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January 30, 2014

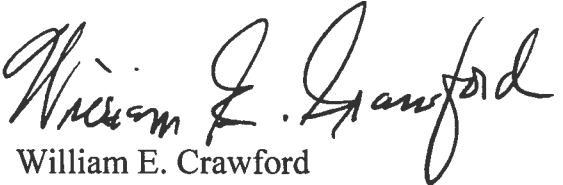
Senator John A. Alario, Jr.  
President of the Senate  
P.O. Box 94183  
Baton Rouge, LA 70804

RE: SR 109 of 2012 and SR 40 of 2013

Dear Mr. President:

The Louisiana State Law Institute respectfully submits herewith its interim report to the legislature in response to 2012 Senate Resolution No. 109, relative to tax sales in Orleans Parish, and 2013 Senate Resolution No. 40, relative to tax lien sales as a replacement or alternative to tax sale certificates.

Sincerely,

  
William E. Crawford  
Director

WEC/lr

Enclosure

cc: Senator Edwin R. Murray  
Senator R.L. "Bret" Allain, II

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**LOUISIANA STATE LAW INSTITUTE**

**TAX SALES COMMITTEE [NEW]**

**INTERIM REPORT TO THE LOUISIANA LEGISLATURE  
IN RESPONSE TO SR NO. 109 OF THE 2012 REGULAR  
SESSION AND SR NO. 40 OF THE  
2013 REGULAR SESSION**

**(Tax Sales)**

Prepared for the Louisiana Legislature on

**January 27, 2014**

Baton Rouge, LA

# LOUISIANA STATE LAW INSTITUTE

## TAX SALES COMMITTEE [NEW]

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January 27, 2014

To: Senator John A. Alario, Jr.  
President of the Senate  
P.O. Box 94183  
Baton Rouge, LA 70804

**INTERIM REPORT TO THE LOUISIANA LEGISLATURE  
IN RESPONSE TO SR NO. 109 OF THE 2012 REGULAR SESSION  
AND SR NO. 40 OF THE 2013 REGULAR SESSION**

The Louisiana State Law Institute has convened a new committee to study tax sale laws. The (New) Tax Sales Committee has studied state legislation enacted through the 2013 Regular Session and recent jurisprudence.

I.

PREVIOUS STUDY AND REVISION

In 2006, the Louisiana Legislature requested the Institute to study and make recommendations to improve the procedures for the sale of adjudicated properties that would ensure merchantable title to tax adjudicated properties.<sup>1</sup> The Legislature was concerned that tax adjudicated properties could not be rehabilitated and brought back into commerce unless purchasers of these properties obtained merchantable title. Adjudicated properties are properties acquired by political subdivisions at tax sales where there have been no bids for the properties. A large percentage of adjudicated properties were not purchased by third parties at tax sales because they were blighted and abandoned.

The Adjudicated Properties Committee of LSLI studied existing law and concluded that not only titles to adjudicated properties but also most titles to properties purchased by third parties at tax sales were unmerchantable.

The reason these titles were considered unmerchantable was that the notification process under state law did not satisfy constitutional notice requirements for tax sales as pronounced by

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<sup>1</sup> House Concurrent Resolution No. 69, introduced by Representatives Burrell and Gallot, 2006 Regular Session.

the U.S. Supreme Court in *Mennonite Board of Missions v. Adams*.<sup>2</sup> This decision held that notice by publication to a mortgagee was inadequate and did not satisfy due process requirements of the Fourteenth Amendment of the U.S. Constitution where the identity of the mortgagee was available. Personal service or notice mailed to the mortgagee at his last known address was a prerequisite before a mortgagee's interest could be extinguished. Although *Mennonite* concerned the property rights of a mortgagee, its holding also applied to other persons with an interest in property sold at tax sale.

Louisiana statutes, like the Indiana law at issue in *Mennonite*, did not provide for notice to mortgagees and other interested parties before they would lose their property rights. A mortgagee could for a fee file a request for notification, but there was no statutory requirement that the tax collector perform a search of the real estate records to ascertain the names and identities of mortgagees or other persons with an interest in the property. While the tax collector was required to publish notice addressed to all unknown owners,<sup>3</sup> there was no requirement that he take steps to identify and mail notice to interested parties not appearing on the tax rolls.

Despite lack of notice, if the property sold at tax sale was not redeemed, recordation of the tax deed operated as a cancellation of all conventional and judicial mortgages encumbering the property.<sup>4</sup> Louisiana law also allowed a tax sale purchaser to obtain an order of seizure and possession from a court of competent jurisdiction, commanding the sheriff to seize the property sold at tax sale and place the tax sale purchaser in actual possession.<sup>5</sup>

If a taxpayer could be lawfully evicted from his property immediately after a tax sale, the tax sale effectively deprived him of a property right. If the sale occurred without notice to the taxpayer, he was deprived of property without due process in violation of the Fourteenth Amendment.

Louisiana courts after *Mennonite* found that failure to notify a taxpayer of a pending tax sale resulted in a violation of due process and that the tax sale that was an "absolute nullity."<sup>6</sup>

The Adjudicated Properties Committee drafted a complete revision of the statutory provisions applicable to tax sales. The revision was enacted into law in 2008 with an effective date of January 1, 2009.<sup>7</sup> The revision consolidated all tax sale laws appearing in Titles 13, 33 and 47 into Title 47. The proposed law provided a comprehensive procedure with safe harbor notice forms to ensure the efficient collection of taxes and, most importantly, to satisfy requirements of due process.

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<sup>2</sup> 462 U.S. 791 (1983).

<sup>3</sup> Former R.S. 47:2180(C) (2008).

<sup>4</sup> Former R.S. 47:2183(B) (2008).

<sup>5</sup> Former R.S. 47:2185 (2008).

<sup>6</sup> See, e.g., *Jamie Land Co. v. Touchstone*, 06-2057 (La. App. 1 Cir. 6/8/07); 965 So. 2d 873; *Smitko v. Gulf South Shrimp, Inc.*, 11-2566 (La. 7/2/12); 94 So. 3d 750.

<sup>7</sup> Act No. 819, Regular Session 2008.

In order to afford due process to tax debtors and others with an interest in the assessed property, the law was changed to provide that the tax sale itself did not terminate the interests of the tax debtor or the interest of any person in the tax sale property.<sup>8</sup> A tax sale purchaser's tax sale title was subject to any interests that were not terminated.<sup>9</sup> Only after 1) notice to interested parties, 2) the expiration of the three-year redemption period, 3) the expiration of time periods to institute an action for nullity, and 4) the filing of an affidavit in the public records would the tax sale title convert to ownership. Only after an interested party received notice and had an opportunity to be heard would he be ultimately deprived of his property interest.

The revised procedure was intended to afford interested parties due process without placing the formidable burden on tax collectors to conduct up to date title searches of the mortgage, conveyance and probate records, and to perform computer searches for the names and addresses of parties with an interest in the property to be sold at tax sale. The revision legislatively overruled previous jurisprudence that required tax collectors to notify all interested parties prior to the tax sale. The Louisiana Constitution required notice in accordance with law<sup>10</sup> and did not mandate that the tax collector send notices prior to the tax sale.

After the enactment of the LSLI revision, the Legislature enacted fourteen bills amending or affecting the Institute's revision.<sup>11</sup> Some of these were minor revisions of Act No. 819, while others were only applicable to particular locales.

Act No. 836 of the 2012 Regular Session repudiated the rationale of the revision. This Act required tax collectors to cancel a tax sale and refund the tax sale purchaser the tax sale purchase price in the event that a "tax sale party"<sup>12</sup> did not receive actual notice of the tax sale before the tax sale, unless the tax collector demonstrated that a reasonable effort to provide notice was made. This change in the law was retrogression to the pre-revision law interpreted by the courts to require notice before the tax sale.<sup>13</sup>

Had the Legislature limited the amendment to tax sales prior to the effective date of the revision, Act 836 would have been consistent with recent jurisprudence involving tax sales that occurred prior to the effective date of the revision.<sup>14</sup>

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<sup>8</sup> La. R.S. 47:2121(B) (2014).

<sup>9</sup> La. R.S. 47:2121(C)(2) (2014).

<sup>10</sup> Article VII, Section 25 of the Constitution of the State of Louisiana of 1974 requires "notice to the delinquent in the manner provided by law".

<sup>11</sup> See Appendix A.

<sup>12</sup> La. R.S. 47:2122(19) (2014) defines tax sale party as the owner at the time of the tax sale and any other person holding an interest in the property to be sold at tax sale.

<sup>13</sup> See, e.g., *Hamilton v. Royal International Petroleum Corporation*, 05-846 (La. 2006); 934 So. 2d 25.

<sup>14</sup> There are no reported judicial decisions to date that have addressed whether the new rights and procedures established by the revision satisfy due process requirements.

Title insurers doing business in Louisiana at one time would insure title to property acquired at a tax sale provided the tax sale purchaser filed suit to quiet title and obtained a judgment quieting title. However, in *Sutter v. Dane, Investments, Inc.*<sup>15</sup> the Court held that a judgment quieting title was not *res judicata* where the tax sale in the chain of title was allegedly null due to lack of notice to the tax debtor. The Louisiana Supreme Court in *Chase Bank USA, N.A. v. Webeland, Inc.*<sup>16</sup> reversed a decision by the First Circuit Court of Appeal that upheld a judgment quieting title. The First Circuit's decision had held that the judgment in the quiet title action was *res judicata* and prohibited the tax debtor from bringing an action to annul a tax sale on grounds of lack of notice.

As a result of the conflicting statutory provisions, the absence of judicial decisions upholding the constitutionality of the revision, and the inability of a tax sale purchaser to obtain a final and binding judgment quieting his tax title, no major title insurer with rare exceptions will insure title to tax sale properties in Louisiana, whether purchased at tax sale by a third party or adjudicated to the political subdivision.

## II.

### S.R. 109 of 2012

Senate Resolution No. 109 of the 2012 Regular Session requested the Louisiana State Law Institute to study regarding tax sales in Orleans Parish and advise “whether the process can and should be handled more expeditiously than the present period of withdrawal from commerce.”

Due to the uncertainties in the law as noted in part I, title insurers operating in Louisiana will rarely insure tax sale titles.<sup>17</sup> Until such time as tax titles are insurable, many of these properties will not be rehabilitated and returned to commerce. They may be out of commerce for 10 years or more and will only be insurable if the owner can establish 10 years good faith possession.<sup>18</sup>

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<sup>15</sup> 07-1268 (La. App. 4 Cir. 6/4/03); 985 So. 2d 1263.

<sup>16</sup> 12-0240 (La. 2012); 98 So. 3d 823.

<sup>17</sup> While certain political subdivisions have been selling adjudicated properties at auctions, for the reasons noted above, the purchasers often encounter difficulties conveying merchantable title and obtaining title insurance after rehabilitating these properties.

<sup>18</sup> Civil Code Article 3483 (2014) requires just title in the form of a juridical act sufficient to transfer ownership. If the tax sale certificate is an absolute nullity, it may not constitute just title according to the 1982 Revision Comment (c). Consequently, the tax sale purchaser cannot acquire ownership based on prescription of 10 years.



The Committee has reviewed the laws amending the Law Institute's revision and has drafted amendments to several provisions in Title 47. These proposed amendments have not yet been presented to the Council of the Louisiana State Law Institute. The purpose of the committee's amendments is to conform present law with the rationale of the revision, i.e., to satisfy due process requirements and to shift the burden of notifying interested parties back to the tax sale purchaser.

### III.

#### S.R. 40 of 2013

Senate Resolution No. 40 of the 2013 Regular Session requested the Louisiana State Law Institute study the "feasibility of authorizing tax lien sales as a replacement or alternative to tax sale certificates." In order to replace the existing tax sale procedures mandated by the Louisiana Constitution of 1974, an amendment to the Louisiana Constitution will be required. The Committee has been reviewing constitutions and laws of other states and plans to continue studying procedures in states that utilize bulk sales of tax liens and securitization of property tax receivables.

The Committee is also considering the pros and cons of the various bidding procedures used by other states. These include 1) bid down of interest, 2) premium, 3) random selection, 4) rotational selection, and 5) bid down of ownership interest.

In view of the diverse procedures used from state to state, the Committee is continuing to study the statutes and jurisprudence of other states. Once this work is concluded, the Committee's goal will be to recommend to the Council of the Louisiana State Law Institute changes in the Louisiana statutes and Louisiana Constitution of 1974 that will result in a more efficient and less litigious law for collection of ad valorem taxes.

Respectfully submitted,  
Stephen G. Sklamba , Reporter  
Tax Sales Committee [NEW]

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SENATE RESOLUTION NO. 109

BY SENATOR MURRAY

A RESOLUTION

To request the Louisiana State Law Institute to study the laws regarding sheriff's tax sales in Orleans Parish and make recommendations relative to the feasibility of establishing a more expeditious process.

WHEREAS, Article VII, Section 25 of the Louisiana Constitution provides for the sale of property due to delinquent taxes, the redemption and annulment thereof, and the quieting of tax titles; and

WHEREAS, various laws implement the authority so provided by the constitution; and

WHEREAS, the sheriff's tax sales in Orleans Parish are unique and result in the potential for real property so obtained to be withdrawn from commerce for approximately five years; and

WHEREAS, great benefit would inure to the citizens of Orleans Parish by facilitating the confirmation of sheriff's tax sales more expeditiously than the present period of withdrawal from commerce; and

WHEREAS, the Louisiana State Law Institute was formed to promote and encourage the clarification and simplification of the laws of Louisiana and its better adaptation to present social needs; and

WHEREAS, the Louisiana State Law Institute should study needed improvements in present law relative to sheriff's tax sales in the parish of Orleans and advise the Senate of the Legislature of Louisiana regarding whether the process can and should be handled more expeditiously; and

WHEREAS, such study shall include review and discussion of present law and procedures in Orleans Parish and other parishes around the state relative to sheriff's tax sales.

**SR NO. 109**

**ENROLLED**

THEREFORE, BE IT RESOLVED that the Senate of the Legislature of Louisiana does hereby request that the Louisiana State Law Institute study the laws regarding sheriff's tax sales in Orleans Parish and make recommendations for revising present law in the form of proposed legislation to effect such recommendations to the Senate before January 1, 2013.

BE IT FURTHER RESOLVED that a copy of this Resolution be transmitted to the director of the Louisiana State Law Institute.

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PRESIDENT OF THE SENATE

SENATE RESOLUTION NO. 40

BY SENATOR ALLAIN

A RESOLUTION

To urge and request the Louisiana State Law Institute to study the feasibility of authorizing tax lien sales as a replacement or alternative to tax sale certificates.

