

RESOLUTION OF THE CITY COUNCIL

No. 201

Approved April 29, 1996

WHEREAS, the City of Providence has recently initiated many programs for the revitalization of the neighborhoods in the City; and

WHEREAS, properties sold at tax sales are often important to that revitalization effort; and

WHEREAS, 96 S-2631, Sub A, creates many problems for cities and towns relative to tax sales, namely, but not limited to:

- (a) removing the language regarding foreclosure on account of abandonment;
- (b) changing notice requirements (i.e., mail service to agents, change of ownership, IRS, and mortgage holders) making the process more burdensome and technical;
- (c) allowing tax title holders to recover all rents from the property;
- (d) mandating assignment of tax-titles by cities and towns, with only a 30-day period for the PRA to accept a parcel;
- (e) allowing notice by a tax holder to be to any employee of a company, which is less stringent than what has been proposed in the tax collector's notice of tax sale; and
- (f) allowing tax title holders to recover from cities or towns for procedural error not only the amount paid but also interest and all costs, including attorney fees.

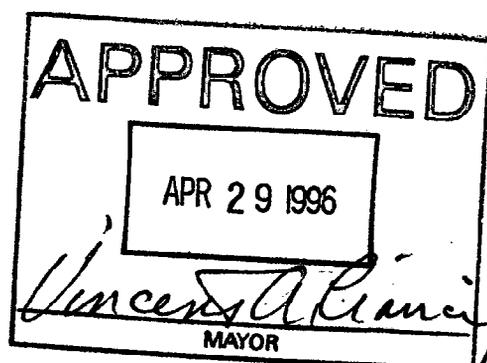
NOW, THEREFORE, BE IT RESOLVED, That the City Council opposes the passage by the General Assembly of Senate Bill 96S-2631, Substitute A.

IN CITY COUNCIL
APR 18 1996

READ AND PASSED

ACTING PRES.

CLERK



ES1109/2/SUBA/3

S T A T E O F R H O D E I S L A N D

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A N A C T

R E L A T I N G T O T A X A T I O N -- T A X S A L E S

Introduced By: Senators Montalbano, Celona, DiSandro, Goodwin
and Holland

Date Introduced: February 6, 1996

Referred To: Senate Committee on Judiciary

It is enacted by the General Assembly as follows:

1 SECTION 1. Section 44-9-25.1 of the General Laws in Chapter 44-9
2 entitled "Tax Sales" is hereby repealed in its entirety.

3 ~~44-9-25.1--Foreclosure-of-the-rights-of-redemption-on-account-of~~
4 ~~abandonment:----~~ Notwithstanding the provisions of section 44-9-25 of
5 this chapter, following a sale of land for taxes, whoever then holds
6 the title thereby acquired may bring an immediate petition in the
7 superior court for the foreclosure of all rights of redemption upon a
8 finding by the superior court of abandonment. The petition shall
9 include a description of the land to which it applies, with its
10 assessed valuation, the petitioner's source of title, giving reference
11 to the place, book, and page of the record, and such other facts as
12 may be necessary for the information of the court. A finding of aban-
13 donment shall be made under the following circumstances:

14 (i) The summons initiating the proceedings for the foreclosure of
15 all rights of redemption and directed to the taxpayer(s) at the
16 taxpayer's premises, or at the last known address of the taxpayer, if
17 known by the petitioner to be different from that of the taxpayer's

1 premises; is returned not found.

2 (2) Upon the return of the summons as "not found," the petitioner
3 may move the court, notice of the motion having been sent to the tax-
4 payer by certified mail at the taxpayer's last known address, for the
5 appointment of the code enforcement officer of the city or town or
6 other appropriate person as an officer of the court to make a personal
7 inquiry into the whereabouts of the taxpayer. The inquiry shall
8 include visits to the taxpayer's premises, and inquiries with neigh-
9 bors, known relatives, employers, and any other person or entity whom
10 the officer may reasonably conclude has information to the whereabouts
11 of the taxpayer.

12 (3) If the officer of the court, upon such inquiry, is unable to
13 ascertain the whereabouts of the taxpayer, the court may, upon hearing
14 the report of the officer and being satisfied as to its thoroughness,
15 enter a finding that the taxpayer's premises are abandoned, and order
16 that all rights of redemption be immediately foreclosed on account of
17 the abandonment.

18 (4) If the inquiry of the officer results in the location of the
19 taxpayer, the taxpayer shall be ordered by the court to appear for the
20 limited purpose of declaring his or her intention with regard to exer-
21 cising his right of redemption over the property. If, upon making such
22 an appearance, the taxpayer states that neither he or she nor anyone
23 holding under him or her intends to occupy the mortgaged premises, the
24 court may order that all rights of redemption be immediately fore-
25 closed on account of that abandonment.

26 (5) Any person who willfully misrepresents facts regarding the
27 finding of abandonment of taxpayer's premises or who engages in
28 [harassment] or pressure to cause taxpayers to abandon premises or
29 otherwise fraudulently obtains a finding of abandonment or a finding
30 that premises have not been abandoned, shall be guilty of a misdemeanor
31 or punishable by a fine of not less than one thousand dollars (\$1,000)
32 or thirty (30) days in prison.

33 (6) Actions brought under this section to foreclose the right of

1 purchaser shall have a priority over subsequent tax sale purchasers
2 such that the prior tax sale purchaser shall have a right of redemp-
3 tion as defined in this chapter with respect to any subsequent tax
4 sale. Any subsequent tax sale purchaser, however, shall have the
5 right to foreclose all rights of redemption with respect to prior tax
6 title interests. The date of a tax sale shall be the date used to
7 determine the priority of any tax sale purchaser. Purchasers at
8 subsequent tax sales shall not have a right of redemption from prior
9 tax sale purchasers.

10 44-9-8. Sale of undivided part or whole of land. -- If the taxes
11 are not paid, the collector shall, at the time and place appointed for
12 the sale, sell by public auction for the amount of the taxes, assess-
13 ments, rates, liens, interest, and necessary intervening charges, the
14 smallest undivided part of the land which will bring the amount, but
15 not less than one percent (1%) or the whole for the amount if no
16 person offers to take an undivided part.

