



# HOUSE COMMITTEE ON APPROPRIATIONS

## FISCAL NOTE

SENATE BILL NO. 851

PRINTERS NO. 1795

PRIME SPONSOR: Argall

### COST / (SAVINGS)

FUND	FY 2017/18	FY 2018/19
General Fund	\$0	\$0

**SUMMARY:** Senate Bill 851, Printer's Number 1795, amends the Real Estate Tax Sale Law further providing for definitions, repurchase by owner, limitation on trusteeship and for ownership interests and responsibilities of delinquent property owner.

**ANALYSIS:** The term "delinquent property owner" is added and shall mean the person, whose taxes on the subject property are delinquent and in whose name the property is last registered, or if not registered, the person whose name last appears as an owner of record on a deed or instrument of conveyance recorded in the county office. In all other cases, the term means a person in open, peaceable and notorious possession of property as apparent owner or reputed owner of the property.

The bill adds language clarifying that if a property remains unsold after an upset sale, the bureau may accept full payment from or on behalf of the owner. Full payment shall include all delinquent taxes and any costs, penalties and interest due at the time the owner appears to pay the taxes. The bureau may not accept partial payments or enter into an installment agreement with an owner whose property remains unsold after an upset sale. The receipt of full payment shall discharge the tax claims and the subject property shall be removed from further exposure to sale.

Additionally, language is added clarifying ownership and maintenance of property. Specifically, a county or tax claim bureau shall hold property subject to sale under this act only as trustee for the purpose of exercising only such control over the property as may be necessary or implied in order to convey the property to fulfill the purpose of the law. The county or bureau shall have no civil or criminal liability or an obligation for maintenance or nuisance abatement of the tax-delinquent property unless the property is purchased by the county or bureau. The county or bureau may, at its discretion, rehabilitate and maintain the property of which it is a trustee without consent of the delinquent property owner; however, legal title shall remain with the delinquent property owner and the delinquent property owner is not relieved of civil or criminal liability for maintenance and nuisance abatement of the property.

The act shall take effect in 60 days and apply to sales conducted on or after the effective date.

**FISCAL IMPACT:** Enactment of this legislation has no adverse fiscal impact on Commonwealth funds.

**PREPARED BY:** Ritchie LaFaver  
House Appropriations Committee (R)

**DATE:** June 5, 2018

*Estimates are calculated using the best information available. Actual costs and revenue impact incurred may vary from estimates.*