WHEREAS, the failure to pay taxes due upon real estate may result in certain legal actions being taken by a taxing authority to collect real property taxes owed; and

WHEREAS, in most states such actions include: (1) the taxing authority may sell a tax lien to a person for the amount of taxes owed, with the delinquent taxpayer having a specified time period in which to pay their tax bill and extinguish the lien; or (2) the taxing authority may sell a tax deed to a person which makes such person the owner of the property, and the delinquent taxpayer has no redemptive period in which to reacquire the property; or (3) as a "hybrid" of the first two actions, the taxing authority may sell a tax deed to a person, with the delinquent taxpayer having a statutory time period of redemption in which to pay the tax bill and reacquire the property; and

WHEREAS, along with states such as Connecticut, Georgia, Texas, and Rhode Island, Louisiana is considered to be within the third category above as a "hybrid" state, as Article 7, Section 25, of the Louisiana Constitution and related laws authorize the sale of real estate for nonpayment of real property taxes with a right of redemption, generally for three years after the date of recordation of the tax sale; and

WHEREAS, the majority of other states appear to utilize either tax lien sales or tax deed sales without right of redemption to recover tax amounts owed upon real estate; and

WHEREAS, Louisiana's current system of selling tax deeds with a right of redemption, now known as tax sale certificates, has resulted through the years in costly and protracted litigation over rights and procedures involved in such sales, including but not limited to: constitutional questions of due process in notice, advertising and sale processes; issues involving annulment, quiet title, and foreclosures and effects upon mortgages, seizing creditors and subrogation; tax sales by municipalities and adjudications to political subdivisions and post-adjudication sales; issues involving blighted, abandoned, and vacant property; liability issues; and redemption processes and effects, including effects of

adjudication upon redemption; and

WHEREAS, the complex legal questions and litigation arising from these issues have necessitated numerous revisions to laws concerning tax sale certificates, and have increased public and private uncertainty regarding the efficacy and fairness of such system as providing a practical and reasonable way of collecting tax amounts owed; and

WHEREAS, to reduce litigation and promote fair and efficient means of collecting tax amounts owed, the Louisiana State Law Institute should study the present "hybrid" system in Louisiana and the feasibility of tax lien sales as a replacement or alternative to the current "hybrid" system of relying upon tax sale certificates; and

WHEREAS, such study should include any recommended revisions to the state constitution and laws as may be necessary in the form of specific proposed legislation.

THEREFORE, BE IT RESOLVED that the Senate of the Legislature of Louisiana does hereby urge and request the Louisiana State Law Institute to study the feasibility of authorizing tax lien sales as a replacement or alternative to tax sale certificates.

BE IT FURTHER RESOLVED that the Louisiana State Law Institute shall report to the Senate regarding the study no later than February 1, 2014, and provide its findings to date, including any recommendations regarding specific proposed legislation.

BE IT FURTHER RESOLVED that a copy of this Resolution be transmitted to the director of the Louisiana State Law Institute.

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PRESIDENT OF THE SENATE

**ACT No. 506**

Regular Session, 2008

HOUSE BILL NO. 1232

BY REPRESENTATIVE RICHARD

(On recommendation of the Louisiana State Law Institute)

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AN ACT

To amend and reenact R.S. 44:4.1(B)(29) and R.S. 47:2106, relative to the postponement of the payment of ad valorem taxes; to provide for an exception to the laws relative to public records; to provide for the postponement of the payment of ad valorem taxes; to provide for definitions; to provide conditions and requirements under which postponement may be permitted; to provide for the application and reapplication process and to provide forms; to provide time limits; to provide for notification to political subdivisions; to provide for an objection to postponement and a review process; to provide for an effective date; to provide for notice to the tax debtor of the right to have the payment of ad valorem taxes postponed; to provide for the payment of the postponed taxes in installments; to provide for a tax sale if an installment is not timely paid; to provide for the tax collector to compile a list of all persons whose taxes were postponed; to provide for the remission of the postponed taxes; and to provide for related matters.

Be it enacted by the Legislature of Louisiana:

Section 1. R.S. 44:4.1(B)(29) is hereby amended and reenacted to read as follows:

§4.1. Exceptions

\* \* \*

B. The legislature further recognizes that there exist exceptions, exemptions, and limitations to the laws pertaining to public records throughout the revised statutes and codes of this state. Therefore, the following exceptions, exemptions, and limitations are hereby continued in effect by incorporation into this Chapter by citation:

\* \* \*

1 (29) R.S. 47:15, 349, 633.6, 1508, 1516, 1837, 2106, 2327, 2605, 9006

2 \* \* \*

3 Section 2. R.S. 47:2106 is hereby amended and reenacted to read as follows:

4 §2106. ~~Deferment of tax payments~~ Public calamity; postponement of ad valorem tax  
5 payments

6 ~~A. Any delinquent ad valorem tax due to the state or to any political~~  
7 ~~subdivisions thereof may be paid to such taxing authority in installments, and interest~~  
8 ~~at the rate fixed by law shall be collected on each installment separately at the time~~  
9 ~~of the payment of such installment, and no further interest shall thereafter be~~  
10 ~~collected on the amount of such installment payment, provided nothing contained in~~  
11 ~~this Section shall prevent the sale of the property for delinquent taxes, as provided~~  
12 ~~by law. Where installments have been collected on any tax, the tax sale shall be for~~  
13 ~~the amount of the unpaid balance of the tax.~~

14 ~~B. Any political subdivision of the state, through its governing body, when~~  
15 ~~an emergency has been declared to exist by resolution or ordinance adopted by such~~  
16 ~~governing body, shall be authorized and empowered to reduce the interest charge or~~  
17 ~~penalties on ad valorem taxes due to the political subdivision, but in no event shall~~  
18 ~~the rate of interest be reduced to less than six percent, and no reduction in penalties~~  
19 ~~shall exceed fifty percent of the amount of the penalty.~~

20 ~~C. In case of overflow, general conflagration, general destruction of crops,~~  
21 ~~or other public calamity, or whenever lands or other property, including buildings,~~  
22 ~~structures, or personal property are damaged or destroyed during a disaster or~~  
23 ~~emergency declared by the governor, in any parish or any political subdivision~~  
24 ~~therein, or of which the parish is a part, rendering impracticable the forcible~~  
25 ~~collection of taxes therein, there shall be no collection of taxes on lands or other~~  
26 ~~property, including buildings, structures, or personal property damaged or destroyed~~  
27 ~~during the year of the events described in this Section, or the preceding year when~~  
28 ~~the payment of such taxes for the preceding year is affected by the events described~~  
29 ~~in this Section, but the collection of taxes shall be postponed in accordance with the~~  
30 ~~following procedure:~~



1           ~~(1) The owner wishing to avail himself of the provisions of this Section shall~~  
2           ~~make a sworn statement in triplicate, no later than December thirty-first of the year~~  
3           ~~in which the damage or destruction occurred, or thirty days after the tax bill has been~~  
4           ~~mailed, whichever is later, that his property has been or is overflowed, or is or has~~  
5           ~~been otherwise damaged or destroyed, giving the description of his property as~~  
6           ~~assessed, and that by reason thereof, the forcible collection of the taxes of the year~~  
7           ~~during which the injury occurred, or the preceding year, would be oppressive, and~~  
8           ~~that he is unable to pay the same without a sacrifice of his property. Each copy of~~  
9           ~~the statement shall be signed and sworn to by the taxpayer claiming the benefit of~~  
10           ~~this Section; one copy of the statement shall be filed with the officer charged with~~  
11           ~~the collection of the taxes, one filed in the office of the state auditor, and one shall~~  
12           ~~be filed in the office of the recorder of mortgages of the parish in which the property~~  
13           ~~is located. Thereupon, the owner shall be relieved from the payment of taxes for the~~  
14           ~~year in which he claims a postponement. The filing shall operate as a first lien and~~  
15           ~~privilege, and the statement shall be preserved in book form and duly indexed.~~

16           ~~(2) A statement of the right of the owner to have his taxes postponed as~~  
17           ~~provided for in Paragraph (1) of this Subsection shall be included with the tax bill~~  
18           ~~mailed to the taxpayer if such tax bill is mailed after the effective date of this~~  
19           ~~Section.~~

20           ~~(3) The taxes thus postponed shall be divided into ten equal parts, and one~~  
21           ~~part shall be assessed on the immovable property affected and described in the sworn~~  
22           ~~statement for each year for ten subsequent years, or until the whole of the postponed~~  
23           ~~tax is paid, provided, that when the tax debtor is assessed with movables only, the~~  
24           ~~postponed taxes shall be assessed against the tax debtor in this manner.~~

25           ~~(4) All of the postponed taxes may be paid at any time and the lien canceled.~~  
26           ~~No installment of such tax, if paid at the postponed maturity, shall bear either costs~~  
27           ~~or penalties when so collected, but shall bear interest at the rate of six percent per~~  
28           ~~annum from the thirty-first day of December of the year in which they were~~  
29           ~~originally due until paid.~~

1           ~~(5) The tax collector shall make a separate statement and list of all persons~~  
 2           ~~claiming the benefits of this Section, together with the respective amount of their~~  
 3           ~~taxes, and the property upon which the taxes are due, and shall deliver over one copy~~  
 4           ~~of the same to the assessor of the parish, who will assess in each subsequent year~~  
 5           ~~upon the respective immovable properties therein described a one-tenth part of the~~  
 6           ~~taxes referred to in the respective triplicate sworn statements and thus postponed~~  
 7           ~~until all of said taxes have been assessed, and the respective immovable properties~~  
 8           ~~shall be liable for the respective parts of the postponed taxes. In case the list shows~~  
 9           ~~that a tax debtor owns movables only, the postponed taxes shall be assessed against~~  
 10           ~~the debtor in this manner. The statement thus prepared by the tax collector shall be~~  
 11           ~~prepared in duplicate, sworn to, and one copy delivered to the state auditor.~~

12           ~~D. The deferred portion of the taxes herein provided for shall be annually~~  
 13           ~~levied and assessed and carried upon the assessment roll and collected in the manner~~  
 14           ~~and by the processes provided in the case of ordinary tax collections and separately~~  
 15           ~~accounted for by the tax collector and remitted to the state treasurer, who shall credit~~  
 16           ~~the amount thereof to the parish making the remittance and shall turn such amount~~  
 17           ~~into the general fund.~~

18           A. Definitions. As used in this Section:

19           (1) "Political subdivision" means any of the following to the extent it has the  
 20           power to levy ad valorem taxes and conduct tax sales for failure to pay ad valorem  
 21           taxes:

22           (a) The state.

23           (b) Any political subdivision as defined in Article VI, Section 44 of the  
 24           Constitution of Louisiana.

25           (c) Any other agency, board, or instrumentality of the state or of a political  
 26           subdivision as defined in Article VI, Section 44 of the Constitution of Louisiana.

27           (2) "Tax debtor" means a person obligated to pay the ad valorem taxes.

28           B. Declaration of emergency; calamity. When an emergency has been  
 29           declared by the governor or a parish president pursuant to the Louisiana Homeland  
 30           Security and Emergency Assistance and Disaster Act and only in cases of disaster

1 caused by overflow, general conflagration, general crop destruction, or other public  
2 calamity, a tax debtor may request the postponement of the payment of ad valorem  
3 taxes on his property located in the geographical area designated in the declaration  
4 of emergency if the taxes became due after the declaration of emergency.

5 C. Right to a postponement of onerous taxes. The collection of taxes shall  
6 be postponed by the tax collector when all of the following occur:

7 (1) An emergency has been declared.

8 (2) The tax debtor's assessed property located in the geographical area  
9 designated in the declaration of emergency has been damaged or destroyed by the  
10 calamity.

11 (3) The collection of taxes would be onerous because the tax debtor is unable  
12 to pay the taxes without suffering substantial hardship.

13 D. Application for postponement. (1) The tax debtor seeking the  
14 postponement of the payment of taxes shall file a sworn application, executed before  
15 a person authorized to administer oaths, accompanied by a supporting financial  
16 statement. The application shall:

17 (a) Certify that the property was damaged or destroyed by the event that  
18 necessitated the emergency declaration.

19 (b) Describe the damaged or destroyed property as assessed.

20 (c) Certify that the collection of the taxes that became due after the  
21 declaration of the emergency would be onerous because the tax debtor applying for  
22 postponement is unable to pay the taxes without suffering substantial hardship.

23 (2) The completed sworn financial statement submitted in support of an  
24 application for the postponement of the payment of taxes shall not be subject to the  
25 laws relative to public records, R.S. 44:1 et seq., and shall be confidential, except  
26 that the financial statement shall be admissible in evidence in a proceeding to contest  
27 an application for postponement of the payment of taxes. The tax collector shall  
28 retain the financial statement until the period for contesting the postponement has  
29 expired without an objection being filed or until there has been a definitive decision

1 in a contest proceeding. Thereafter, the tax collector may destroy the financial  
2 statement.

3 (3) The tax collector shall, and the assessor may, keep appropriate  
4 application forms and blank financial statement forms available for use by tax  
5 debtors. The tax collector, or his authorized deputy collector, shall be competent to  
6 administer the oath required for this application. The following forms may be used  
7 to apply for the postponement:

8 STATE OF LOUISIANA \_\_\_\_\_

9 PARISH OF \_\_\_\_\_

10 APPLICATION FOR POSTPONEMENT OF AD VALOREM TAXES

11 BEFORE ME, the undersigned authority personally appeared \_\_\_\_\_,  
12 a tax debtor, who requests postponement of payment of ad valorem taxes pursuant  
13 to the provisions of R.S. 47:2106 for the following property:

14 \_\_\_\_\_  
15 (Give the description of damaged or destroyed property as assessed)

16 Appearer certifies that the property was damaged or destroyed on \_\_\_\_\_  
17 (insert date) by the event that necessitated the emergency declaration declared on or  
18 about \_\_\_\_\_ (insert date) by \_\_\_\_\_ (insert name and title of person declaring  
19 the emergency) and it is in the geographical area designated in the declaration.

20 Appearer certifies that the collection of the taxes that became due after the  
21 declaration of emergency would be onerous because Appearer is unable to pay the  
22 taxes without suffering substantial hardship. Appearer submits his financial  
23 statement in support of this application and certifies that it is true and correct as of  
24 this date.

25 SWORN TO AND SUBSCRIBED BEFORE ME this \_\_\_\_\_ day of \_\_\_\_\_,  
26 \_\_\_\_\_ at \_\_\_\_\_ Louisiana.

27 \_\_\_\_\_  
28 Full Name of Affiant

29 \_\_\_\_\_  
30 Notary Public or authorized tax collector  
31 Notary #

32 FINANCIAL STATEMENT

1 STATE OF LOUISIANA  
2 PARISH OF \_\_\_\_\_

3 I certify that the following is a listing of my debts and property located within the  
4 state of Louisiana and that the following was my adjusted gross income for the previous  
5 year.