17 44-9-9. Notice and advertisement of sale. -- Before the sale the
18 collector shall give notice of the time and place of sale posted in
19 two (2) or more public places in the town at least three (3) weeks
20 before the time of the sale. The collector shall also cause to be pub-
21 lished in some public newspaper published in the town, if there be
22 one, and if there be no public newspaper published in the town, then
23 in some public newspaper published in the county, a statement concern-
24 ing the time and place of sale, the real estate liable for payment of
25 taxes, the street address of the real estate liable for payment of
26 taxes and the name of the person against whom the real estate was
27 assessed, with a list of the parcel or parcels to be offered for sale
28 by the recorded plat and lot number, or by assessors' plat and lot
29 number, or by other adequate description. The newspaper notice giving
30 this full description shall be inserted, once, at least three (3)
31 weeks prior to the date of the advertised sale, and thereafter a
32 weekly formal legal notice, between the date of original advertisement
33 and the time of sale specified therein, shall be inserted, stating

1 that the collector will sell at public auction real estate thus adver-
2 tised. The subsequent formal legal notice shall include reference to
3 the original advertisement which gave full description. Whenever a
4 duly advertised tax sale is continued or postponed, a formal legal
5 notice giving the new date shall be inserted at least one week prior
6 to the new date.

7 44-9-10. Notice of sale to taxpayer. -- (a) Whether or not the
8 person to whom the estate is taxed as of December 31st prior to the
9 tax sale be a resident of this state, the collector shall, in addition
10 to the foregoing, notify the taxpayer of the time and place of sale
11 either by registered or certified mail sent postpaid to the taxpayer's
12 last-and-usual-place-of-abode street address of the real estate liable
13 for payment of taxes, and, if different, to the taxpayer's address
14 listed with the tax assessor's office of the city or town where the
15 real estate is located or to another address taxpayer designates by
16 written notice to the tax assessor, or to the address of the taxpayer
17 stated on the deed recorded in the Land Evidence Records of the city
18 or town where the real estate is located or to the last known address
19 of the taxpayer not less than twenty (20) days before the date of sale
20 or any adjournment thereof, or be left at the taxpayer's last and
21 usual--place--of-abode, known address or personally served on the tax-
22 payer not less than twenty (20) days before the date of sale or any
23 adjournment thereof, but no notice of adjournments shall be necessary
24 other than the announcement made at the sale.

25 (b) Persons aged sixty-five (65) years and over or persons suf-
26 fering from a disability may designate a third party to whom notice
27 may be sent as required pursuant to this section by advising the tax
28 assessor of the name and address of the person.

29 (c) If the estate taxed is a corporation, ~~the notice may be sent~~
30 ~~either by registered or certified mail to its--place--of--business--or~~
31 ~~left--at--the--business--office--of--the--corporation--with--some--person--there~~
32 employed, private corporation, domestic or foreign, limited liability
33 company, domestic or foreign, limited partnership, or foreign limited

1 partnership, or other entity by mailing a copy of the notice either by
2 registered or certified mail postage prepaid not less than twenty (20)
3 days before the date of sale or any adjournment thereof to an officer,
4 a managing or general agent authorized by appointment or by law to
5 receive service of process, provided that if the agent is one desig-
6 nated by statute to receive service, such further notice as the stat-
7 ute requires shall be given.

8 (d) In the event the person to whom the estate is taxed is listed
9 in the records of the assessor and/or collector as having applied for
10 and been granted a property tax abatement based wholly or partially on
11 the age of the taxpayer, then the collector shall also notify the
12 department of elderly affairs by registered or certified mail postage
13 orepaid not less than twenty (20) days before the date of the sale.
14 Failure to notify the department of elderly affairs shall not affect
15 the validity of a tax sale.

16 (e) If the record owner of the estate taxed as of ninety (90)
17 days prior to the scheduled tax sale is different than the owner of
18 the estate taxed on the December 31st prior to the scheduled tax sale,
19 the collector shall, in addition to the foregoing, notify said record
20 owner as of ninety (90) days prior to the scheduled tax sale in the
21 same manner as set forth in sections 44-9-10(a) and 44-9-10(c).

22 44-9-11. Notice to mortgagees and other parties in interest. --

23 (a) In case the collector shall advertise for sale any property, real,
24 personal, or mixed, in which any person other than the person to whom
25 the tax is assessed has an interest, it shall not be necessary for the
26 collector to notify the interested party, except mortgagees of record
27 and/or their assignees of record who shall be notified by the collec-
28 tor either by registered or certified mail sent postpaid to--the--last
29 and--usual--place--of--abode--or--place--of--business--of--the--mortgagee;--not
30 less--than--twenty--(20)--days--before--the--date--of--sale--or--any--adjournment
31 thereof;--or--be--left--at--his--or--her--last--and--usual--place--of--abode;--or
32 personally served on him or her; not less than twenty (20) days before
33 the date of sale or any adjournment thereof, to an agent authorized by

1 appointment or by law to receive service of process, or if there be no
2 such agent, to the address of the mortgagee or assignee set forth in
3 the recorded mortgage document or the recorded assignment or to the
4 last known address of the mortgagee, but no notice of adjournments
5 shall be necessary other than the announcement made at the sale. The
6 posting and publication of the notice of the time and place of sale in
7 the manner provided by section 44-9-9 shall be deemed sufficient
8 notice to all other interested parties. This provision shall apply to
9 all taxes levied prior to and subsequent to 1896.

10 (b) If the Internal Revenue Service has an interest in the prop-
11 erty, real, personal or mixed, to be advertised for sale by the col-
12 lector, which said interest is recorded in the Land Evidence Records
13 of the city or town where the property to be sold is located, at least
14 thirty (30) days prior to the scheduled tax sale, then the collector
15 shall give notice to said Internal Revenue Service in accordance with
16 28 USC 2410 as amended.

