place of business, with the street number, if any. Whenever a person holding tax title changes his residence or place of business or agent, he or she shall file a new certificate. Tender of payment to, and service of process upon, such agent shall be sufficient tender to, or service upon, the holder of such tax title.
ADD}

{ADD 44-9-18.2. Assignment to redevelopment agency. -- ADD} {ADD}Notwithstanding the provisions of section 44-9-18, the treasurer may transfer and assign any or all tax titles held by a city or town for no monetary consideration to the redevelopment agency of said city or town. Such transfer shall not confer upon the redevelopment agency any greater rights or responsibilities than those granted to or imposed upon the city or town as the original holder of the tax title. The redevelopment agency shall hold any such tax title so transferred or assigned subject to any and all rights of redemption held by the owner of record and/or his or her successors and assigns in title. Notwithstanding the foregoing, the redevelopment agency shall also hold and be permitted to exercise any rights that the city or town previously held, including the right to petition for foreclosure of any rights of redemption. ADD}

{ADD 44-9-25.2. Foreclosure of the rights of redemption on account of constructive abandonment by a city or town. -- ADD} {ADD}Notwithstanding the provisions of section 44-9-25 of this chapter, following a sale of land for taxes, whenever the city or town holds the title thereby acquired, the city or town may bring an immediate petition in the superior court for the foreclosure of all rights of redemption thereunder upon a finding by the superior court of constructive abandonment. The petition shall include a description of the land to which it applies, with its assessed valuation, the source of title giving reference to the place, book and page of record, and such other facts as may be necessary for the information of the court. A finding of constructive abandonment will be made in a situation where the owner of a property has manifested said constructive abandonment with some act or failure to act. In determining whether an owner has constructively abandoned a property, the court shall consider the following:

- (a) whether or not the property is vacant;
- (b) whether or not housing and building code violations have not been addressed;
- (c) whether or not the grounds are maintained;
- (d) whether or not the building's interior is sound;
- (e) whether or not any vandalism or damage to the building has not been repaired;
- (f) whether or not dumping regularly occurs on the property;
- (g) whether or not the property is regularly maintained (i.e. grass, litter control, etc.);
- (h) the length of time any of the above conditions have existed.

The taxpayer may appear for the limited purpose of declaring his or her intention with regard to exercising his or her right of redemption over the property actions brought under this section to foreclose the right of redemption on account of constructive abandonment in the superior court shall be given precedence on the calendar and shall be heard not later than thirty (30) days from the initiation of such proceedings. ADD}

SECTION 3. This act shall take effect upon passage.

DT302

**EXPLANATION
BY THE LEGISLATIVE COUNCIL
OF
AN ACT
RELATING TO TAXATION -- TAX SALES**

* * *

This act would provide numerous changes to the way cities and towns sell property at tax sales along with restrictions on those individuals or other entities that purchase property at tax sale.

The act would take effect upon passage.

As always, your comments concerning this page are welcomed and appreciated.

Thank you for stopping by!

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