6 Immovable Property: Estimated Value  
7 (land/buildings) \_\_\_\_\_  
8 \_\_\_\_\_  
9 \_\_\_\_\_  
10 \_\_\_\_\_  
11 Subtotal \_\_\_\_\_

12 Debts affecting the Estimated Value  
13 immovable property: \_\_\_\_\_  
14 \_\_\_\_\_  
15 \_\_\_\_\_  
16 \_\_\_\_\_  
17 Subtotal \_\_\_\_\_

18 Movable Property: Estimated Value  
19 (vehicles, personal \_\_\_\_\_  
20 property, bank accounts) \_\_\_\_\_  
21 \_\_\_\_\_  
22 \_\_\_\_\_  
23 Subtotal \_\_\_\_\_

24 Debts affecting the Estimated Value  
25 movable property: \_\_\_\_\_  
26 \_\_\_\_\_  
27 \_\_\_\_\_  
28 \_\_\_\_\_  
29 Subtotal \_\_\_\_\_

30 Other Debts: Estimated Value  
31 (credit cards, etc.) \_\_\_\_\_  
32 \_\_\_\_\_  
33 \_\_\_\_\_  
34 \_\_\_\_\_  
35 Subtotal \_\_\_\_\_

36 NET WORTH \_\_\_\_\_  
37 (Value of Property less amount of  
38 debts)

39 Adjusted gross income for  
40 Previous year:  
41 \_\_\_\_\_

42 Applicant  
43 Sworn to and signed before the undersigned Notary Public at  
44 Louisiana, on the \_\_\_\_\_ day of \_\_\_\_\_.

45 \_\_\_\_\_  
46 Notary Public or authorized tax collector  
47 Notary #

1           E. Reapplication. A tax debtor may reapply for postponement of taxes as  
2           provided for in this Section for each consecutive year after the year in which the  
3           original postponement was granted when the conditions which initially authorized  
4           the postponement remain in effect.

5           F. Time for filing application. The initial application and any reapplication  
6           for postponement shall be filed with the tax collector no later than December thirty-  
7           first of the year in which the damage or destruction occurred, or no later than thirty  
8           calendar days after the tax bill has been mailed, whichever is later.

9           G. Notification of filing. The tax collector shall send to each political  
10           subdivision for which the postponed taxes are assessed and collected a copy of each  
11           application by reliable electronic means, certified mail, or hand delivery with a  
12           receipt.

13           H. Political subdivision contest of postponement. A political subdivision  
14           may contest the postponement of the taxes in a written objection filed with the tax  
15           collector within thirty calendar days after receiving the copy of the application for  
16           postponement. It shall state the factual and legal reasons for contesting  
17           postponement. Concurrently, the political subdivision shall send a copy of the  
18           objection to the tax debtor at the address on the application by reliable electronic  
19           means, certified mail, or hand delivery with a receipt. Finally, the tax collector shall  
20           send verified copies of the application, supporting financial statement, and the  
21           written objection to the parish governing authority within ten calendar days after the  
22           date the objection was filed.

23           I. Contest; review of decision. The merits of the objection shall be decided  
24           by the parish governing authority, which decision shall be subject to review by the  
25           Louisiana Tax Commission, or its successor, on request of either the tax debtor or  
26           the objecting political subdivision. That decision shall be subject to appeal to the  
27           district court. The review and appeal shall be in accordance with the procedures  
28           established by law, the Louisiana Tax Commission rules, or ordinance of the parish

1 governing authority for the review and appeal of the correctness of an assessment  
2 made by the assessor.

3 J. Effective date of postponement. (1) If no objection is filed, the payment  
4 of taxes shall be postponed. If an objection is filed, payment of taxes shall be  
5 postponed until all objections are finally decided by the parish governing authority  
6 or the Louisiana Tax Commission.

7 (2) If no objection is filed, or if the tax debtor has prevailed in a definitive  
8 decision on review, the tax collector shall file the application, or a certified copy,  
9 with the recorder of mortgages in each parish in which the property is located. The  
10 application filed shall not include the supporting financial statement.

11 K. Advice of right to postponement. A written notice of the right of a tax  
12 debtor to have the payment of his taxes postponed shall be included with the tax bill  
13 sent to a tax debtor.

14 L. Installment payment of postponed taxes; accelerated payments; interests.

15 (1) The postponed taxes shall be divided into ten equal installments, and one  
16 installment shall be charged each year by the tax collector for ten subsequent years,  
17 or until the entirety of the postponed taxes is paid.

18 (2) All the postponed taxes, or any annual installment thereof, may be paid  
19 in advance. The unpaid balance of the postponed taxes shall bear interest from the  
20 date on which the original tax bill was due until paid at the rate of six percent per  
21 annum payable annually on the due date of each installment. No timely paid  
22 installment shall bear penalties when collected.

23 (3) If an annual installment is not timely paid, all of the unpaid postponed  
24 taxes shall become due immediately, and the property shall be sold at a tax sale for  
25 the balance of all taxes, interest, and penalties.

26 (4) When all postponed taxes and interest have been paid, the tax debtor may  
27 cancel the lien at the tax debtor's expense.

28 M. Assessments after postponement. The tax collector shall prepare a  
29 separate written list of all persons whose payment of taxes were postponed. It shall  
30 show the amount of the taxes and the property upon which the taxes were postponed.

1        The list shall be prepared in duplicate, sworn to, and one copy shall be delivered to  
 2        the parish assessor and one copy to the legislative auditor. In each subsequent tax  
 3        year the tax collector shall collect a one-tenth installment of the postponed taxes until  
 4        all taxes are paid.

5                N. Remission of postponed taxes. The postponed portion of the taxes shall  
 6                be collected in the same manner as ordinary taxes, separately accounted for, and  
 7                remitted by the tax collector to the political subdivisions that levied them.

8        Section 3. If this Act and Act No.\_\_\_\_, which originated as House Bill No. 337 of  
 9        this 2008 Regular Session of the Legislature, are enacted, then the Louisiana State Law  
 10       Institute is directed to change the cross-reference in R.S. 44:4.1(B)(29) from R.S. 47:2106  
 11       to R.S. 47:2130.

12       Section 4. If this Act and Act No.\_\_\_\_, which originated as House Bill No. 337 of  
 13       this 2008 Regular Session of the Legislature, are enacted, the provisions of Section 2 of this  
 14       Act, amending R.S. 47:2106, shall prevail over the provisions of Section 1 in Act No.\_\_\_\_  
 15       enacting, R.S. 47:2130, and the Louisiana State Law Institute is directed to redesignate R.S.  
 16       47:2106, in Section 1 of this Act, as R.S. 47:2130.

17       Section 5. This Act shall become effective on January 1, 2009.

\_\_\_\_\_  
 SPEAKER OF THE HOUSE OF REPRESENTATIVES

\_\_\_\_\_  
 PRESIDENT OF THE SENATE

\_\_\_\_\_  
 GOVERNOR OF THE STATE OF LOUISIANA

APPROVED: \_\_\_\_\_



**ACT No. 146**

Regular Session, 2009

HOUSE BILL NO. 609

BY REPRESENTATIVES ROSALIND JONES AND KATZ

AN ACT

To enact Subpart D of Part IV of Chapter 5 of Subtitle III of Title 47 of the Louisiana Revised Statutes of 1950, to be comprised of R.S. 47:2238.1 through 2238.8, relative to property adjudicated to the city of Monroe; to provide for the authorization of the city of Monroe to sell or transfer adjudicated property; to provide for notice to the owner and other interested parties; to provide for a deposit of monies sufficient to cover the expenses of the sale, advertisement, taxes due, and other costs associated with the sale; to provide for applicability; to provide for an effective date; and to provide for related matters.

Notice of intention to introduce this Act has been published as provided by Article III, Section 13 of the Constitution of Louisiana.

Be it enacted by the Legislature of Louisiana:

Section 1. Subpart D of Part IV of Chapter 5 of Subtitle III of Title 47 of the Louisiana Revised Statutes of 1950, comprised of R.S. 47:2238.1 through 2238.8, is hereby enacted to read as follows:

SUBPART D. SALE OF PROPERTY

ADJUDICATED TO THE CITY OF MONROE

§2238.1. City of Monroe

The provisions of this Subpart shall apply to any tax adjudication of residential or commercial property within the city limits of Monroe.

§2238.2. Procedure for sales initiated by individuals

A. Whenever any person or public or private entity desires to purchase any unredeemed property adjudicated to the city for unpaid taxes due, charges pursuant

1 ~~to R.S. 33:1236 or paving and other local improvement assessments for which the~~  
2 ~~adjudication was made, he shall, with an application to purchase, deposit with the tax~~  
3 ~~collector of the city an amount of money sufficient to cover the expenses of the sale,~~  
4 ~~including advertising, taxes due, and other costs associated with said sale as evidence~~  
5 ~~of good faith in the application.~~

6 B. The tax collector shall determine the amount of money to be deposited.  
7 The tax collector's determination of the amount of monies to be deposited by the  
8 purchaser shall be equal to the expenses of the sale, including advertising, all parish  
9 and municipal taxes due, and other costs associated with such sale as evidence of  
10 good faith in the application.

11 C. The sale of unredeemed commercial property shall be for no less than  
12 two-thirds of the appraised value, plus advertising costs, taxes owed, and other costs  
13 associated with said sale on its advertisement.

14 §2238.3. Notice requirement

15 A. Upon deposit made to purchase unredeemed property, the tax collector  
16 shall immediately notify the tax debtor, by registered or certified mail, postage  
17 prepaid, addressed to the tax debtor at his last known address. Other interested  
18 parties shall be notified by publication in the official journal of the city of Monroe,  
19 that the tax collector through the city will take actual corporeal possession of the  
20 property so adjudicated to the city for five years or more and that ownership will be  
21 transferred to a specifically named individual. The advertisement shall publish on  
22 two consecutive days.

23 B. The mailed notice and advertisement shall set forth the legal description  
24 of the property; inclusive of the owner of record, if known, the tax lot, block number,  
25 and street addresses; and the terms of the sale. Publication and mailing proof shall  
26 be obtained by the city.

27 C. When a mortgagee or other lien holder is identified by public recordation,  
28 constructive notice by publication shall be supplemented by notice mailed to the  
29 mortgagee's or lien holder's last known available address by certified mail, return  
30 receipt requested or by personal service.

1           §2238.4. Order of seizure and possession

2                   A. After a lapse of ten days from the last date of publication of notice  
3                   described in R.S. 47:2238.3 or from the arrival of the return of service card or from  
4                   the return of the unopened certified letter, the tax collector for the city shall declare  
5                   by affidavit that a certain particularly described property is no longer subject to  
6                   redemption and that five years or more have lapsed since the filing of the tax sale  
7                   certificate or the proces verbal in the conveyance records of the Ouachita Parish  
8                   clerk of court. A certified copy of the tax sale certificate or proces verbal shall be  
9                   attached to the affidavit.

10                   B. The affidavit shall list the last known owners prior to the tax adjudication  
11                   and any other interested parties. The affidavit shall also state, when applicable, the  
12                   following:

13                   (1) That notice of delinquency had been sent or published on a certain date.

14                   (2) That the tax collector provided notice to each person holding a properly  
15                   recorded mortgage, when applicable.

16                   (3) That the advertisement for tax sale occurred on a certain date and was  
17                   published in the official journal of the city of Monroe.

18                   (4) That the subject property was appraised, advertised, and offered for sale  
19                   and failed to sell on a certain date.

20                   (5) That the subject property was appraised and advertised and offered for  
21                   sale a second time on a certain date and failed to sell, when applicable.

22                   (6) That the tax sale certificate or proces verbal was recorded in the  
23                   conveyance records of the clerk of court of Ouachita Parish on a certain date.

24                   (7) That a particularly named individual has applied to purchase said  
25                   property and has deposited the requisite amount to cover the expenses of the sale,  
26                   including advertising, taxes due, and other costs associated with the sale.

27                   (8) That notice was provided in accordance with R.S. 47:2238.3.

28                   C. A copy of the proof of publication and the return receipt or a copy of the  
29                   unopened certified letter shall be submitted with the affidavit, when applicable.

1           §2238.5. Sale of property adjudicated to municipality; order of possession

2           Upon the presentation of the affidavit, the attached certified copy of the tax  
3           sale certificate or the proces verbal, the proof of publication to any judge of  
4           competent jurisdiction (such jurisdiction to be determined by the value and situs of  
5           the immovables therein described and not the amount of the taxes) and when  
6           applicable, the return of service card or the unopened certified letter, the judge may,  
7           in chambers, grant an ex parte order of possession and transfer of ownership if he is  
8           satisfied that all notices and due process of law have been afforded the former owner.

9           §2238.6. Placing purchaser in possession of property

10           A. The granting of the ex parte order pursuant to R.S. 47:2238.5 shall  
11           authorize the city to perfect a sale to the named purchaser and shall grant possession  
12           and transfer title to the purchaser thereby vesting an absolute and perfect title to the  
13           property conveyed without any claim thereto by any former owner and free of all  
14           mortgages, liens, privileges, and encumbrances whatsoever.

15           B. Any former owner, including heirs, assignees, or other successors, shall  
16           be subject to the mortgages, liens, privileges, and encumbrances if the former owner  
17           possessed the property at the time it became burdened.

18           C. The ex parte order of possession and transfer of ownership shall have  
19           effect against third persons from the time it is filed for registry in the office of the  
20           Ouachita Parish clerk of court.

21           §2238.7. Failure to purchase

22           If after the notice of intent to take actual corporeal possession of property and  
23           to transfer ownership has been published in the official journal of the city of Monroe,  
24           but before the signing of the ex parte order of possession and transfer of ownership,  
25           the applicant or the potential purchaser declines to purchase the subject property, he  
26           shall be responsible for paying the cost of advertisement and any other costs  
27           associated with the preparation of the sale of the unredeemed property to him. The  
28           property shall revert to the status of adjudicated property, and the last known tax  
29           debtor shall be liable for the expenses of the sale, including advertising, taxes due,  
30           and other costs associated with the sale of the property.

1            §2238.8. Donation of adjudicated property

2                    The provisions of this Subpart shall apply to the unredeemed property

3                    adjudicated to the city of Monroe for five years or more that is subject to donation

4                    to a nonprofit organization, which is recognized by the Internal Revenue Service as

5                    a 501(c)(3) or 501(c)(4) nonprofit organization.

6            Section 2. This Act shall become effective upon signature by the governor or, if not

7            signed by the governor, upon expiration of the time for bills to become law without signature

8            by the governor, as provided by Article III, Section 18 of the Constitution of Louisiana. If

9            vetoed by the governor and subsequently approved by the legislature, this Act shall become

10           effective on the day following such approval.

\_\_\_\_\_  
SPEAKER OF THE HOUSE OF REPRESENTATIVES

\_\_\_\_\_  
PRESIDENT OF THE SENATE

\_\_\_\_\_  
GOVERNOR OF THE STATE OF LOUISIANA

APPROVED: \_\_\_\_\_

SENATE BILL NO. 149

BY SENATOR MORRELL

1  
2  
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14

AN ACT

To amend and reenact R.S. 47:2244, relative to redemptions; to provide for actual costs incurred by a political subdivision; to provide for the imposition of a fee for preparation of redemption certificates; and to provide for related matters.

Be it enacted by the Legislature of Louisiana:

Section 1. R.S. 47:2244 is hereby amended and reenacted to read as follows:

§2244. Additional payments to political subdivision

Payment also shall include the actual costs incurred by the political subdivision for **preparation and filing of redemption certificates**, the cost of mail, notice, publication of notice, personal service of notice, appraisal, and costs associated with the determination of tax sale parties and their notification. **However, the actual cost of preparation and filing of redemption certificates shall not exceed two hundred dollars.** The political subdivision may also require the payment of all amounts accrued under other governmental liens as of the date of payment.