17 44-9-12. Collector's deed -- Rights conveyed to purchaser --
18 Recording. -- The collector shall execute and deliver to the purchaser
19 a deed of the land, stating the cause of sale, the price for which the
20 land was sold, the places where the notices were posted, the name of
21 the newspaper in which the advertisement of the sale was published,
22 and the residence of the grantee. The deed shall convey the land to
23 the purchaser, subject to the right of redemption. The title thus con-
24 veyed shall, until redemption or until the right of redemption is
25 foreclosed, be held as security for the repayment of the purchase
26 price, with all intervening costs, terms imposed for redemption, and
27 charges, with interest thereon, and the premises conveyed, both before
28 and after either redemption or foreclosure, shall also be subject to
29 and have the benefit of all easements and restrictions lawfully exist-
30 ing in, upon, or over the land or appurtenant to the land. The deed
31 shall not be valid against intervening interests unless recorded
32 within sixty (60) days after the sale. If so recorded it shall be
33 prima facie evidence of all facts essential to the validity of the

1 title conveyed be the deed. Except as otherwise provided, no sale
2 shall give to the purchaser any right to either the possession, or the
3 rents, or profits of the land until the expiration of one year after
4 the date of the sale, nor shall any sale obviate or transfer any
5 responsibility of an owner of property to comply with any statute of
6 this state or ordinance of any municipality governing the use, occu-
7 pancy, or maintenance or conveyance of property until the right of
8 redemption is foreclosed.

9 The rents to which the purchaser shall be entitled after the
10 expiration of one (1) year and prior to redemption shall be those net
11 rents actually collected by the former fee holder or a mortgagee under
12 an assignment of rents. Rents shall not include mere rental value of
13 the land, nor shall the purchaser be entitled to any rents from
14 owner-occupied, single-unit residential property. For purposes of
15 redemption, net rents shall be computed by deducting from gross rents
16 actually collected any sums expended directly on behalf of the tenant
17 from whom the rent was collected. Such expenditures shall include
18 utilities furnished, management expenses, repairs made to the tenanted
19 unit, and services provided for the benefit of the tenant. However,
20 mortgage payments, taxes, and sums expended for general repair and
21 renovation (i.e. capital improvements) shall not be deductible
22 expenses in the computation of net rents.

23 In all cases where the redeeming party disputes the assessment of
24 net rents by the tax title purchaser, the burden of proof shall be on
25 the tax title purchaser to establish to the court the amount of the
26 net rents. No attorneys' fees shall be awarded by the superior court
27 at a hearing to determine net rents.

28 44-9-13. Entry by collector not required -- Recording of tax
29 sale list. -- No entry upon the land by the collector shall be deemed
30 necessary, but the collector in all cases of sales of real estate
31 shall deliver to the clerk's or recorder's office a list of those
32 properties sold at tax sale which the clerk or recorder shall record
33 or post in the land evidence records for their respective city or town

1 within forty-eight (48) hours after the sale of real estate. The
2 recorded or posted list shall include the assessed owner's name(s),
3 which shall be immediately posted in the grantor's index, the address
4 of the property, and the assessor's plat and lot, and the recorded or
5 posted list shall be conclusive evidence of the facts stated in the
6 list.

7 44-9-18. Management and sale of land purchased by town --
8 Assignment of tax title. -- Towns may make regulations for the posses-
9 sion, management, and sale of land purchased or taken for taxes not
10 inconsistent with law or with the right of redemption. The treasurer
11 of any town holding a tax title, upon payment to the town of a sum not
12 less or more than the amount necessary for redemption, may shall
13 assign and transfer the tax title to any person, who makes a written
14 request for an assignment and transfer of the tax title and tenders
15 the amount necessary for redemption and may shall execute and deliver
16 on behalf of the town any instrument necessary therefor, provided,
17 however, that prior to assignment the town may offer the subject
18 parcel to a local land trust or redevelopment agency, which shall
19 submit to the treasurer within thirty (30) days of the offer of
20 assignment a written notice of its decision of whether or not to ac-
21 cept such parcel for conservation or development purposes. In the
22 event such trust or redevelopment agency fails to accept the subject
23 parcel within such thirty (30) day period, the requested assignment
24 shall be made by the treasurer to the person or entity requesting the
25 assignment. The treasurer after an examination of the title to the tax
26 sale property shall send notice of the intended assignment to the cur-
27 rent owner of record at the owner's last known address, by registered
28 or certified mail, at least ten (10) days prior to the assignment, but
29 failure to receive the notice shall not affect the validity of the
30 assignment. The instrument of assignment shall be recorded within
31 sixty (60) days from its date and if so recorded shall be prima facie
32 evidence of all facts essential to its validity. Except as otherwise
33 provided, all provisions of law applicable in cases where the original

1 purchaser at a tax sale is another other than the city or town shall
2 thereafter apply in the case of an assignment, as if the assignee had
3 been a purchaser for the original sum at the original sale and had
4 paid to the town the subsequent taxes and charges included in the sum
5 paid for the assignment (Forms 1 and 2).

6 44-9-19. Right of redemption from town. -- Any person having an
7 interest in land sold for nonpayment of taxes, or his or her heirs or
8 assigns, at any time prior to the filing of a petition for foreclosure
9 under section 44-9-25, if the land has been purchased by the town and
10 has not been assigned, may redeem the land by paying or tendering to
11 the treasurer the sum for which the real estate was purchased, plus a
12 penalty which shall be ten percent (10%) of the purchase price if
13 redeemed within six months after the date of the collector's sale, and
14 an additional one percent of the purchase price for each succeeding
15 month, together with all charges lawfully added for intervening taxes,
16 plus interest thereon at the rate of one percent (1%) per month and
17 expenses assessed subsequently to the collector's sale.

18 44-9-21. Redemption from purchaser other than town. -- Any
19 person may redeem by paying or tendering to a purchaser, other than
20 the town, his or her legal representatives, or assigns, or to the
21 person to whom an assignment of a tax title has been made by the town,
22 at any time prior to the filing of the petition for foreclosure, in
23 the case of a purchaser the original sum and any intervening taxes
24 paid plus interest thereon at the rate of one percent (1%) per month
25 and costs paid by him or her, plus a penalty as provided in section
26 44-9-19, or in the case of an assignee of a tax title from a town, the
27 amount stated in the instrument of assignment, plus the above-
28 mentioned penalty. He or she may also redeem the land by paying or
29 tendering to the treasurer the sum which he or she would be required
30 to pay to the purchaser or to the assignee of a tax title, in which
31 case the town treasurer shall be constituted the agent of the pur-
32 chaser or assignee.

