

1 **State of Arkansas**  
2 **79th General Assembly**  
3 **Regular Session, 1993**  
4 **By: Senator Dowd**

# A Bill

**SENATE BILL 514**

## For An Act To Be Entitled

8 "AN ACT TO AMEND AND REPEAL VARIOUS LAWS PERTAINING TO THE  
9 FORFEITURE AND SALE OF TAX DELINQUENT LAND; AND FOR OTHER  
10 PURPOSES."

## Subtitle

13 "TO AMEND AND REPEAL VARIOUS LAWS PERTAINING TO THE  
14 FORFEITURE AND SALE OF TAX DELINQUENT LAND."

16 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:

18 SECTION 1. Arkansas Code Annotated 26-35-705 is amended to read as  
19 follows:

20 "26-35-705. Mailing tax statements.

21 No later than July 1 of each year, the sheriff or collector shall be  
22 required to mail statements of taxes due by any taxpayer, *to the address*  
23 *provided by the taxpayer. In the event that the address of the taxpayer*  
24 *changes, the taxpayer has an obligation to furnish the correct address."*

26 SECTION 2. Arkansas Code Annotated 26-37-101 is amended to read as  
27 follows:

28 "26-37-101. Transfer of tax-delinquent lands.

29 (a) (1) All lands upon which the taxes have not been paid for two (2)  
30 years following the date the taxes were due, October 10, shall be forfeited to  
31 the State of Arkansas and *transmitted* by certification to the Commissioner of  
32 State Lands for collection or sale.

33 (2) No tax-delinquent lands shall be sold at the county level.

34 (b) The county collector shall hold all tax delinquent lands in the  
35 county for two (2) years after the date of delinquency, and if not redeemed by

1 the certification date, which shall be no later than July 1 of the following  
2 year, the collector shall *transmit* it to the state by certification after  
3 notice as provided in this chapter indicating all taxes, penalties, interest,  
4 and costs due and the name and last known address of the owner of record of  
5 the tax-delinquent land.

6       (c) *Upon receipt of the certification, title to the tax delinquent*  
7 *lands shall vest in the state of Arkansas, in care of the Commissioner of*  
8 *State Lands."*

9  
10       SECTION 3. Section 1(b) of Act 1080 of 1991, contained in the notes to  
11 Arkansas Code Annotated 26-37-101, is amended to read as follows:

12       "(b) All tax delinquent land which has been or will be forfeited to the  
13 State and conveyed to the Commissioner of State Lands by certification but  
14 which remains neither sold nor redeemed two (2) years from the date of the  
15 applicable public auction conducted in accordance with the provisions of Act  
16 626 of 1983, as amended, may not be subject to the provisions of Act 626 of  
17 1983, as amended, or any other Act relating to the sale of land by the  
18 Commissioner, but may be sold by the Commissioner at public sales or by  
19 negotiation for whatever price the Commissioner determines to be in the best  
20 interest of the State and its local taxing units."

21  
22       SECTION 4. Arkansas Code Annotated 26-37-203 is amended to read as  
23 follows:

24       "26-37-203. Conveyance to purchaser - Contest.

25       (a) If the tax-delinquent land is not redeemed within the thirty-day  
26 period, the Commissioner of State Lands shall issue a limited warranty deed to  
27 the land.

28       (b)(1) All actions to contest the validity of the conveyance shall be  
29 brought within two (2) years after the date of the conveyance or thereafter be  
30 barred, except as to causes of actions by persons suffering a mental  
31 incapacity, minority, or serving in the United States armed forces during time  
32 of war during the two-year period.

33       (2) Those persons shall not be allowed to contest the validity of  
34 the conveyance after the expiration of two (2) years after the disability is  
35 removed or the person reaches majority or the person is released from active

1 duty with the armed forces.

2 (c) No deed issued after January 1, 1987, by the Commissioner of State  
3 Lands shall be void or voidable on the ground that the county did not strictly  
4 comply with the laws governing tax delinquent land, provided that prior to the  
5 issuance of the deed, the Commissioner of State Lands complied with the laws  
6 governing the disposition of tax delinquent land.

7 (d) Nothing in this act shall prevent any taxpayer from attacking a  
8 deed issued by the Commissioner of State Lands on the ground that taxes have  
9 actually been paid."

10

11 SECTION 5. Arkansas Code Annotated 26-37-301 is amended to read as  
12 follows:

13 "26-37-301. Notice to owner.

14 (a) Upon receiving tax-delinquent lands, the Commissioner of State  
15 Lands shall notify the owner, at the owner's last known address, by certified  
16 mail, of the owner's right to redeem by paying all taxes, penalties, interest,  
17 and costs, including the cost of the notice.

18 (b) The notice to the owner shall also indicate that the tax-delinquent  
19 land will be sold at auction if not redeemed prior to the date of sale. The  
20 notice shall also indicate the sale date, and that date shall be no earlier  
21 than two (2) years after the land is certified to the Commissioner.

22 (c) For the purposes of this section, the term owner shall mean any  
23 person, firm, corporation or partnership holding title to the property by  
24 virtue of a recorded instrument at the time of certification to the  
25 Commissioner of State Lands.

26 (d) The Commissioner of State Lands shall not be required to notify by  
27 certified mail, or, by any other means any person, firm, corporation, or  
28 partnership whose title or interest in the property is obtained subsequent to  
29 certification to the Commissioner of State Lands."

30

31 SECTION 6. Arkansas Code Annotated 26-37-304, is hereby repealed.

32

33 SECTION 7. All provisions of this act of a general and permanent nature  
34 are amendatory to the Arkansas Code of 1987 Annotated and the Arkansas Code  
35 Revision Commission shall incorporate the same in the Code.

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26  
27  
28  
29  
30  
31  
32  
33  
34  
35

SECTION 8. If any provision of this act or the application thereof to any person or circumstance is held invalid, such invalidity shall not affect other provisions or applications of the act which can be given effect without the invalid provision or application, and to this end the provisions of this act are declared to be severable.

SECTION 9. All laws and parts of laws in conflict with this act are hereby repealed.

SECTION 10. EMERGENCY. It is hereby found and determined by the General Assembly that the laws relating to the collection, redemption and sale of tax delinquent real property are in need of clarification; that Arkansas Courts have repeatedly voided tax deeds in instances where the county has not strictly complied with statutes; that such holdings have placed a cloud on tax deeds issued by the Commissioner of State Lands; that the present method whereby the Commissioner of State Lands disposes of tax delinquent land meets due process requirements; consequently, when the Commissioner of State Lands complies with the statutes set forth for his office to follow, tax deeds issued should not be void or voidable due to defects in the county procedure, except in cases where taxes have actually been paid. Further, the present situation has a chilling effect on the collection of taxes and encourages the nonpayment of taxes. Therefore, an emergency is hereby declared to exist and this act being necessary for the immediate preservation of the public peace, health and safety shall be in full force and effect from and after its passage and approval.

*/s/ Senator Dowd*

- 1
- 2
- 3