\_\_\_\_\_  
PRESIDENT OF THE SENATE

\_\_\_\_\_  
SPEAKER OF THE HOUSE OF REPRESENTATIVES

\_\_\_\_\_  
GOVERNOR OF THE STATE OF LOUISIANA

APPROVED: \_\_\_\_\_

**ACT No. 507**

Regular Session, 2009

HOUSE BILL NO. 446

BY REPRESENTATIVE HENRY

Prefiled pursuant to Article III, Section 2(A)(4)(b)(i) of the Constitution of Louisiana.

AN ACT

To amend and reenact R.S. 47:2062, 2142(A) and (C), 2144, 2145(B), 2153(B)(5), and 2155(A), relative to ad valorem taxes; to provide for the assistance to each parish tax assessor by an attorney or agency; to provide for the collection of penalties; to provide relative to undivided interests in title to tax sale property; to provide for bidding procedures; to provide for the form for tax sale certificates; and to provide for related matters.

Be it enacted by the Legislature of Louisiana:

Section 1. R.S. 47:2062, 2142(A) and (C), 2144, 2145(B), 2153(B)(5), and 2155(A) are hereby amended and reenacted to read as follows:

§2062. Appointment and compensation of attorney for ~~state~~ parish tax collector

~~A. In the parish of Orleans there shall~~ There may be an attorney at law ~~to be appointed by the Attorney General; or agency~~ whose duty it shall be to aid the parish tax collectors ~~in the parish~~ in the collection of all taxes, ~~and to represent the tax collectors in all suits for the reduction of assessments. that are delinquent and have become final.~~ Upon all taxes and penalties collected through the assistance of such attorney ~~or agency, and in all suits for the reduction of assessments where the party applying for the reduction shall be decreed not entitled to the reduction as claimed by him, the delinquent owing the tax and the party applying for the reduction of assessment~~ the delinquent owing the tax shall pay a commission to such attorney tax collector of ten per centum (10%) calculating same upon the aggregate amount of

1 taxes and penalties so collected and paid over to the tax collector; this attorney's  
2 commission shall be paid by the taxpayer and collected by the tax collector as costs  
3 at the same time that the taxes, interest, and penalties are collected.

4 B. The provisions of this Section shall not apply to any property tax matter  
5 involving correctness or legality challenges.

6 \* \* \*

7 §2142. Movable property; seizure and sale

8 A. The tax collector is authorized to collect the taxes due or which may be  
9 due by any person, upon a movable property, for any year past or the current year,  
10 either by taking into his possession so much of the movable property as may be  
11 required, in his opinion, to realize the amount of the tax or taxes, or by placing a  
12 keeper upon the movable property subject to the tax until the day of sale, upon which  
13 day so much of the property as may be necessary to realize the tax or taxes, interest,  
14 penalties, and costs, for which it has been seized, shall be sold to the highest bidder,  
15 without appraisalment and without redemption; ~~However~~ however, after the tax  
16 collector has seized the movable property, as above set out, he shall ascertain the  
17 amount of taxes due for the past year by reference to the assessment roll, and for the  
18 current year by fixing the same value or percentage of value as was used by the state  
19 and the parish in the year preceding on like property, and by applying to that value  
20 the rate of taxation applied to property of the same class in the preceding year.

21 \* \* \*

22 C. On the expiration of three days after the date of giving notice as provided  
23 in Subsection B of this Section, the tax collector shall advertise, in the manner  
24 provided for judicial sales of movable property, that he will sell so much of the  
25 property so seized as may be necessary to pay all the taxes, interest, penalties, and  
26 costs for which the seizure had been made. The sale shall be made without  
27 appraisalment and without redemption.

28 \* \* \*



1 §2144. Movable property; summary seizure to secure payment

2 The tax collector shall seize the movable property of any tax debtor without  
3 notice when he believes that such seizure is necessary to enable him to collect any  
4 tax due by the debtor, and he shall make such seizure whenever he has good reason  
5 to believe that the tax debtor will conceal, part with, or dispose of the movable  
6 property, which fact must be made to appear by the affidavit of the tax collector, or  
7 one of his deputies; he shall advertise the property in the manner provided for in  
8 judicial sales and shall sell, for cash, cashier's check, certified check, money order,  
9 or wire transfer, without appraisalment, the least amount of the property seized which  
10 any bidder will buy for the amount of the taxes, interest, penalties, and costs.

11 §2145. Movable property; additional sanction for tax collection

12 \* \* \*

13 B. If the collector cannot make a seizure of the movable property liable for  
14 the tax assessed against it, either because of the nature of the property assessed or  
15 because the owner or his representative holds it in his possession or under his control  
16 in such a manner that the tax collector cannot lay hands upon it and refuses on  
17 demand to deliver the same to the tax collector, the tax collector shall have the power  
18 to seize any other property belonging to the tax debtor, or he may take into the court  
19 having jurisdiction of the subject matter a summary rule upon the person assessed  
20 or his representative, as the case may be, returnable in five days, in vacation as well  
21 as term time, to compel the delivery to him of said property or so much thereof, if  
22 the same be divisible in kind, as may be necessary to realize at public sale the  
23 amount of the taxes, costs, and penalties. All answers to rules shall be in writing and  
24 shall set forth specifically all defenses relied on by the tax delinquent and shall be  
25 made on or before the time in which the rule is made returnable. If the tax collector  
26 employs the services of an attorney to bring a summary rule to compel delivery of  
27 property, the tax debtor shall pay the sum of twenty percent of the taxes, penalties,  
28 and interest due by the debtor, as attorney fees, which amount shall be collectable in  
29 the same manner as the taxes, interest, penalties, and costs due by such debtor.

30 \* \* \*

1 §2153. Notice of delinquency and tax sale

2 \* \* \*

3 B.

4 \* \* \*

5 (5) The tax sale shall convey and the purchaser shall take tax sale title to the  
6 whole of the property assessed to the delinquent tax debtor, or if there are separate  
7 assessments of undivided interests in an entire property, tax sale title to the whole of  
8 the undivided interests assessed to the delinquent tax debtor if it is the least quantity  
9 sufficient to satisfy the aggregate of all taxes, interest, penalties, and costs. ~~The least~~  
10 ~~quantity shall be determined by undivided interests.~~ The tax collector shall then  
11 proceed to sell ~~the lesser undivided interest of the whole property as will satisfy the~~  
12 ~~charges and shall not entertain a bid in excess thereof.~~ ~~The tax collector may~~  
13 ~~determine and establish that the least quantity that can be sold by undivided interests~~  
14 ~~is one percent or less of the whole.~~ however, if authorized by the state or local tax  
15 collector, any bidder may elect to bid down the five percent penalty, in increments  
16 of one-tenth of a percent, as provided for in Article VII, Section 25(B)(1) of the state  
17 Constitution. The tax sale shall convey, and the purchaser shall take, tax sale title  
18 to the entirety of the property, or in the case of separate assessments for undivided  
19 interests in the property, tax sale title to the entirety of the undivided interest,  
20 intended to be assessed and sold as it was owned by the delinquent tax debtor  
21 regardless of any error in the dimensions or description of the property as assessed  
22 and sold. The tax collector in the advertisement or tax sale may give the full  
23 description according to original titles.

24 \* \* \*

25 §2155. Tax sale certificate

26 A. The tax collector shall authenticate and file in accordance with law, in  
27 person or by deputy, in the political subdivision's name, a tax sale certificate to  
28 purchasers of any property to which tax sale title was sold for taxes, in which he

1 shall relate in substance a brief history of the proceedings had, shall describe the  
 2 property, state the amount of the taxes, interest, penalties, and costs and the bid made  
 3 for the property, and the payment made to him in cash, cashier's check, certified  
 4 check, money order, credit card, or wire transfer, or other payment method, shall sell  
 5 tax sale title, and shall conclude the sale with the statement that the property shall be  
 6 redeemable at any time during the applicable redemptive period beginning on the day  
 7 when the tax sale certificate is filed with the recorder of conveyances in the parish  
 8 in which the property is located. The tax sale certificate shall contain the full name  
 9 and address of the tax sale purchaser. The tax sale certificate shall be sufficient if  
 10 it is in the following form:

"Tax Sale Certificate

[Name of Political Subdivision]

v.

[Name of Tax Debtor]

State of Louisiana

Parish of \_\_\_\_\_

City of \_\_\_\_\_

To: \_\_\_\_\_

19 BE IT KNOWN AND REMEMBERED, that, I, [Name of tax collector], Tax  
 20 Collector in and for the [Name of political subdivision], in the name of the [name of political  
 21 subdivision], and by virtue of the authority in me vested by the constitution and laws of the  
 22 State of Louisiana and in pursuance of the requirements of those laws, having mailed and  
 23 published the notice required by law and having strictly complied with each and every  
 24 requirement of the laws relating to delinquent taxes and tax debtors and to seizures,  
 25 advertisements, and sale of tax sale title to the property in full, did in the manner prescribed  
 26 by law, advertise and list in [name of appropriate journal for legal notices] the property to  
 27 be sold for delinquent property taxes with interest and costs for the year(s) of \_\_\_\_\_ in  
 28 the [place of sale] on [dates of publication], beginning at ten o'clock A.M., giving notice in  
 29 the issues of the newspaper and in said list as advertised the following described immovable  
 30 property appearing in the name of \_\_\_\_\_.

1 To-wit:  
 2 Ward \_\_\_\_\_ Section No. \_\_\_\_\_ Taxes \$ \_\_\_\_\_  
 3 Assessment No. \_\_\_\_\_ Interest \_\_\_\_\_  
 4 Penalties \_\_\_\_\_  
 5 Costs \_\_\_\_\_  
 6 Total \_\_\_\_\_

7 Property description: \_\_\_\_\_

8 And on said [date], after beginning but not completing said list, I continued the same  
 9 within legal hours each succeeding legal day offering tax sale title to said property for sale  
 10 at public auction in the manner required by said laws and the whole or the undivided interest  
 11 of the tax debtor therein being the smallest amount of said property that any bidder would  
 12 buy and pay the taxes and costs, and [Name of Purchaser] being the bidder, and having  
 13 complied with the terms of sale, became the purchaser of tax sale title to the whole of the  
 14 property or the undivided interest of the tax debtor therein.

15 NOW, THEREFORE, all the formalities of the law having been complied with, I  
 16 [Name of Tax Collector], Tax Collector for said [Name of Political Subdivision], by virtue  
 17 of the authority in me vested by the laws of the State of Louisiana do by these presents sell  
 18 and transfer unto [Name and Address of Purchaser], tax sale title to property or the  
 19 undivided interest of the tax debtor therein last above described with all the improvements  
 20 thereon. The tax debtor or any person interested personally or as heir, legatee, creditor, or  
 21 otherwise, shall have the right to redeem the property for the period of three years [or other  
 22 redemptive period] from the date of filing of this tax sale certificate. The redemption may  
 23 take place by paying the price given including costs and five percent penalty thereon with  
 24 interest at the rate of one percent per month until the redemption.

25 IN TESTIMONY WHEREOF, I have hereunto signed my name officially at  
 26 \_\_\_\_\_, Parish of \_\_\_\_\_, in the presence of the two undersigned  
 27 competent witnesses, who also signed on this \_\_\_\_\_ day of \_\_\_\_\_, 2\_\_\_\_.

28 Witnesses:  
 29 \_\_\_\_\_  
 30 Printed Name: [Name of Tax Collector]  
 31 \_\_\_\_\_

1  
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4

Printed Name:

[Name of Political Subdivision]

By: \_\_\_\_\_"

\* \* \*

\_\_\_\_\_  
SPEAKER OF THE HOUSE OF REPRESENTATIVES

\_\_\_\_\_  
PRESIDENT OF THE SENATE

\_\_\_\_\_  
GOVERNOR OF THE STATE OF LOUISIANA

APPROVED: \_\_\_\_\_

**ACT No. 511**

Regular Session, 2009

HOUSE BILL NO. 563

BY REPRESENTATIVE BURRELL

Prefiled pursuant to Article III, Section 2(A)(4)(b)(i) of the Constitution of Louisiana.

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AN ACT

To amend and reenact R.S. 47:1856(E) and (G), 1857(B)(2), 1998(A)(2), (B)(3) and (F), 2134, 2153(B)(5), 2201, and 2202, relative to ad valorem taxes; to provide relative to certain challenges to assessments; to provide for bidding procedures at tax sales; to provide for tax sale title to undivided interests; to provide for public sale or donation of tax parcels; to provide for the sale of adjudicated property to adjoining property owners; to provide for effectiveness as to suits filed on or after a certain date; and to provide for related matters.

Be it enacted by the Legislature of Louisiana:

Section 1. R.S. 47:1856(E) and (G), 1857(B)(2), 1998(A)(2), (B)(3) and (F), and 2134 are hereby amended and reenacted to read as follows:

§1856. Notice of valuation, hearings, appeals

\* \* \*

E. Any company instituting suit under the provisions of Subsection D of this Section shall pay the disputed portion of its taxes under protest to the officer or officers designated by law for the collection of such taxes and shall cause notice or notices to issue in such suit to such officer or officers as provided in R.S. ~~47:2110(E)~~ 47:2134(B). However, the portion of taxes that are not in dispute by the taxpayer shall be paid without being made subject to the protest.

\* \* \*

G. Any taxpayer asserting that a law or laws, including the application thereof, related to the valuation or assessment of public service properties is in violation of any act of the Congress of the United States, the Constitution of the United States, or the constitution of the state shall file suit in accordance with the

1 provisions of R.S. ~~47:2110(B)~~ and ~~(C)~~ 47:2134(C) and (D). The provisions of R.S.  
 2 47:1856(E) and (F) shall be applicable to such proceedings; however, the tax  
 3 commission and all affected assessors and the officers responsible for the collection  
 4 of any taxes owed pursuant to such assessment shall be made parties to such suit. If  
 5 such suit affects assessments of property located in more than one parish, such suit  
 6 may be brought in either the district court for the parish in which the tax commission  
 7 is domiciled or the district court of any one of the parishes in which the property is  
 8 located and assessed. No bond or other security shall be necessary to perfect an  
 9 appeal in such suit. Any appeal from a judgment of the district court shall be heard  
 10 by preference within sixty days of the lodging of the record in the court of appeal.  
 11 The appeal shall be taken thirty days from the date the judgment of the district court  
 12 is rendered.

13 §1857. Corrections and changes

14 \* \* \*

15 B.(1)

16 \* \* \*

17 (2) Any company that has filed suit under these provisions and whose taxes  
 18 have become due shall pay such taxes under protest to the officer or officers  
 19 designated by law for the collection of such taxes and shall cause notice or notices  
 20 to issue in such suit to the officer or officers as provided in R.S. ~~47:2110(E)~~  
 21 47:2134(B). Upon receipt of such notice or notices, the amount paid under protest  
 22 shall be segregated and invested by such officer or officers either in an interest-  
 23 bearing account or in a certificate of deposit pending a final, nonappealable judgment  
 24 in the suit.