33 44-9-23. Certificate of redemption money paid to treasurer. --

1 The treasurer shall receive any money paid to him instead of the pur-
2 chaser or assignee of a tax title, and , if the period of one (1) year
3 has not passed from the date of sale, give to the person paying it a
4 certificate specifying the amount paid, the name of the person to whom
5 and the real estate on which the tax was originally assessed, and the
6 registry of deeds and the book and page of the records where the col-
7 lector's deed and the instrument of assignment, if any, is recorded;
8 and the recording of the certificate in the registry shall extinguish
9 all right and title acquired under the collector's deed (Form 4).

10 In the event that the period of one year has passed from the date
11 of sale, then the treasurer shall forthwith cause notice of the pro-
12 posed redemption to be sent to the purchaser of the tax title at the
13 address set forth in the tax deed. The purchaser shall, within a
14 period of thirty (30) days after the date of said notice, notify the
15 treasurer of all other redemption costs to be collected by the treas-
16 urer. In the event that the purchaser fails to so notify the treasur-
17 er, then the treasurer shall give to the person paying a certificate
18 as provided herein.

19 44-9-24. Title absolute after foreclosure of redemption --
20 Jurisdiction of proceedings. -- The title conveyed by a tax collec-
21 tor's deed shall be absolute after foreclosure of the right of redemp-
22 tion by decree of the superior court as provided in this chapter. No
23 decree shall be vacated except in a separate action instituted within
24 one (1) year following entry of the decree. Such action shall be
25 instituted for no reason other than inadequacy of notice amounting to
26 a denial of due process or the invalidity of the tax sale. The supe-
27 rior court shall have exclusive jurisdiction of the foreclosure of all
28 rights of redemption from titles conveyed by a tax collector's deed,
29 and the foreclosure proceedings shall follow the course of equity in a
30 proceeding provided for in sections 44-9-25 -- 44-9-33.

31 44-9-25. Petition for foreclosure of redemption. -- After one
32 year from a sale of land for taxes, except as provided in sections
33 44-9-19 -- 44-9-22 whoever then holds the title acquired may bring a

1 petition in the superior court for the foreclosure of all rights of
2 redemption thereunder. The petition shall set forth a description of
3 the land to which it applies, with its assessed valuation, the
4 petitioner's source of title, giving a reference to the place, book,
5 and page of record, and such other facts as may be necessary for the
6 information of the court. Two (2) or more parcels of land may be
7 included in any petition brought by a town, as any purchaser of a
8 title or titles, if the parcels are in the same record ownership at
9 the time of bringing the petition (Form 5).

10 No more than one (1) foreclosure petition may be filed for each
11 tax deed regardless of the number of tax title holders having an
12 interest under such deed. If more than one (1) petition is filed the
13 petitions shall be consolidated for hearing by the court. The court
14 shall not award more than one (1) attorney's fee to the petitioners.

15 44-9-26. Deposit-by-petitioner-to-cover-costs:-- The petitioner
16 at-the-time-of-filing-his-or-her-petition-shall-deposit-with-the-clerk
17 of--the-superior-court-a-sum-sufficient-to-cover-the-costs-of-the-pro-
18 ceedings-as-estimated-by-the-court: Representation of unknown or unas-
19 certainable interests. -- Subsequent to filing a petition, the peti-
20 tioner shall select two (2) attorneys who are members in good standing
21 of the Rhode Island bar association, subject to the approval of the
22 court, to act as a guardian ad litem and attorney for those persons
23 entitled to protection pursuant to the Soldiers' and Sailors' Civil
24 Relief Act of 1940 as amended. These attorneys, so appointed, shall
25 only be required to make themselves available to all persons not in
26 being or ascertainable and whose interests may be affected by the
27 filing of the petition and also persons who may be under legal dis-
28 ability whose identity or whereabouts are unknown and to those persons
29 interested in the petition who may be in the military service and
30 entitled to protection pursuant to the Soldiers' and Sailors' Civil
31 Relief Act of 1940, as amended. Each attorney, as appointed, shall
32 submit the rights and interests of those persons represented by him to
33 the protection of the court by way of answer.

1 44-9-27. Examination of title -- Notice to interested parties of
2 foreclosure petition. -- (a) Upon the filing of a petition, the peti-
3 tioner shall at his or her own cost, select, with the approval of the
4 court, a title company or an attorney familiar with the examination of
5 land titles, which company or attorney shall make an examination of
6 the title sufficient only to determine the persons who may be inter-
7 ested in the title, and the petitioner shall, upon the filing of the
8 examiner's report, notify all persons appearing to be interested,
9 whether as equity owners, mortgagees, lienors, attaching creditors, or
10 otherwise, of the pendency of the petition, the notice to be sent to
11 each either by registered or certified mail and return of receipt re-
12 quired or by personal service of a copy of the petition and citation
13 in the manner set forth herein. Such other and further notice by
14 including publication of the citation once each week for two (2) suc-
15 cessive weeks or otherwise shall be given as the court may at any time
16 order.

17 If notice of the pendency of the petition is given by registered
18 or certified mail return receipt requested or by personal service, a
19 copy of the petition and citation shall be mailed or served upon
20 interested persons as follows:

21 (I) Mail or personal service to interested parties within this
22 state shall be as follows:

23 (1) Upon an individual other than an incompetent person by mail-
24 ing or delivering a copy of the petition and citation to him or her
25 personally or by mailing or leaving copies thereof at his or her
26 dwelling house or usual place of abode with some person of suitable
27 age and discretion then residing therein or by mailing or delivering a
28 copy of the notice to an agent authorized by appointment or by law to
29 receive service of process, provided that if the agent is one desig-
30 nated by statute to receive service, such further notice as the stat-
31 ute requires shall be given.

32 (2) Upon a person for whom a guardian or conservator has been
33 appointed by mailing or serving copies of the petition and citation

1 upon such guardian or conservator and upon the incompetent person in
2 the manner provided in paragraph (1) of this subsection.

3 (3) Upon a private corporation, domestic or foreign, limited lia-
4 bility company, domestic or foreign, general or limited partnership,
5 domestic or foreign or any other entity, by mailing or delivering a
6 copy of the petition and citation to an officer, or a partner, or a
7 managing or general agent, or by mailing or leaving a copy of the
8 petition and citation at an office of the entity with a person
9 employed therein, or by mailing or delivering a copy of the petition
10 or citation to an agent authorized by appointment or by law to receive
11 service of process, provided that if the agent is one designated by
12 statute to receive service, such further notice as the statute re-
13 quires shall be given.