25 \* \* \*

26 §1998. Judicial review; generally

27 A.(1)

28 \* \* \*

29 (2) Any taxpayer who has filed suit under this provision and whose taxes  
 30 have become due shall pay such taxes under protest and shall cause to issue notice

CODING: Words in ~~struck through~~ type are deletions from existing law; words underscored are additions.

1 to the officer designated by law for the collection of such tax under the provisions  
2 of R.S. ~~47:2110(E)~~ 47:2134(B), and shall cause service of process to be made on the  
3 Louisiana Tax Commission as the officer designated by law to assess the property  
4 as provided for in R.S. ~~47:2110(B)~~ 47:2134(B). However, the portion of taxes that  
5 is not in dispute shall be paid without being made subject to the protest.

6 \* \* \*

7 B.(1)

8 \* \* \*

9 (3) Any taxpayer in the state who has filed suit under these provisions and  
10 whose taxes have become due shall pay said taxes under protest and shall cause to  
11 issue a notice to the officer designated by law for the collection of such tax under the  
12 provisions of R.S. ~~47:2110(E)~~ 47:2134(B), and shall cause service of process to be  
13 made on the Louisiana Tax Commission as provided for in R.S. ~~47:2110(B)~~  
14 47:2134(B). However, the portion of taxes that is not in dispute shall be paid without  
15 being made subject to the protest.

16 \* \* \*

17 F. If the assessed valuation finally determined under this Section is greater  
18 than the taxpayer's own assessed valuation, the court shall enter judgment against the  
19 taxpayer for the additional taxes due together with interest at the actual rate earned  
20 on the money paid under protest in the escrow account during the period from the  
21 date of notice of intention to file suit for recovery of taxes pursuant to R.S.  
22 ~~47:2110(E)~~ 47:2134(B) until paid. If the taxpayer prevails in his suit to recover taxes  
23 paid under protest, the appropriate amount of taxes shall be refunded to the taxpayer  
24 together with interest at the rate set forth above during the period from the date of  
25 payment until the date of such refund.

26 \* \* \*

27 §2134. Suits to recover taxes paid under protest

28 A.(1) No court of this state shall issue any process to restrain, or render any  
29 decision that has the effect of impeding, the collection of an ad valorem tax imposed



1 by any political subdivision, under authority granted to it by the legislature or by the  
2 constitution.

3 (2) ~~B.(1) A person resisting the payment of an amount of tax due or the~~  
4 ~~enforcement of a provision of the tax law~~ taxpayer challenging the correctness of an  
5 assessment under either R.S. 47:1856, 1857, or 1998 shall timely pay the disputed  
6 amount of tax due under protest to the officer or officers designated by law for the  
7 collection of this tax and shall give him, the assessor, and the Louisiana Tax  
8 Commission notice at the time of payment of his intention to file suit for the  
9 recovery of the tax. Upon receipt of notice, the amount paid shall be segregated and  
10 held by the officer for a period of thirty days. The portion of the taxes that is paid by  
11 the taxpayer to the collecting officer or officers that is neither in dispute nor the  
12 subject of a suit contesting the correctness of the assessment shall not be made  
13 subject to the protest.

14 (2)(a) If at the time of the payment of the disputed taxes under protest the  
15 taxpayer has previously filed a correctness challenge suit under the provisions of  
16 R.S. 47:1856, 1857, or 1998, such taxpayer shall give notice of the suit to the  
17 collecting officer or officers in the parish or parishes in which the property is located.  
18 This notice shall be sufficient to cause the collecting officer or officers to further  
19 hold the amount paid under protest segregated pending the outcome of the suit.

20 (b) If at the time of the payment of the protested tax, a correctness challenge  
21 suit is not already pending under the provisions of R.S. 47:1856, 1857, or 1998, then  
22 a suit seeking recovery of the protested payment need not be filed until thirty (30)  
23 days from the date a final decision is rendered by the Louisiana Tax Commission  
24 under either R.S. 47:1856, 1857, or 1998. The taxpayer making the payment under  
25 protest under these circumstances must advise the collecting officer or officers in the  
26 parish or parishes in which the property is located at the time of the protest payment  
27 that the protest payment is in connection with a correctness challenge and must  
28 promptly notify the collecting officer or officers when a final decision is rendered  
29 by the Louisiana Tax Commission under either R.S. 47:1856, 1857, or 1998. The

1 collecting officer or officers shall continue to segregate and hold the protested  
2 amount in escrow until a timely correctness challenge suit is filed.

3 (c) If a suit is timely filed contesting the correctness of the assessment  
4 pursuant to R.S. 47:1856, 1857, or 1998 and seeking the recovery of the tax paid  
5 under protest, then that portion of the taxes paid that are in dispute shall be deemed  
6 as paid under protest, and that amount shall be segregated and shall be further held  
7 pending the outcome of the suit. ~~The portion of the taxes that is paid by the tax~~  
8 debtor to the officer and is neither in dispute nor the subject of the suit contesting the  
9 correctness shall not be made subject to the protest.

10 (3) In a correctness challenge suit under either R.S. 47:1856, 1857, or 1998  
11 the officer or officers designated for the collection of taxes in the parish or parishes  
12 in which the property is located, the assessor or assessors for the parish or district,  
13 or parishes or districts, in which the property is located, and the Louisiana Tax  
14 Commission shall be the sole necessary and proper party defendants in any such suit.

15 (4) If the taxpayer prevails, the collecting officer or officers shall refund the  
16 amount to the taxpayer with interest at the actual rate earned on the money paid  
17 under protest in the escrow account during the period from the date such funds were  
18 received by the collecting officer or officers to the date of the refund. If the taxpayer  
19 does not prevail, the taxpayer shall be liable for the additional taxes together with  
20 interest at the rate set forth above during the period from the date the notice of  
21 intention to file suit for recovery of taxes was given to the officer until the date the  
22 taxes are paid.

23 C.(1) A person resisting the payment of an amount of ad valorem tax due or  
24 the enforcement of a provision of the ad valorem tax law and thereby intending to  
25 maintain a legality challenge shall timely pay the disputed amount due under protest  
26 to the officer or officers designated by law for the collection of the tax and shall give  
27 such officer or officers, notice at the time of payment of his intention to file suit for  
28 the recovery of the protested tax. Upon receipt of a notice, the protested amount  
29 shall be segregated and held by the collecting officer for a period of thirty (30) days.

1                   (2) A legality challenge suit must be filed within thirty (30) days from the  
 2                   date of the protested payment. If a suit is timely filed contesting the legality of the  
 3                   tax or the enforcement of a provision of the tax law and seeking recovery of the tax,  
 4                   then that portion of the taxes paid that are in dispute shall be further deemed as paid  
 5                   under protest, and that amount shall be segregated and shall be further held pending  
 6                   the outcome of the suit. The portion of the taxes that is paid by the taxpayer to the  
 7                   collecting officer or officers that is neither in dispute nor the subject of a suit  
 8                   contesting the legality of the tax shall not be made subject to the protest.

9                   (3) In any such legality challenge suit, service of process upon the officer or  
 10                   officers responsible for collecting the tax, the assessor or assessors for the parish or  
 11                   district, or parishes or districts in which the property is located, and the Louisiana  
 12                   Tax Commission shall be sufficient service, and these parties shall be the sole  
 13                   necessary and proper party defendants in any such suit.

14                   (4) If the tax debtor taxpayer prevails, the collecting officer or officers shall  
 15                   refund the such amount to the tax debtor taxpayer with interest at the actual rate  
 16                   earned on the money paid under protest in the escrow account during the period from  
 17                   the date such funds were received by the collecting officer or officers to the date of  
 18                   the refund. If the tax debtor taxpayer does not prevail, the tax debtor taxpayer shall  
 19                   be liable for the additional taxes together with interest at the rate set forth above  
 20                   during the period from the date the notice of intention to file suit for recovery of  
 21                   taxes was given to the officer until the date the taxes are paid.

22                   ~~B: D.~~ The right to sue for recovery of a tax paid under protest as provided in  
 23                   this Section shall afford a legal remedy and right of action in any state or federal  
 24                   court having jurisdiction of the parties and subject matter for a full and complete  
 25                   adjudication of all questions arising in connection with a correctness challenge or the  
 26                   enforcement of the right rights respecting the legality of any tax accrued or accruing  
 27                   or the method of enforcement thereof. In any such suit, service of process upon the  
 28                   officer or agency designated and provided for in R.S. 47:1998(A)(2) or (B)(3), or  
 29                   Subsection A of this Section, shall be required. C: The right to sue for recovery of  
 30                   a tax paid under protest as provided in this Section shall afford a legal remedy and

1 right of action at law in the state or federal courts where any tax or the collection  
 2 thereof is claimed to be an unlawful burden upon interstate commerce, or in violation  
 3 of any act of the Congress of the United States, the Constitution of the United States,  
 4 or the constitution of the state. The portion of the taxes which is paid by the taxpayer,  
 5 to the collecting officer or officers that is neither in dispute nor the subject of such  
 6 suit shall not be made subject to the protest.

7 E.(1) Upon request of a ~~tax debtor~~ taxpayer and upon proper showing by the  
 8 ~~tax debtor taxpayer~~ that the principle of law involved in an additional assessment is  
 9 already pending before the courts for judicial determination, the ~~tax debtor taxpayer~~,  
 10 upon agreement to abide by the pending decision of the courts, may pay the  
 11 additional assessment under protest but need not file an additional suit. In such cases,  
 12 the tax so paid under protest shall be segregated and held by the collecting officer or  
 13 officers designated by law for the collection of the tax until the question of law  
 14 involved has been determined by the courts and shall then be disposed of as provided  
 15 in the decision of the court.

16 (2) If the taxpayer prevails, the officer or officers shall refund such amount  
 17 to the taxpayer with interest at the actual rate earned on the money paid under protest  
 18 in the escrow account during the period from the date such funds were received by  
 19 the officer or officers to the date of the refund. If the taxpayer does not prevail, the  
 20 taxpayer shall be liable for the additional taxes together with interest at the rate set  
 21 forth above during the period from the date the notice of intention to file suit for  
 22 recovery of taxes was given to the officer until the date the taxes are paid.

23 ~~D. An assessment valuation or claim of exemption shall be challenged only~~  
 24 ~~pursuant to the method or procedures as provided first in R.S. 47:1992, then in R.S.~~  
 25 ~~47:1989, and finally in R.S. 47:1998.~~

26 ~~E. Any tax debtor in the state who has paid his disputed taxes under protest~~  
 27 ~~as provided in this Section and who has filed suit under the provisions of R.S.~~  
 28 ~~47:1856, 1857, or 1998 shall cause to be served in the suit notice to the officer or~~  
 29 ~~officers designated for the collection of taxes in the parish or parishes in which the~~  
 30 ~~property is located, the assessor or assessors for the parish or district, or parishes or~~

1 ~~districts, in which the property is located, and the chairman of the Louisiana Tax~~  
 2 ~~Commission. This notice shall be sufficient to cause the officer or officers to further~~  
 3 ~~hold the amount segregated pending the outcome of the suit.~~

4 \* \* \*

5 Section 2. R.S. 47:2153(B)(5), 2201, and 2202 are hereby amended and reenacted  
 6 to read as follows:

7 §2153. Notice of delinquency and tax sale

8 \* \* \*

9 B.

10 \* \* \*

11 ~~(5) The tax sale shall convey and the purchaser shall take tax sale title to the~~  
 12 ~~whole of the property assessed to the delinquent tax debtor, or if there are separate~~  
 13 ~~assessments of undivided interests in an entire property, tax sale title to the whole of~~  
 14 ~~the undivided interests assessed to the delinquent tax debtor if it is the least quantity~~  
 15 ~~sufficient to satisfy the aggregate of all taxes, interest, penalties, and costs. The least~~  
 16 ~~quantity shall be determined by undivided interests. The tax collector shall then~~  
 17 ~~proceed to sell the lesser undivided interest of the whole property as will satisfy the~~  
 18 ~~charges and shall not entertain a bid in excess thereof. On the day of sale, the tax~~  
 19 ~~collector shall sell the portion of the property which the debtor points out. If the~~  
 20 ~~debtor does not point out any property or sufficient property, the tax collector shall~~  
 21 ~~sell immediately the least quantity of the property, determined by undivided~~  
 22 ~~interests, which any bidder will buy for the amount of taxes, interest, penalties and~~  
 23 ~~costs. Except as provided in R.S. 47:2196(D), the purchase price or bid price is the~~  
 24 ~~amount of taxes, interest, penalties and costs, and the bidding is by undivided~~  
 25 ~~interests with the initial bid being one hundred percent and thereafter declining from~~  
 26 ~~the initial bid. As an alternative to the procedure for bidding by undivided interest~~  
 27 ~~as provided by this Section, upon agreement between the tax collector and the local~~  
 28 ~~governing authority, any bidder may elect to bid down the five percent penalty, as~~  
 29 ~~provided for in Article VII, Section 25(B)(1) of the state Constitution, in increments~~  
 30 ~~of one-tenth of a percent.~~ The tax collector may determine and establish that the least

1 quantity that can be sold by undivided interests is one percent or less of the whole.  
 2 The tax sale shall convey, and the purchaser shall take, tax sale title ~~to~~ in the  
 3 undivided interest bid in the entirety of the property, or in the case of separate  
 4 assessments for undivided interests in the property, tax sale title ~~to~~ in the undivided  
 5 interest bid in the entirety of the undivided interest, intended to be assessed and sold  
 6 as it was owned by the delinquent tax debtor regardless of any error in the  
 7 dimensions or description of the property as assessed and sold. The tax collector in  
 8 the advertisement or tax sale may give the full description according to original  
 9 titles.

\* \* \*

11 §2201. Ordinance; sale or donation of adjudicated property

12 A political subdivision may adopt ordinances regarding the public sale or  
 13 donation of adjudicated property that complies with R.S. 47:2202, 2203, and 2206.  
 14 A public sale or donation of adjudicated property by a political subdivision may be  
 15 made by sale or donation of an individual tax parcel, or by sale or donation of  
 16 multiple tax parcels as a whole.

17 §2202. Minimum bid prices; sale of adjudicated property

18 A. The governing authority of each political subdivision may elect to set a  
 19 dollar amount as a minimum bid for the public sale of adjudicated property, which  
 20 shall be at least the total amount of statutory impositions, governmental liens, and  
 21 costs of sale. The governing authority of each political subdivision may elect also  
 22 to require an appraisal of adjudicated property to be sold at public sale. If the  
 23 political subdivision elects to use the appraised value to establish a bidding floor  
 24 instead of setting a dollar amount minimum bid as allowed by this Section, the  
 25 political subdivision shall appoint a licensed appraiser to appraise and value the  
 26 property. The minimum bid at the first public sale shall be at least two-thirds of the  
 27 appraised value of the property. If the property fails to sell at the first public sale,  
 28 the minimum bid at the second sale shall be one-third the appraised value of the  
 29 property.

1            B. Notwithstanding the provisions of Subsection A of this Section, the  
2            governing authority of each political subdivision may allow an adjoining landowner  
3            to purchase adjudicated property for any price set by the governing authority without  
4            public bidding at a public meeting of the governing authority; provided, that the  
5            governing authority of an applicable political subdivision determines that the  
6            adjoining landowner has maintained the adjudicated property for a period of one year  
7            prior to the sale. Such a sale shall be deemed a public sale under the provisions of  
8            this Subpart.

9            Section 3. The provisions of Section 1 of this Act shall apply to suits filed on or after  
10          the effective date of this Act.

\_\_\_\_\_  
SPEAKER OF THE HOUSE OF REPRESENTATIVES

\_\_\_\_\_  
PRESIDENT OF THE SENATE

\_\_\_\_\_  
GOVERNOR OF THE STATE OF LOUISIANA

APPROVED: \_\_\_\_\_

**ACT No. 281**

Regular Session, 2010

HOUSE BILL NO. 835

BY REPRESENTATIVE DOVE

AN ACT

To amend and reenact R.S. 47:2243, 2245, and 2246 and to enact R.S. 47:2196(E), relative to redemption of properties adjudicated at tax sales; to provide for the lease, transfer, and sale of property adjudicated to the state for nonpayment of taxes for the years 1880 through 1973; to provide for redemption of property adjudicated to the state; and to provide for related matters.

Be it enacted by the Legislature of Louisiana:

Section 1. R.S. 47:2243, 2245, and 2246 are hereby amended and reenacted and R.S. 47:2196(E) is hereby enacted to read as follows:

§2196. Adjudication to political subdivisions

\* \* \*

E. With respect to property adjudicated to the state for nonpayment of taxes for the years 1880 through 1973, the state, as owner, may lease, transfer, or sell the property pursuant to R.S. 41:131 et seq.; provided that if the property is occupied or assessed taxes thereon rendering sale of the property inappropriate, the register of the state land office shall notify the occupier or tax payer of the adjudication and the need to either redeem or cancel said adjudication.

\* \* \*

§2243. Redemption payments

Redemptions shall be made through the tax collector of the appropriate political subdivision, or in the case of properties adjudicated to the state for tax years 1880 through 1973, redemptions shall be made through the register of the state land office. Payment shall include all statutory impositions accruing before the date of payment with five percent penalty and simple interest accruing at one percent per



1 month, as well as all other sums required to be paid pursuant to this Subpart. The tax  
 2 collector shall promptly remit the redemption payment to the tax sale purchaser; the  
 3 Register shall promptly deposit the redemption payment in the state treasury.

4 \* \* \*

5 §2245. Redemption certificate

6 Upon payment of the redemption costs, the tax collector shall issue a  
 7 redemption certificate in the name of the tax debtor and file the redemption  
 8 certificate in the appropriate conveyance records. When a redemption certificate is  
 9 issued by the register of the state land office pursuant to this Subpart, the person  
 10 redeeming the property shall file the redemption certificate in the appropriate  
 11 conveyance records of the parish wherein the property is located. The redemption  
 12 certificate shall be sufficient if it is in the following form:

13 "CERTIFICATE OF REDEMPTION

14 STATE OF LOUISIANA

15 PARISH OF \_\_\_\_\_

16 CITY OF \_\_\_\_\_

17 Having this day received from \_\_\_\_\_ the sum of  
 18 \_\_\_\_\_ Dollars (\$ \_\_\_\_\_), being the full amount of taxes,  
 19 costs, penalties and interest, plus any subsequently paid taxes, accruing from that certain  
 20 tax sale on the \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_, for the  
 21 delinquent [name of political subdivision] taxes for the year \_\_\_\_\_, assessed to  
 22 \_\_\_\_\_ covering tax sale title to that certain  
 23 immovable property located in the parish described as which property was adjudicated at  
 24 said tax sale to \_\_\_\_\_.

25 NOW THEREFORE I, under the authority conferred on me by R.S. 47:2245, hereby  
 26 certify said property as being redeemed to said tax debtor, or his successors in title, from  
 27 any claims arising out of said tax sale.

28 DONE AND SIGNED at my office in \_\_\_\_\_, Louisiana this  
 29 \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_.

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ATTEST:

\_\_\_\_\_  
Printed Name: \_\_\_\_\_ [Name of tax collector] and Ex Officio  
Tax Collector

\_\_\_\_\_  
Printed Name: \_\_\_\_\_ "

§2246. Statutory right to redeem adjudicated property

A. For property adjudicated to a political subdivision, after the expiration of the applicable redemptive period, any person may redeem tax sale title to property in the name of the tax debtor until any of the following shall occur:

(1) The later of sixty days or six months, as applicable, after the notice required by R.S. 47:2206, or the filing of the sale or donation transferring the property from the political subdivision pursuant to R.S. 47:2201 et seq.

(2) The granting of the order of possession pursuant to R.S. 47:2232.

(3) Sixty days or six months, as applicable, after the notice required by R.S. 47:2236.

B. For property adjudicated to the state for nonpayment of taxes for years 1880 through 1973, any person may redeem said property in the name of the tax debtor, subject to any encumbrances placed thereon by the state, until such time as the state sells or transfers the property.

\_\_\_\_\_  
SPEAKER OF THE HOUSE OF REPRESENTATIVES

\_\_\_\_\_  
PRESIDENT OF THE SENATE

\_\_\_\_\_  
GOVERNOR OF THE STATE OF LOUISIANA

APPROVED: \_\_\_\_\_

**ACT No. 716**

Regular Session, 2010

HOUSE BILL NO. 850

BY REPRESENTATIVE ROY

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AN ACT

To enact R.S. 47:2153(B)(7), relative to ad valorem tax; to authorize the collection of a refundable deposit from certain participants at a tax sale; to provide for use of deposits; to provide for the form of the deposit; to provide for refunds; and to provide for related matters.

Be it enacted by the Legislature of Louisiana:

Section 1. R.S. 47:2153(B)(7) is hereby enacted to read as follows:

§2153. Notice of delinquency and tax sale

\* \* \*

B.

\* \* \*

(7) Except as otherwise provided in this Subpart, the tax sale shall be conducted in the manner provided by law for judicial sales. The tax collector may require all registered tax sale participants to provide a deposit, not to exceed one thousand dollars, prior to the commencement of the tax sale. If a deposit is required, the deposit of the winning bidder shall be applied toward the sale price at the time of purchase. A deposit from a non-winning bidder shall be returned or refunded to

1 the depositor within fourteen days of the close of the sale. The deposit shall be made  
 2 in a form approved by the tax collector.

3 \* \* \*

\_\_\_\_\_  
 SPEAKER OF THE HOUSE OF REPRESENTATIVES

\_\_\_\_\_  
 PRESIDENT OF THE SENATE

\_\_\_\_\_  
 GOVERNOR OF THE STATE OF LOUISIANA

APPROVED: \_\_\_\_\_

**ACT No. 817**

Regular Session, 2010

HOUSE BILL NO. 508

BY REPRESENTATIVE ROY

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AN ACT

To amend and reenact R.S. 47:2153(B)(1), relative to ad valorem taxes; to provide relative to sales of immovable property due to delinquent taxes; to authorize use of the Internet to publish certain notice and other information related to a tax sale; and to provide for related matters.

Be it enacted by the Legislature of Louisiana:

Section 1. R.S. 47:2153(B)(1) is hereby amended and reenacted to read as follows:

§2153. Notice of delinquency and tax sale

\* \* \*

B.(1)(a) At the expiration of twenty days' notice, counting from the day when the last of the written notices are sent, or as soon thereafter as practicable, the tax collector shall proceed to publish a notice to the tax debtors of the delinquency and to advertise for sale the consolidated delinquent tax list under one form two times within thirty days in the official journal of the political subdivision. The publication and advertisement shall be sufficient if it is in the following form:

"DELINQUENT TAX LIST

\_\_\_\_\_ vs. Delinquent Tax Debtors

(insert appropriate taxing bodies)

By virtue of the authority vested in me by the constitution and the laws of the State of Louisiana, I will sell, at \_\_\_\_\_, within the legal hours for judicial sales beginning at \_\_\_\_\_ o'clock a.m. on \_\_\_\_\_, the \_\_\_\_\_

1 day of \_\_\_\_\_, \_\_\_\_\_, and continuing on each succeeding legal day, until said  
 2 sales are completed, tax sale title to all immovable property on which taxes are now  
 3 due to \_\_\_\_\_, to enforce collection of taxes  
 4 (insert affected taxing bodies) assessed in the year \_\_\_\_\_, together with interest  
 5 thereon from January 1, \_\_\_\_\_, at the rate of one percent (1%) per month until paid  
 6 and all costs. The names of said delinquent tax debtors, the amount of statutory  
 7 impositions due, including any due for prior years, and the immovable property  
 8 assessed to each to be offered for sale are as follows: (Insert names of delinquent tax  
 9 debtors in alphabetical order, the amount of statutory impositions due, including any  
 10 due for prior years on each specific piece of property, and the description of each  
 11 specific piece of immovable property to be offered for sale.)

12 On the day of sale I will sell a tax sale title to such portions of the property  
 13 as each tax debtor will point out and, in case the debtor will not point out sufficient  
 14 property, I will at once and without further delay sell the least quantity as undivided  
 15 interests of said property of any tax debtor which any bidder will buy for the amount  
 16 of the statutory impositions for which the sale is made, together with interest and  
 17 costs due by said tax debtor. The sale will be without appraisalment, for cash or other  
 18 payment method acceptable to the tax collector, in legal tender money of the United  
 19 States, and the tax sale title to property sold will be redeemable at any time during  
 20 the applicable redemptive period by paying the price given, including costs and five  
 21 percent (5%) penalty thereon, with interest at the rate of one percent (1%) per month  
 22 until redeemed."

23 (b) In addition to the notice required to be published pursuant to  
 24 Subparagraph (a) of this Paragraph, the tax collector may elect to publish via the  
 25 Internet the portion of the notification and advertisement that details the names of  
 26 delinquent tax debtors, the amount of statutory impositions due, and the description  
 27 of each specific piece of immovable property to be offered for sale. In the instance

1 of using the Internet for the detailed listing of properties offered for tax sale, the tax  
 2 collector shall provide, within the original printed notification or advertisement, the  
 3 web address where the comprehensive list of debtors and properties offered for sale  
 4 can be viewed.

5 \* \* \*

\_\_\_\_\_  
 SPEAKER OF THE HOUSE OF REPRESENTATIVES

\_\_\_\_\_  
 PRESIDENT OF THE SENATE

\_\_\_\_\_  
 GOVERNOR OF THE STATE OF LOUISIANA

APPROVED: \_\_\_\_\_

**ACT No. 823**

Regular Session, 2010

HOUSE BILL NO. 602

BY REPRESENTATIVE GARY SMITH

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AN ACT

To amend and reenact R.S. 47:2153(A), relative to the notice of delinquent ad valorem taxes; to provide for the time within which to send notice; and to provide for related matters.

Be it enacted by the Legislature of Louisiana:

Section 1. R.S. 47:2153(A) is hereby amended and reenacted to read as follows:

§2153. Notice of delinquency and tax sale

A. ~~On the second day after the deadline for payment of taxes each year~~ No later than the first Monday of February of each year, or as soon thereafter as possible, the tax collector shall send a written notice by ~~United States mail postage prepaid certified mail, return receipt requested~~, to each tax notice party when the tax debtor has not paid all the statutory impositions which have been assessed on immovable property, notifying the person that the statutory impositions on the immovable property shall be paid within twenty days after the sending of the notice or as soon thereafter before the tax sale is scheduled, or that tax sale title to the property will be sold according to law. The notice shall be sufficient if it is in the following form:



1	"Year	Ward	Sect.	Ass. #	Property #	Notice #
2	*****PLEASE NOTE*****			[NAME OF POLITICAL SUBDIVISION]		
3	*By law your taxes are delinquent after					
4	December thirty-first. The law requires					
5	interest be charged as follows: A flat					
6	rate of one percent (1%) per month on					
7	delinquent ad valorem taxes.					
8	*If monies for payment of taxes are in					
9	escrow, please forward tax notice to your					
10	mortgage company.					
11	*If a receipt is requested, enclose a self-					
12	addressed stamped envelope along with					
13	your payment.					
14	*Please notify the sheriff's office or the					
15	assessor's office with all address					
16	changes.					
17	*For questions about assessed value or					
18	millages contact:					
19	Assessor's Office:					
20	Property Tax Dept:					
21	*Payment may be made online at					
22						
23	*[DATE OF NOTICE]. If taxes are not					
24	paid within twenty days after this date,					
25	the political subdivision will proceed to					
26	sell tax sale title to the property at [list					
27	location of the tax sale] beginning on					
28	[list first day of sale]. You will have the					
29	right to pay the amounts due until the					
30	day before the actual sale. If tax sale					
31	title to the property is sold, you will have					
32	three years [or other applicable					
33	redemptive period] from the date of the					
34	filing of the tax sale certificate in which					
35	to redeem the property according to law,					
36	but in order to redeem, you will be					
37	required to pay a 5% penalty and 1% per					
38	month on the amounts past due together					
39	with other costs in accordance with law.					

1	Total Assessed Value Tax Distributions	Millages	Homestead Exemption	Taxes and other Statutory Impositions Due	Assessment Information
2					
3					
4	[add taxing districts]			[add amount of tax due each district]	Total Assessed Value
5					Property Description
6	Total Statutory Impositions Due				
7					
8	Interest				
9					
10	Costs				
11	Total				

12 [Name of Tax Collector and Address]

13	Total Statutory Impositions Due	
14	Interest	
15	Cost	
16	Total	

17 [Tax Collector Name]

18	YEAR	WARD	SECT	ASS.#	PROPERTY	NOTICE #

19 Name of Tax Debtor  
20 [address] \_\_\_\_\_

21 Make checks payable to: \_\_\_\_\_ [Tax Collector Name]

22 Mail this portion of tax bill and payment to: \_\_\_\_\_ [address]"

23 \* \* \*

\_\_\_\_\_  
SPEAKER OF THE HOUSE OF REPRESENTATIVES

\_\_\_\_\_  
PRESIDENT OF THE SENATE

\_\_\_\_\_  
GOVERNOR OF THE STATE OF LOUISIANA

APPROVED: \_\_\_\_\_

CODING: Words in struck through type are deletions from existing law; words underscored are additions.

**ACT No. 947**

Regular Session, 2010

HOUSE BILL NO. 1389

BY REPRESENTATIVE LIGI

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AN ACT

To amend and reenact R.S. 47:2202(A), 2203(C), and 2204, relative to the sale of adjudicated property; to exempt certain property sales from the minimum bid and appraisal requirements for adjudicated property; to provide relative to advertising requirements for adjudicated property sold at public sale; to provide relative to certain public sales by a political subdivision; to provide for certain limitations; and to provide for related matters.