14 (4) Upon the state by mailing or delivering a copy of the peti-
15 tion or citation to the attorney general or an assistant attorney gen-
16 eral.

17 (5) Upon a city or town by mailing or delivering a copy of the
18 petition and citation to the city or town clerk.

19 (6) Upon a public corporation, body, or authority by mailing or
20 delivering a copy of the petition and citation to any officer, direc-
21 tor, or manager thereof.

22 (II) Notice outside state; Personal jurisdiction. When an indi-
23 vidual or a foreign corporation or other entity is subject to the
24 jurisdiction of the courts of the state, notice may be made outside
25 the state as follows:

26 (1) Upon an individual by mailing or delivering a copy of the
27 petition or citation to the individual personally by any disinterested
28 person, or by mailing a copy of the petition and citation to the indi-
29 vidual by registered or certified mail, return receipt requested, or
30 by any other method ordered by the court to give such individual
31 notice of the action and sufficient time to prepare any defense
32 thereto.

33 (2) Upon a foreign corporation or other entity by delivering a

1 copy of the petition and citation by any disinterested person to the
2 president, secretary, treasurer, or principal of such entity in the
3 state of incorporation or formation, or by mailing a copy of the peti-
4 tion and citation to any such officer or agent or to the entity at its
5 business address designated in the state of incorporation or formation
6 by registered or certified mail, return receipt requested, or by any
7 other method ordered by the court to give such corporation or other
8 entity notice of the action and sufficient time to prepare any defense
9 thereto.

10 (III) Notice by publication. Whenever in an action described
11 herein, complete service of notice cannot with due diligence be made
12 by another prescribed method, the court shall order service by publi-
13 cation of a notice of the action in one (1) or more newspapers for two
14 (2) successive weeks in such form as the court shall direct. For the
15 purpose of providing notice by publication, a reference to the tax
16 assessor's plat and lot and the address of the subject parcel shall
17 constitute a legally sufficient description.

18 (IV) Return. The person serving the petition and citation shall
19 make proof of service thereof on the original citation or a paper
20 attached thereto for that purpose, and shall, forthwith return it to
21 the plaintiff's attorney. Any return receipt received in connection
22 therewith shall be annexed to such citation when returned. The
23 petitioner's attorney shall, within the time during which the person
24 served must respond to the petition, file the proof of service with
25 the court. Failure to make proof of service does not affect the
26 validity of the service.

27 (V) Amendment. At any time in its discretion and upon such terms
28 as it deems just, the court may allow any citation or proof of service
29 thereof to be amended, unless it clearly appears that material preju-
30 dice would result to the substantial rights of the party against whom
31 the notice issued.

32 (b) The notice citation, to be addressed "To all whom it may con-
33 cern," shall contain the name of the petitioner, the names of all

1 known respondents, a description of the land, and a statement of the
2 nature of the petition, shall fix the time within which appearance may
3 be entered, and shall contain a statement that unless the party noti-
4 fied shall appear within the time fixed a default will be recorded,
5 the petition taken as confessed, and the right of redemption forever
6 barred (Form 6).

7 44-9-28. Order as to parties in default. -- After the return day
8 fixed, to be at least twenty (20) days after the time of the actual
9 issuance of notice, the court shall, if satisfied that the notice has
10 been properly given, on motion of the petitioner enter an order
11 defaulting all persons failing to appear, ~~and decreeing that the peti-~~
12 ~~tion as to them be taken as confessed (Form 8).~~

13 44-9-29. Redemption by party to foreclosure proceedings. -- Any
14 person claiming an interest, on or before the return day or within
15 such further time as may on motion be allowed by the court, shall, if
16 he or she desires to redeem, file an answer setting forth his or her
17 right in the land, and an offer to redeem upon such terms as may be
18 fixed by the court. Thereupon the court shall hear the parties, and
19 may in any case in its discretion make a finding allowing the party to
20 redeem, within a time fixed by the court, upon payment to the peti-
21 tioner of an amount sufficient to cover the original sum, costs, pen-
22 alties, and all subsequent taxes, costs, and interest to which the
23 petitioner may be entitled, together with the costs of the proceed-
24 ings, insurance on the purchaser's interest, costs of governmentality
25 mandated repairs, intervening taxes and interest thereon at the rate
26 of twelve percent (12%) per annum, net rents as provided in section
27 44-9-12, and such counsel fee as the court deems reasonable. The court
28 may impose such other terms as justice and the circumstances warrant.

29 The redemption amount shall not vary regardless of the identity
30 of the redeeming party.

31 Liens and executions attaching to a former fee holder's interest
32 in property which has been sold at tax sale attach to the former fee
33 holder's right of redemption only and shall be expunged if the former

1 fee holder's right of redemption is foreclosed.

2 44-9-32. Recording of notices of foreclosure petition and final
3 disposition. -- Notice of filing the petition for foreclosure and
4 notice of the final disposition shall be recorded in the proper regis-
5 try of deeds (Forms-7-and-10); but failure to record the notice of
6 filing the foreclosure petition shall have no effect on the validity
7 of the court proceedings thereon.

8 44-9-35. Errors and irregularities in proceedings. -- No tax
9 title shall be held to be invalid by reason of any error or irregu-
10 larity which is neither substantial nor misleading, whether the error
11 or irregularity occurs in the proceedings of the collector or the
12 assessors or in the proceedings of any other official or officials
13 charged with duties in connection with the establishment of the tax
14 title, or in the proceedings to foreclose the rights of redemption as
15 set forth in section 44-9-25 to 44-9-33 inclusive.

16 44-9-43. Refund of purchase price when title based on sale with-
17 out foreclosure adjudged invalid:-- Refund of purchase price, inter-
18 est and costs when title based on collector's sale, treasurer's
19 assignment or sale without foreclosure adjudged invalid. -- If, as the
20 result of a petition, the petitioner's title is adjudged invalid by
21 the court because of errors or irregularities in the tax proceedings
22 upon which it was based, the clerk, upon request, shall issue a cer-
23 tificate to that effect. The treasurer of the town where the land
24 affected by the title is situated, upon receipt of a release by the
25 holder of the title of all interest which he or she may have under it,
26 together with the certificate, shall refund to the holder the amount
27 paid, but not exceeding the amount received by the city or town.