Be it enacted by the Legislature of Louisiana:

Section 1. R.S. 47:2202(A), 2203(C), and 2204 are hereby amended and reenacted to read as follows:

§2202. Minimum bid prices; sale of adjudicated property

A. The governing authority of each political subdivision may elect to set a dollar amount as a minimum bid for the public sale of adjudicated property, which shall be at least the total amount of statutory impositions, governmental liens, and costs of sale. The governing authority of each political subdivision may elect also to require an appraisal of adjudicated property to be sold at public sale. ~~If~~ When the political subdivision elects to use the appraised value to establish a bidding floor instead of setting a dollar amount minimum bid as allowed by this Section, the political subdivision shall appoint a licensed appraiser to appraise and value the property. The minimum bid at the first public sale shall be at least two-thirds of the appraised value of the property. If the property fails to sell at the first public sale, the minimum bid at the second sale shall be one-third the appraised value of the property. Alternatively, the governing authority of each political subdivision may elect to sell the adjudicated property at public sale to the highest bidder without setting a minimum bid or requiring an appraisal.

\* \* \*

1 §2203. Pre-bidding procedures; sale of adjudicated property

2 \* \* \*

3 C. Advertisement. A public sale shall be advertised twice in the official  
4 journal for the political subdivision, once at least thirty days prior to the date of the  
5 public sale, and once no more than seven days prior to the date of the public sale.  
6 The advertisement shall provide for the minimum bid, the latest date written bids  
7 will be accepted, the time and date of in-person bidding, and any other terms of sale.  
8 However, if no minimum bid is set by the governing authority of the political  
9 subdivision on the adjudicated property to be sold at the public sale, the  
10 advertisement shall include a statement that no minimum bid is set and that the  
11 property shall be sold to the highest bidder.

12 §2204. Additional terms of ordinance; sale of adjudicated property

13 The ordinance allowing for the public sale of adjudicated property may  
14 provide that the public sale may be subject to terms and conditions imposed by the  
15 political subdivision in the ordinance. The political subdivision may also authorize  
16 the sale of adjudicated property at public sale at a price determined by the highest  
17 bidder without setting a minimum bid or requiring an appraisal. An ordinance may  
18 provide that a subsequent ordinance is required to approve the sale.

\_\_\_\_\_  
SPEAKER OF THE HOUSE OF REPRESENTATIVES

\_\_\_\_\_  
PRESIDENT OF THE SENATE

\_\_\_\_\_  
GOVERNOR OF THE STATE OF LOUISIANA

APPROVED: \_\_\_\_\_

**ACT No. 109**

Regular Session, 2011

HOUSE BILL NO. 466

BY REPRESENTATIVE DANAHAHAY

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AN ACT

To enact R.S. 47:2212, relative to Calcasieu Parish; to provide relative to the sale of adjudicated property by the parish; to authorize the governing authority of the parish to sell such property without notification to political subdivisions created by the parish, subject to limitations; to provide relative to the cancellation of tax liens, assessments, penalties, or other charges; and to provide for related matters.

Notice of intention to introduce this Act has been published as provided by Article III, Section 13 of the Constitution of Louisiana.

Be it enacted by the Legislature of Louisiana:

Section 1. R.S. 47:2212 is hereby enacted to read as follows:

§2212. Sale of adjudicated property; Calcasieu Parish; notice to political subdivisions created by the parish

Notwithstanding any other provision of law to the contrary, the governing authority of the parish of Calcasieu is authorized to sell adjudicated property as provided in this Subpart or as otherwise provided by law. If the sale of adjudicated property occurs after the three-year redemptive period has elapsed, the governing authority of the parish may proceed with the sale without notification to any political subdivision created by the governing authority of the parish. Upon the sale of such property, all outstanding tax liens, assessments, penalties, or other charges of any such political subdivision on the property shall be cancelled contemporaneously with the sale.

Section 2. All cancellations of outstanding tax liens, assessments, penalties, or other charges relative to the sale of adjudicated property made by the governing authority of

- 1 Calcasieu Parish from on and after January 1, 2009, to the effective date of this Act, are
- 2 hereby validated, ratified, approved, and confirmed.

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SPEAKER OF THE HOUSE OF REPRESENTATIVES

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PRESIDENT OF THE SENATE

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GOVERNOR OF THE STATE OF LOUISIANA

APPROVED: \_\_\_\_\_

**ACT No. 275**

Regular Session, 2011

HOUSE BILL NO. 335

BY REPRESENTATIVES BROSSETT, ABRAMSON, ARNOLD, AUSTIN BADON, BISHOP, HENDERSON, HINES, LEGER, MORENO, AND STIAES AND SENATORS CROWE, GUILLORY, MILLS, MORRELL, AND WILLARD-LEWIS

AN ACT

To amend and reenact R.S. 47:2161, relative to the city of New Orleans; to provide relative to property sold at tax sales in the city; to provide relative to improvements made to abandoned or blighted property by a tax sale purchaser prior to redemption; to require a person redeeming property to reimburse a tax sale purchaser for the costs of improvements required to bring the property into compliance with one or more municipal code ordinances; to provide relative to the maximum amount of reimbursement; to provide relative to the right of redemption if the tax sale purchaser is not reimbursed; and to provide for related matters.

Notice of intention to introduce this Act has been published as provided by Article III, Section 13 of the Constitution of Louisiana.

Be it enacted by the Legislature of Louisiana:

Section 1. R.S. 47:2161 is hereby amended and reenacted to read as follows:

§2161. Tax sale title; payment of taxes by purchaser; improvements by tax sale purchaser

A. From the date of filing a tax sale certificate selling tax sale title to a tax sale purchaser, all taxes on the property shall, after that date, be assessed to and paid by the tax sale purchaser until the property, or any part, is redeemed. If redeemed, the person redeeming shall pay all statutory impositions assessed upon the property subsequent to the tax sale. The failure to assess the property in the name of the tax sale purchaser shall not affect the validity of the tax sale.

B.(1) Notwithstanding any other provision of law to the contrary, in the city of New Orleans, if a tax sale purchaser has made improvements to abandoned or

1 blighted property, as defined in R.S. 19:136.1, in order to bring the property into  
 2 compliance with one or more municipal code ordinances prior to the property being  
 3 redeemed, the person redeeming the property shall reimburse the tax sale purchaser  
 4 for the costs of improvements required to bring the property into compliance with  
 5 any such ordinances. The maximum amount of reimbursement for improvements  
 6 shall be fifteen hundred dollars for abandoned property and three thousand dollars  
 7 for blighted property. The maximum amount shall be per property per year.

8 (2) In order to receive reimbursement for the costs of improvements, the tax  
 9 sale purchaser shall be required to file an affidavit and receipts in the mortgage  
 10 records of the parish documenting the costs of such improvements within sixty days  
 11 after receiving notice of redemption.

12 (3) The failure by a person redeeming property to reimburse a tax sale  
 13 purchaser for improvements made in accordance with the provisions of Paragraph  
 14 (1) of this Subsection shall not terminate or otherwise impair in any way the right of  
 15 any such person to redeem his property pursuant to the provisions of this Section.

16 Section 2. This Act shall become effective upon signature by the governor or, if not  
 17 signed by the governor, upon expiration of the time for bills to become law without signature  
 18 by the governor, as provided by Article III, Section 18 of the Constitution of Louisiana. If  
 19 vetoed by the governor and subsequently approved by the legislature, this Act shall become  
 20 effective on the day following such approval.

\_\_\_\_\_  
 SPEAKER OF THE HOUSE OF REPRESENTATIVES

\_\_\_\_\_  
 PRESIDENT OF THE SENATE

\_\_\_\_\_  
 GOVERNOR OF THE STATE OF LOUISIANA

APPROVED: \_\_\_\_\_



**ACT No. 196**

Regular Session, 2012

HOUSE BILL NO. 430

BY REPRESENTATIVE BROSSETT

AN ACT

To enact R.S. 33:4720.58.1, relative to Orleans Parish; to provide relative to the New Orleans Redevelopment Authority; to provide relative to the powers and duties of the authority; to authorize the authority to purchase adjudicated properties located within its territorial jurisdiction from political subdivisions of the state; to provide procedures for such purchases; to provide relative to the powers and duties of the state and its political subdivisions with regard to such purchases; to require the authority to submit reports regarding its purchases to certain legislative committees; and to provide for related matters.

Notice of intention to introduce this Act has been published as provided by Article III, Section 13 of the Constitution of Louisiana.

Be it enacted by the Legislature of Louisiana:

Section 1. R.S. 33:4720.58.1 is hereby enacted to read as follows:

§4720.58.1. Acquisition of adjudicated properties

A. The authority may purchase adjudicated properties within its territorial jurisdiction from any political subdivision of the state of Louisiana. No such purchase shall be construed to, or otherwise have the effect of, extending or suspending the period prescribed by law for the redemption of the property by the tax debtor or any other person.

B. In addition to the authority set forth in Subpart B of Part IV of Chapter 5 of Subtitle III of Title 47 of the Louisiana Revised Statutes of 1950, such purchases by the authority may be by a direct negotiated purchase and sale agreement between the authority and a political subdivision without any other requirement of a public

1 sale prior to the transfer of such properties to the authority. Such purchases by the  
2 authority shall not be considered the sale of surplus property or of property owned  
3 by the political subdivision.

4 C. Effective upon the recordation of the transfer of an adjudicated property  
5 to the authority pursuant to a purchase and sale agreement, the rights of the authority  
6 in and to such property shall be the rights of a purchaser at a tax sale as contemplated  
7 by Chapter 5 of Subtitle III of Title 47 of the Louisiana Revised Statutes of 1950,  
8 subject only to the rights of redemption of the property set forth in Article VII,  
9 Section 25(B) of the Constitution of Louisiana, and the property shall no longer be  
10 deemed to be adjudicated property as of such recordation. For purposes of the right  
11 of redemption in Article VII, Section 25(B) of the Constitution of Louisiana, the  
12 redemptive period commences on the date of the recordation of the initial  
13 adjudication to the political subdivision and not on the date of transfer to the  
14 authority.

15 D. Any such purchase and sale agreement shall set forth the total  
16 consideration to be paid by the authority and the method and timing of payment of  
17 such consideration by the authority.

18 E. The state and any political subdivision with liens on the property may,  
19 pursuant to intergovernmental agreements with the authority, cancel such liens  
20 contemporaneously with or subject to the transfer of the property to the authority.

21 F.(1) The authority shall have the right, subject to the provisions of this  
22 Section, to purchase properties at tax sales conducted in accordance with R.S.  
23 47:2155 and 2156, and any and all such purchases shall be a purchase pursuant to  
24 R.S. 47:2155 and 2156 and not an adjudication to a political subdivision.

25 (2) Notwithstanding the provisions of Chapter 5 of Subtitle III of Title 47 of  
26 the Louisiana Revised Statutes of 1950, the authority may tender a bid at a tax sale  
27 which is a credit bid, consisting of the obligation of the authority to satisfy the  
28 component parts of the bid by payments to the respective political subdivisions and  
29 taxing entities in accordance with intergovernmental agreements between the  
30 authority and such political subdivisions and taxing entities.

1                   (3) A bid by the authority at a tax sale for the minimum amount shall take  
 2                   priority over all other bids for the same quantity of property, except for a higher bid  
 3                   submitted by a conventional mortgage holder holding a mortgage on the subject  
 4                   property.

5                   G. The authority shall submit annual reports to the House Committee on  
 6                   Municipal, Parochial and Cultural Affairs and the Senate Committee on Local and  
 7                   Municipal Affairs and each member of the Orleans Parish legislative delegation  
 8                   concerning property purchased by the authority. Such report shall be filed by March  
 9                   first each year and shall cover the previous calendar year. Each report shall include:

10                   (1) The legal description or other indication of the location of each property  
 11                   purchased.

12                   (2) The amount paid for each property.

13                   (3) The minimum bid that was set for the property and the appraised value  
 14                   of the property.

15                   (4) A general description of the authority's plans for the property and how  
 16                   such plans advance the purposes for which the authority is created.

17                   Section 2. This Act shall become effective upon signature by the governor or, if not  
 18                   signed by the governor, upon expiration of the time for bills to become law without signature  
 19                   by the governor, as provided by Article III, Section 18 of the Constitution of Louisiana. If  
 20                   vetoed by the governor and subsequently approved by the legislature, this Act shall become  
 21                   effective on the day following such approval.

\_\_\_\_\_  
 SPEAKER OF THE HOUSE OF REPRESENTATIVES

\_\_\_\_\_  
 PRESIDENT OF THE SENATE

\_\_\_\_\_  
 GOVERNOR OF THE STATE OF LOUISIANA

APPROVED: \_\_\_\_\_

SENATE BILL NO. 605

BY SENATOR GALLOT

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AN ACT

To amend and reenact R.S. 47:2126, 2153(A) and (C), 2154, and 2156(B) and (C), relative to ad valorem tax; to provide with respect to property subject to tax sale; to provide relative to information included on tax rolls; to provide for tax sale procedures and notifications; to provide for the assessment of property sold at a tax sale; to repeal the right to a redemption nullity for a tax debtor; and to provide for related matters.

Be it enacted by the Legislature of Louisiana:

Section 1. R.S. 47:2126, 2153(A) and (C), 2154, and 2156(B) and (C) are hereby amended and reenacted to read as follows:

§2126. Duty of assessors; single assessment

Each assessor shall deliver to the appropriate tax collector the tax roll for the year in which taxes are collectible by November fifteenth of each calendar year, except as otherwise provided by law. At the same time, the assessor may file the tax roll in the mortgage records of the parish in which property subject to the taxes is located. The assessor shall use reasonable efforts to list on the tax roll all co-owners of record of the property, or if there has been a tax sale to a party other than a political subdivision, the tax sale purchaser and the other owners, to the extent their interests were not sold at tax sale. The tax roll shall be updated as of January first or later of the year in which the taxes are collectible. There shall be only one assessment for each tax parcel, and the full assessment shall be on each tax bill sent pursuant to R.S. 47:2127(C); ~~provided, however, if requested by a tax debtor, the assessor may, but shall not be obligated to, make separate assessments for undivided interests in each tax parcel.~~

\* \* \*

§2153. Notice of delinquency and tax sale

A.(1)(a) No later than the first Monday of February of each year, or as soon thereafter as possible, the tax collector shall send a written notice by certified mail,

1 return receipt requested, to each tax notice party when the tax debtor has not paid all  
 2 the statutory impositions which have been assessed on immovable property,  
 3 notifying the person that the statutory impositions on the immovable property shall  
 4 be paid within twenty days after the sending of the notice or as soon thereafter before  
 5 the tax sale is scheduled, or that tax sale title to the property will be sold according  
 6 to law. The notice shall be sufficient if it is in the following form:

Year	Ward	Sect.	Ass. #	Property #	Notice #
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\*\*\*\*\*PLEASE NOTE\*\*\*\*\* [NAME OF POLITICAL SUBDIVISION]

\*By law your taxes are delinquent after December thirty-first. The law requires interest be charged as follows: A flat rate of one percent (1%) per month on delinquent ad valorem taxes.

\*If monies for payment of taxes are in escrow, please forward tax notice to your mortgage company.

\*If a receipt is requested, enclose a self-addressed stamped envelope along with your payment.

\*Please notify the sheriff's office or the assessor's office with all address changes.

\*For questions about assessed value or millages contact:  
 Assessor's Office:  
 Property Tax Dept:

\*Payment may be made online at

\*[DATE OF NOTICE]. If taxes are not paid within twenty days after this date, the political subdivision will proceed to sell tax sale title to the property at [list location of the tax sale] beginning on [list first day of sale]. You will have the right to pay the amounts due until the day before the actual sale. If tax sale title to the property is sold, you will have three years [or other applicable redemptive period] from the date of the filing of the tax sale certificate in which to redeem the property according to law, but in order to redeem, you will be required to pay a 5% penalty and 1% per month on the amounts past due together with other costs in accordance with law.

Total Assessed Value Tax	Millages	Homestead Exemption	Taxes and other	Assessment Information
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1	Distributions	Statutory Impositions Due	
2	[add taxing districts]	[add amount of tax due each district]	Total Assessed Value
4			Property Description
5	Total Statutory Impositions Due		
8	Interest		
10	Costs		
12	Total		
14	[Name of Tax Collector and Address]		
15	Total Statutory Impositions Due		
16	Interest		
17	Cost		
18	Total		
19	[Tax Collector Name]		
20	YEAR	WARD	SECT ASS.# PROPERTY NOTICE #

21  
22 Name of Tax Debtor  
23 [address]  
24 Make checks payable to: \_\_\_\_\_ [Tax Collector Name]  
25 Mail this portion of tax bill and payment to: \_\_\_\_\_ [address]"

26 **(b) Nothing in this Section shall be construed to prohibit the tax**  
27 **collector from sending more than one notice of sale.**

28 **(2)(a) No later than the first Monday of March of each year, or as soon**  
29 **thereafter as possible, the tax collector shall search the mortgage and**  
30 **conveyance records of tax sale eligible property to identify its tax sale parties.**

31 **(b) Prior to the tax sale, the tax collector shall send a written notice by**  
32 **certified mail, return receipt requested, to each tax sale party identified**  
33 **pursuant to Subparagraph (a) of this Paragraph. The notice shall advise the**  
34 **person that it is required that the statutory impositions on the immovable**  
35 **property be paid within twenty days after the sending of the notice or the tax**  
36 **sale title to the property will be sold according to law. This notice shall be**  
37 **sufficient if it is in the following form:**

38 **TAX SALE PARTY NOTICE OF TAX SALE**

39 **[Date]**  
40 **[Name]**

1            [Address]  
2            [City], [ST] [Zip]  
3            RE: Tax Bill Number:  
4            Property: [Property Address]  
5                                [Description of Property Abbr]

6        YOU HAVE A PUBLICALLY RECORDED INTEREST IN THE ABOVE  
7        REFERENCED PROPERTY. PLEASE READ THIS NOTICE CAREFULLY.

8            The property taxes for the above referenced property were not paid. In  
9            accordance with the notice requirement contained in Article VII, Section 25 of  
10           the Louisiana Constitution, you are hereby notified that if the delinquent  
11           property taxes are not paid within twenty days of the date of this notice, the  
12           property will be sold at tax sale in accordance with law.

13           AFTER THE EXPIRATION OF THE REDEMPITIVE PERIOD, THE  
14           PROPERTY CANNOT BE REDEEMED. CONTINUED POSSESSION OF  
15           THE PROPERTY DOES NOT EXTEND THE REDEMPITIVE PERIOD.

16           Please contact [name of tax collector] if you believe that you received this notice  
17           in error, have sold or transferred this property, or for further information or  
18           assistance.

19                                Thank you,  
20                                Tax Collector of [name of political  
21                                subdivision]  
22                                [Tax collector phone number]

23           THIS NOTICE CONCERNS ONLY THE PROPERTY DESCRIBED IN THE  
24           "REGARDING" PORTION OF THIS LETTER; the address of that property  
25           may or may not be the same as the mailing address of this notice.

26           If your recorded interest in this property is no longer valid or enforceable, you  
27           may remove it by visiting the office of the recorder of mortgages and  
28           conveyances located at [mortgage and conveyance office address]."

29                                \*   \*   \*  
30                                C. ~~Within thirty days after the filing of the tax sale certificate, or as soon~~

1           thereafter as possible, the tax collector shall research the records of the recorder of  
 2           conveyances on all property to which tax sale title was sold to tax sale purchasers for  
 3           any transfers of the property that occurred after the preparation of the tax roll for the  
 4           year that the property was sold for taxes. If there has been a transfer, within thirty  
 5           days after filing a tax sale certificate, the tax collector shall use reasonable efforts to  
 6           send the new owner a written notice that tax sale title to the property was sold. The  
 7           notice shall state the amount necessary to redeem the property. This notice shall also  
 8           advise the owner that the property may be redeemed at any time within three years  
 9           or other applicable redemptive period after the date of filing of the tax sale  
 10          certificate. This shall serve as the required notice to the transferee in Subsection A  
 11          of this Section. This notice shall be sufficient if it is in the following form:

12          "[Date]  
 13          [Name of New Owner]  
 14          RE: Property No. \_\_\_\_\_  
 15                  Ward \_\_\_\_\_ Section No. \_\_\_\_\_ Assessment No. \_\_\_\_\_  
 16                  Subd. \_\_\_\_\_ Lot \_\_\_\_\_

17          Dear Sir/Madam;

18                  This is an important notice. Please read it carefully. We are writing to  
 19          inform you that the property taxes for the above noted property were not paid, and  
 20          tax sale title to the property was sold to a tax sale purchaser for delinquent taxes for  
 21          the [insert year(s)]. You may redeem this property within three years [or other  
 22          applicable redemptive period] from \_\_\_\_\_ by paying to the [name  
 23          of tax collector] the amount due stated in or enclosed with this document. The  
 24          redemptive period will expire on \_\_\_\_\_. Under some circumstances, the  
 25          third party buyer may be entitled to take actual possession and full ownership of the  
 26          property after this time:

27                  After the expiration of the redemptive period the property cannot be  
 28          redeemed. Continued possession of the property does not extend the redemptive  
 29          period:

30          Please contact the [name of tax collector] if you believe that you received this



1 notice in error, have sold or transferred this property, or for further information and  
2 assistance:

3 Thank You,  
4 Tax Collector of [name of political subdivision]

5 This notice concerns only the property described in the "regarding" portion  
6 of this letter, the address of that property may or may not be the same as the mailing  
7 address of this notice. Again, please contact our office if you feel that you received  
8 this notice in error.

9 [Enclose or list the amount of statutory impositions due.]"

10 **(1) In the absence of actual notice of the sale to a tax sale party, including**  
11 **a transferee, or the demonstration of a reasonable effort to provide notice,**  
12 **where the name and address of the tax sale party were reasonably ascertainable**  
13 **or where the transfer was recorded after the tax collector completed his pre-sale**  
14 **tax sale party research, the tax collector shall cancel the sale of the property and**  
15 **refund the tax sale purchaser the tax sale purchase price.**

16 **(2) For each transferred property upon which a tax sale is cancelled**  
17 **pursuant to Paragraph (1) of this Subsection, the tax collector shall send the**  
18 **transferee a tax notification, inclusive of tax sale costs accrued.**

19 §2154. Tax sales; time of sale; price

20 **A.** The tax collector shall seize, advertise, and sell tax sale title to the  
21 property or an undivided interest therein upon which delinquent taxes are due, on or  
22 before May first of the year following the year in which the taxes were assessed, or  
23 as soon thereafter as possible.

24 **B. The tax sale shall be conducted on any weekday within the legal hours**  
25 **for judicial sales, with bidding opening not earlier than 8:00 a.m. and closing no**  
26 **later than 8:00 p.m. If a tax sale is conducted by using an online or electronic**  
27 **bidding process that is conducted over the course of multiple days, bids may be**  
28 **placed on any day at any time on any sale property upon which bidding has not**  
29 **closed, provided that all sales of property close on a weekday within the legal**  
30 **hours for sale as prescribed in this Subsection.**

1            C. The price shall be the amount of statutory impositions due on the property,  
2            costs, and interest.

3   \*        \*        \*

4            §2156. Post-sale notice

5   \*        \*        \*

6            B. (1) For each property for which tax sale title was sold at tax sale to a tax  
7            sale purchaser:

8                        ~~(1) If the redemptive period is greater than two years, each January or as~~  
9                        ~~soon as practical thereafter, each tax collector shall send a written notice by United~~  
10                      ~~States mail, postage prepaid, to each tax notice party and each tax sale party whose~~  
11                      ~~interest would be shown on a thirty-year mortgage certificate in the name of the tax~~  
12                      ~~debtor and whose interest was filed prior to the filing of the tax sale certificate that~~  
13                      ~~tax sale title to the property has been sold at tax sale.~~

14                      ~~(2) If the redemptive period is two years or less, within thirty days after~~  
15                      ~~filing a tax sale certificate to a third party, and thereafter each January and June or~~  
16                      ~~as soon thereafter as practical, each tax collector shall send a written notice by~~  
17                      ~~United States mail, postage prepaid, to each tax notice party and each tax sale party~~  
18                      ~~whose interest would be shown on a thirty-year mortgage certificate in the name of~~  
19                      ~~the tax debtor and whose interest was filed prior to the filing of the sale that tax sale~~  
20                      ~~title to the property has been sold at tax sale.~~

21                      ~~(3) The notice shall be given until the end of the applicable redemptive~~  
22                      ~~period. The notice shall specify the property upon which the taxes are delinquent,~~  
23                      ~~the amount of taxes due, and the manner in which the property shall be redeemed and~~  
24                      ~~shall be sufficient if in the following form:~~

25                      , each collector shall within thirty days of the filing of the tax sale certificate, or  
26                      as soon as practical thereafter, provide written notice to the following persons  
27                      that tax sale title to the property has been sold at tax sale. The notice shall be  
28                      sent by postage prepaid United States mail to each tax notice party and each tax  
29                      sale party whose interest would be shown on a thirty-year mortgage certificate  
30                      in the name of the tax debtor and whose interest was filed prior to the filing of

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the tax sale certificate.

(2) The notice shall specify the property upon which the taxes are delinquent, the amount of taxes due, and the manner in which the property shall be redeemed and shall be sufficient if in the following form:

"[Date]

[Name Tax Debtor]

RE: Property No. \_\_\_\_\_  
Ward \_\_\_ Section No. \_\_\_ Assessment No. \_\_\_\_\_  
Subd. \_\_\_\_\_ Lot \_\_\_\_\_

Dear Sir/Madam,

This is an important notice. Please read it carefully. We are writing to inform you that the property taxes for the above noted property were not paid, and tax sale title to the property was sold to a tax sale purchaser for delinquent taxes for the year(s) \_\_\_\_\_. You may redeem this property within three years [or other applicable redemptive period] from \_\_\_\_\_ by paying to the [name of tax collector] the following amount due stated in or enclosed with this document. The redemptive period will expire \_\_\_\_\_. Under some circumstances, the third party buyer may be entitled to take actual possession and full ownership of the property after this time.

After the expiration of the redemptive period the property cannot be redeemed. Continued possession of the property does not extend the redemptive period.

Please contact the [name of tax collector] if you believe that you received this notice in error, have sold or transferred this property, or for further information and assistance.

[Tax collectors or name of political subdivision/ name of tax sale purchasers]

This notice concerns only the property described in the "regarding" portion of this letter; the address of that property may or may not be the same as the mailing address of this notice. Please contact our office if you feel that you received this notice in error. The taxes are now assessed in the name of the tax sale purchaser, but

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will continue to be due as in the past.

[Enclose or list the amount of statutory impositions due]"

C. ~~(1)~~ For each property adjudicated to a political subdivision at a tax sale:

~~(1) If the redemptive period is greater than two years, each January or as soon as practical thereafter, each tax collector may send a written notice by United States mail, postage prepaid, to each tax notice party and each tax sale party whose interest is shown on a mortgage certificate filed prior to the filing of the tax sale certificate that tax sale title to the property has been sold at tax sale.~~

~~(2) If the redemptive period is two years or less, within thirty days after filing a tax sale to a third party, and thereafter each January and June or as soon thereafter as practical, each tax collector may send a written notice by United States mail, postage prepaid, to each tax notice party and each tax sale party whose interest is shown on a mortgage certificate filed prior to the filing of the tax sale certificate that tax sale title to the property has been sold at tax sale.~~

~~(3) , each collector shall, within thirty days of filing of the tax sale certificate, or as soon as practical thereafter, provide written notice to the following persons that tax sale title to the property has been sold at tax sale. The notice shall be sent by postage prepaid United States mail to each tax notice party and each tax sale party whose interest would be shown on a thirty-year mortgage certificate in the name of the tax debtor and whose interest was filed prior to the filing of the tax sale certificate.~~

(2) The notice shall specify the property upon which the taxes are delinquent, the amount of taxes due, and the manner in which the property shall be redeemed and shall be sufficient if in the following form:

"[Date]

[Name of Tax Debtor]

RE: Property No. \_\_\_\_\_

Ward \_\_\_ Section No. \_\_\_ Assessment No. \_\_\_\_\_

Subd. \_\_\_\_\_ Lot \_\_\_\_\_

Dear Sir/Madam,

1           This is an important notice. Please read it carefully. We are writing to  
 2           inform you that the property taxes for the above noted property were not paid, and  
 3           tax sale title to the property was sold to [name of political subdivision] for delinquent  
 4           taxes for the year(s) \_\_\_\_\_. You may redeem this property within three years [or  
 5           other applicable redemptive period] from \_\_\_\_\_ by paying to the  
 6           [name of tax collector] the amount due stated in or enclosed with this document. The  
 7           redemptive period will expire \_\_\_\_\_. Under some circumstances, the [name of  
 8           political subdivision] may be entitled to take actual possession and full ownership  
 9           of the property or otherwise sell a full ownership interest in the property. After the  
 10          expiration of the redemptive period, your rights to redeem may be limited.  
 11          Continued possession of the property does not extend the redemptive period.

12           Please contact the [name of tax collector] if you believe that you received this  
 13          notice in error, have sold or transferred this property, or for further information and  
 14          assistance.

15          [Tax collectors or name of political subdivision / name of tax sale purchasers]  
 16          Payment shall be made with cashier's check or money order.

17           This notice concerns only the property described in the "regarding" portion  
 18          of this letter; the address of that property may or may not be the same as the mailing  
 19          address of this notice. Please contact our office if you feel that you received this  
 20          notice in error. The taxes are now assessed in the name of the tax sale purchaser, but  
 21          will continue to be due as in the past.

22          [Enclose or list the amount of statutory impositions due.]"

\_\_\_\_\_  
 PRESIDENT OF THE SENATE

\_\_\_\_\_  
 SPEAKER OF THE HOUSE OF REPRESENTATIVES

\_\_\_\_\_  
 GOVERNOR OF THE STATE OF LOUISIANA

APPROVED: \_\_\_\_\_