28 If, prior to filing a petition, a tax deed purchaser's title is
29 found to be invalid because of errors or irregularities in the tax
30 proceedings upon which it was based, the taxing authority shall
31 execute a redemption deed and refund to the purchaser the amount paid
32 for the tax deed plus statutory interest at the rate of one percent
33 (1%) per month from the date of the invalid sale until the date of

1 refund and any recording costs incurred by the purchaser.

2 If, as the result of a petition, the petitioner's title is ad-
3 judged invalid by the court because of errors or irregularities in the
4 tax proceedings upon which it is based, including the sale, assign-
5 ment, or auction thereof, the clerk upon request, shall issue a cer-
6 tificate to that effect. The treasurer of the taxing authority, upon
7 receipt of the certificate and a release from the petitioner of all
8 interest which the petitioner may have under the tax deed, shall
9 refund to the petitioner the amount paid therefor plus statutory
10 interest at the rate of one percent (1%) per month from the date of
11 payment until the date of refund and any actual out-of-pocket costs
12 incurred by the petitioner including title search, recording fees,
13 service costs, advertising, and the court filing fee, plus reasonable
14 attorney fees if any for each petition, notwithstanding the provisions
15 of section 45-15-5. However, if the sale in error is caused by the
16 violation of an automatic stay resulting from a bankruptcy or
17 receivership, the taxing authority shall be liable to refund to the
18 petitioner only the amount paid for the tax deed plus statutory inter-
19 est as the rate of one percent (1%) per month from the date of payment
20 until the date of refund and any recording costs, if the taxing
21 authority can demonstrate to the court that it conducted the sale
22 without actual knowledge of the existence of the bankruptcy or
23 receivership.

24 44-9-46. Forms. -- The following forms may be used in proceed-
25 ings for the collection of taxes under this chapter, and, if substan-
26 tially followed, they shall be deemed sufficient for the proceedings
27 to which they respectively relate; but other suitable forms may also
28 be used.

29 Form No. 1

30 Section 44-9-18

31 This notice to be sent by registered or certified mail.

32 NOTICE OF INTENTION TO ASSIGN TAX TITLE

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State of Rhode Island

Name of City or Town

OFFICE OF THE TREASURER

_____, 19__

(Name of owner of record)

(Last known address)

You are hereby notified that after the expiration of ten (10) days from the date of this notice I, _____, Treasurer of the City -- Town of _____, intend to assign and transfer to _____ the tax title on the hereinafter described land upon the payment by him of a sum not less than the amount necessary for redemption, said tax title having been acquired by said city or town under a tax collector's deed dated _____, 19 __, and recorded in the Registry of Deeds, Book _____, Page _____.

DESCRIPTION OF LAND:

Tax Assessor's Plat _____ Lots _____

Treasurer
of _____
Name of City or Town

Form No. 2
Section 44-9-18

INSTRUMENT OF ASSIGNMENT OF TAX TITLE

(This instrument must be recorded within sixty (60) days from its date)

STATE OF RHODE ISLAND

1 Name of City or Town

2 OFFICE OF THE TREASURER

3 I, , Treasurer of the City -- Town of ,
4 pursuant to the provisions of General Laws, Section 44-9-18, in con-
5 sideration of /100 dollars to me paid, do hereby on behalf of
6 said city -- town assign and transfer to (Name of Assignee) of (No.,
7 Street, City, State), the tax title acquired by said city -- town on
8 the hereinafter described land under a tax collector's deed dated
9 19 , and recorded in the Registry of Deeds, Book
10 , Page .

11 DESCRIPTION OF LAND

12 The above-mentioned sum is not less than the amount necessary for
13 redemption, and includes all taxes assessed on said land subsequent to
14 the assessment, for nonpayment of which the land was so purchased, and
15 which have not been paid.

16 On , 19 , notice of intended assignment was sent by
17 registered or certified mail to the owner of record as follows:

18 _____
19 (Name) (Last known address)

20 In Witness Whereof, I have hereunto set my hand and seal this
21 day of , 19 .

22 WITNESS

23 _____
24 Treasurer

25 STATE OF RHODE ISLAND,

26 County of

27 In the of this day of 19 ,
28 personally appeared before me , Treasurer of the City -- Town
29 of , known to me and known by me to be the person who executed

1 the foregoing instrument, and acknowledged the same, by him signed in
2 his said capacity to be his free and voluntary act and deed.

3 _____
4 Notary Public

5 Form No. 3
6 Section 44-9-20

7 FORM OF DEED WHEN ESTATE IS REDEEMED
8 UNDER SECTION 44-9-19
9 KNOW ALL MEN BY THESE PRESENTS,

10 That the _____ of _____, in consideration of _____, to
11 it paid by _____ of _____, the receipt whereof is hereby ac-
12 knowledged, does hereby remise, release, and forever quitclaim unto
13 the said _____ all the right, title and interest which the said
14 _____ of _____ acquired, by or under a deed made to it by the
15 Collector of Taxes for said city -- town of _____, dated
16 19 _____, and recorded in Deed Book _____ Page _____ in and to the
17 following parcel of real estate:

18 (Description)

19 To have and to hold the above-released premises, with all the
20 privileges and appurtenances to the same belonging, to the said
21 _____, h _____ heirs and assigns, to h _____ and their use
22 and behoof forever.

23 In witness whereof, etc.

24 _____
25 By: _____
26 Treasurer

27 Acknowledgment. See Form 2.

28 Form 3.1

29 REDEMPTION DEED

1 sions of General Laws, Sections 44-9-19 -- 44-9-23, (Name of person
 2 redeeming) , residing at (No., Street, City or Town,
 3 and State), who claims to be the holder of an interest in --
 4 a mortgage on the land hereinafter described, which was purchased for
 5 nonpayment of the 19 tax assessed thereon to , has paid to
 6 me as Treasurer of the city-town the amount of /100 dollars
 7 for the purpose of redeeming said land from the tax title thereby held
 8 by (Present holder of tax title), residing at (No., Street,
 9 City or Town, and State) , under a tax collector's deed dated
 10 , 19 , and recorded in Registry of Deeds, Book
 11 , Page .

12 (If there has been no assignment, strike out the following refer-
 13 ence)

14 said tax title having been assigned to the above-named
 15 (Present Holder of Tax Title) by instrument of assignment
 16 dated , 19 , and recorded in said registry, Book ,
 17 Page .

18 The undersigned treasurer hereby certifies that notice of the
 19 pendency of the within redemption has been given to the tax title pur-
 20 chaser or his assignee as required by General Laws section 44-9-21.

21 The above-mentioned amount is computed as follows:
 22 (Strike out whichever computation is inapplicable)

23 TITLE HELD BY ORIGINAL	TITLE HELD BY ASSIGNEE PURCHASER
24 Original Sum for which Land was Sold	Amount Stated in Instrument of Assignment \$.... \$....
25	
26 Intervening Taxes and Costs Paid by Purchaser	Taxes and Costs Paid by Assignee since Assignment
27	
28	
29 Interest According to Law	Interest According to Law
30 Recording	Recording
31	_____

1 TOTAL AMOUNT PAID \$.... TOTAL AMOUNT PAID \$....

2 DESCRIPTION OF LAND

3 In Witness, etc.

4 _____

5 By: _____

6 Treasurer

7 Acknowledgment. See Form 2.

8 Form No. 5

9 Section 44-9-25

10 STATE OF RHODE ISLAND

11 PETITION TO FORECLOSE RIGHT OF REDEMPTION

12 To the Honorable the Judges of the Superior Court:

13 The undersigned hereby represents that the land hereinafter de-
14 scribed was sold on (Date of sale) for nonpayment of
15 taxes by the town or city of in the County of by
16 instrument dated and duly recorded on (Date) in Book
17 , Page ; that more than one (1) year from the date of
18 said sale has elapsed and no redemption has been made; that these pro-
19 ceedings have been conducted according to law; that the deed was
20 recorded within sixty (60) days from date of sale -- that the under-
21 signed now holds title under said instrument; that the following are
22 the names and addresses of all persons known to the undersigned who
23 have any interest in said land, other than the petitioner to
24 wit: ~~(Also-give-name-of-wife-or-husband-of-the-equity-owner)~~

25 Name Address Nature of Interest
26 that the assessed value of said land and buildings is \$; and
27 that said land is described as follows;

28 (Description)

1 of and in said State, bounded and described in said petition
2 as follows:

3 (Description)

4 If you desire to make any objection or defense to said petition,
5 you or your attorney must file a written appearance and an answer,
6 under oath, setting forth clearly and specifically your objections or
7 defense to each part of said petition, in the office of the Superior
8 Court in and a copy to petitioner's attorney on or before the
9 day of next, that you may then and there show cause,
10 if any, why the prayer of the petition should not be granted.

11 Unless your appearance is filed by or for you, your default will
12 be recorded, the said petition will be taken as confessed, and you
13 will be forever barred from contesting said petition or any decree
14 entered thereon. And in addition to the usual service of this notice
15 as required by law, it is ordered that the foregoing citation be pub-
16 lished once each week for three-~~(3)~~ two (2) successive weeks in the
17 a newspaper published in said (optional).

18 Witness, the Seal of our Superior Court at this
19 day of , 19 .
20 _____ Clerk

21 CERTIFICATE OF SERVICE BY REGISTERED
22 OR CERTIFIED MAIL

23 I hereby certify that I have this day served the foregoing cita-
24 tion by causing to be mailed a ~~duly~~ attested copy thereof of each
25 respondent named therein whose address was furnished by the petitioner
26 or otherwise known to me, such copies being sent by mail and
27 return receipts required.

28 _____
29 Attorney for Petitioner

CERTIFICATE OF SERVICE BY PUBLICATION

19

I hereby certify that I have caused the foregoing citation to be published once each week for three-~~(3)~~ two (2) successive weeks in the a newspaper published in , in the County of , and said State, to wit: on the day of , the day of , and the day of , 19 , a copy of which publication is hereto annexed.

Attorney for Petitioner

Form No. 7

Section 44-9-32

(To be recorded in the Registry of Deeds)

NOTICE OF FILING PETITION

STATE OF RHODE ISLAND

SUPERIOR COURT

To all who it may concern:

hereby give notice that, on the day of , 19 filed in said Court a petition against* to foreclose a tax lien acquired under a certain tax deed (or deeds) from the Collector of Taxes for the City (or Town) of , in the County of and said State, to me dated , and recorded with Deeds in Book , Page said deed (or deeds) covers a certain parcel of land situated in in the County of and said State, which is described as follows:

(Description)

*Name all respondents as in petition.

1 Form No. 8
2 Section 44-9-28

3 MOTION FOR DEGREE-PRO-CONFESSO ENTRY OF DEFAULT
4 STATE OF RHODE ISLAND AND PROVIDENCE
5 PLANTATIONS
6 SUPERIOR COURT

7 No. _____

8 In the matter of the Petition of
9 And now comes the petitioner in the above-entitled case and moves
10 that a general default of all parties respondent, whether named in the
11 notice or not, who have not appeared or answered, be recorded, and
12 that the application as to them be taken for confessed.

13
14

Attorney for Petitioner

15 Form No. 9
16 Section 44-9-30

17 FINAL DEGREE JUDGMENT IN TAX LIEN CASE
18 STATE OF RHODE ISLAND
19 SUPERIOR COURT

20 Case No.

21 vs.

22 DEGREE JUDGMENT

23 This case came on to be heard and was argued by counsel, and
24 thereupon, upon consideration thereof, it is

25 ORDERED, ADJUDGED AND DECREED that all rights of redemption are
26 forever foreclosed and barred under the deed given by the Collector of
27 Taxes for the of in the County of and said
28 State, dated and duly recorded in Book Page

29 By the Court.

30

Attest:

1

2

Clerk

3

Dated

4

Form No. 10

5

Section 44-9-32

6

NOTICE OF DISPOSAL IN TAX LIEN CASE

7

STATE OF RHODE ISLAND

8

SUPERIOR COURT

9

This is to certify that the petition of

10

vs.

11

to foreclose the right of redemption under certain deed for

12

nonpayment of taxes, given by the Collector of Taxes for the

13

in the County of and said State, dated and duly

14

recorded in Book Page was filed in this Court on

15

Thereafter due proceedings under said petition were instituted

16

according to law, and finally on a decree judgment forever

17

foreclosing and barring all rights of redemption under said deed was

18

entered, and this notice of final disposition of said petition is

19

directed to be recorded in the Registry of Deeds for the City of

20

in County, pursuant to Section 44-9-32 of the Gen-

21

eral Laws.

22

By the Court,

23

Attest:

24

25

Clerk

26

Dated

27

Form No. 11

28

Section 44-9-36

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NOTICE OF SALE -- LAND OF LOW VALUE

STATE OF RHODE ISLAND

Name of City or Town

OFFICE OF THE TREASURER

_____, 19__

NOTICE IS HEREBY GIVEN THAT ON

the day of , 19 , at o'clock M.,

at (Place of Sale)

pursuant to the provisions of General Laws, Sections 44-9-36 to 44-9-45, inclusive, I SHALL OFFER FOR SALE AT PUBLIC AUCTION, severally or together, certain parcels of land of low value listed below, said parcels having been purchased by the City -- Town of for nonpayment of the taxes due thereon.

(List of Parcels)

Treasurer

of _____

(Name of City or Town)

To be posted in some convenient and public place in the city or town at least fourteen (14) days before the sale.

Form No. 12
Section 44-9-36

NOTICE OF SALE

LAND OF LOW VALUE

STATE OF RHODE ISLAND

Name of City or Town

OFFICE OF THE TREASURER

1 _____, 19__

2 NOTICE IS HEREBY GIVEN THAT on _____, 19 __, at _____ M., at
3 (Place of Sale) _____, pursuant to the provisions of Gen-
4 eral Laws, Sections 44-9-36 to 44-9-45, inclusive, I SHALL OFFER FOR
5 SALE AT PUBLIC AUCTION, severally or together, certain parcels of land
6 of low value listed below, said parcels having been purchased by the
7 City -- Town of _____ for nonpayment of the taxes due thereon.

8 (List of parcels)

9 Further notice is given that the following land in which you
10 appear to have an interest is included in the sale.

11 (Description as given in original notice of sale)

12 Amount Required for Redemption on Above Date of Sale, \$

13 Your attention is directed to Section 44-9-39 as follows:

14 "Any person, having a right of redemption or any other interest
15 in the land conveyed or purporting to be conveyed under Section
16 44-9-36 or Section 44-9-38 upon whom service of the notice of sale
17 provided in Section 44-9-36 has been made by registered or certified
18 mail, who, prior to the sale, neither redeems the land nor brings pro-
19 ceedings to enjoin the sale, shall, upon the recording of the deed as
20 required by said Section 44-9-36 or Section 44-9-38, be forever barred
21 from raising any question concerning the validity of the title con-
22 veyed thereby, and a statement contained in the treasurer's deed that
23 such service has been made, naming the persons who were served by
24 registered or certified mail, shall be prima facie evidence thereof."

25 _____
26 Treasurer of City -- Town of _____

27 Send this notice by registered or certified mail, return receipt
28 requested, at least fourteen (14) days before the sale, to any person

1 having a right of redemption or any other interest in any of the par-
2 cels to be sold.

3 Form No. 13
4 Section 44-9-36

5 This deed not valid unless recorded in the proper registry of deeds
6 within sixty (60) days after the sale.

7 TREASURER'S DEED TO A PERSON -- LAND OF

8 LOW VALUE

9 STATE OF RHODE ISLAND

10 _____

11 Name of city or town

12 OFFICE OF THE TREASURER

13 I, _____, Treasurer of the City -- Town of
14 _____ pursuant to the provisions of General Laws, section
15 44-9-36, in consideration of _____ /100 dollars to me paid, hereby
16 grant to _____ of _____ the parcel-parcels of land described in
17 the tax collector's deed to which reference is made in the following
18 schedule:

19 _____
20 _____

21 Name of Person Assessed in the Year	Names of Interested
22 Persons	
23 of the Tax for which the land was Recorded	served by registered
24 or cer-	
25 taken or sold.	Certified mail with
26 notice of	
27 -----	sale under Section
28 44-9-39.	

29 Location of Parcel	Book	Page
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1 -- town, therefore became the purchaser at an adjournment of said sale
2 on , 19 .

3 (B) The purchaser failed to pay the amount bid by him at
4 the original time and place appointed for the sale, an ad-
5 journment of said sale on , 19 , within ten (10) days
6 thereafter, wherefore the sale became void and the said city -- town
7 became the purchaser.

8 In Witness, etc.

9

10 _____
Treasurer of the City -- Town of

11 Acknowledgment. See Form 2.

12 Form No. 15

13 Section 44-9-40

14 STATE OF RHODE ISLAND

15 Petition to Establish Title Acquired under Sections 44-9-36 or
16 44-9-38. To the Honorable, the Judges of the Superior Court.

17 The undersigned hereby represent that the land hereinafter de-
18 scribed was sold on for the nonpayment of taxes by ,
19 County of . Pursuant to Sections 44-9-36 and 44-9-38 of G.L.
20 1956, said land was conveyed to by instrument dated
21 and recorded in Book , Page , that the undersigned now
22 hold title under an instrument from dated , and duly
23 recorded in Book , Page , that the following are the
24 names and addresses of all persons known to the undersigned who have
25 any interest in said land other than the petitioner

26 to wit:

27 that the assessed value of said land and buildings is \$; and
28 that said land is described as follows:

29 (Description)

1 Wherefore your petitioners pray that all persons having an inter-
2 est in the above-described premises show cause why they should not
3 bring an action to try any claim or claims which they may have adverse
4 to your petitioner's title. And if such persons do not appear within
5 the time fixed or having appeared disobey the lawful Order of the
6 Court to try their claim or claims, that the Court enter a decree
7 judgment that they be forever barred from having or enforcing any such
8 claim or claims adversely to the petitioner, his heirs or assigns, in
9 the land described.

10

11

12 On this day of , 19 , personally appeared
13 before me the within-named , known to me to be the signers of
14 the foregoing petition, and made oath, that the statements therein
15 contained so far as made of their own knowledge are true and so far as
16 made upon information and belief that they believe them to be true.

17 Before me

18

19

Notary Public

20 SECTION 3. This act shall take effect upon passage.

ES1109/2/SUBA/3

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

- 1 This act would amend certain provisions of the law relating
- 2 to tax sales including the taxing entities entitled to a lien and
- 3 the manner of notice of tax sales.
- 4 This act would take effect upon passage.

ES1109/2/SUBA/3
