

Stricken language would be deleted from and underlined language would be added to the law as it existed prior to this session of the General Assembly.

Act 706 of the Regular Session

1 State of Arkansas
2 86th General Assembly
3 Regular Session, 2007
4

As Engrossed: S3/14/07

A Bill

SENATE BILL 355

5 By: Senator Salmon
6
7

For An Act To Be Entitled

9 AN ACT TO AMEND VARIOUS SECTIONS OF THE ARKANSAS
10 CODE CONCERNING THE SALE OF TAX DELINQUENT LANDS;
11 AND FOR OTHER PURPOSES.
12

Subtitle

13 TO AMEND VARIOUS SECTIONS OF THE
14 ARKANSAS CODE CONCERNING THE SALE OF TAX
15 DELINQUENT LANDS.
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19 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:
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21 SECTION 1. Arkansas Code § 26-37-201 is amended to read as follows:

22 26-37-201. Publication of notice - Fee.

23 (a)(1) The Commissioner of State Lands shall publish a notice of sale
24 of land upon which the ad valorem property taxes have not been paid in a
25 newspaper having general circulation in the county where the land is located.

26 (2) The publication fee for the notice shall be the same as set
27 forth in § 26-37-107.

28 (b) The notice shall:

29 (1) Contain the assessed value of the land;

30 (2) Contain the amount of taxes, interest, penalties, and other
31 costs due on the land;

32 (3)(A) Contain the name of the owner, the legal description, and
33 parcel number of the land.

34 (B) A part or abbreviated legal description shall be
35 sufficient in the notice if the name of the owner and parcel number are



1 listed;

2 (4) ~~Contain a list of all recorded liens against the land that~~
3 ~~are known to the Commissioner of State Lands~~ Contain a list of all interested
4 parties; and

5 (5) Indicate that the land will be sold to the highest bidder if
6 the bid is equal to at least the assessed value of the land as certified to
7 *the Commissioner of State Lands.*

8 (c) The highest bidder shall pay all taxes, interest, penalties, and
9 other costs.

10 (d) Failure of the notice to contain the information required in
11 subsection (b) of this section invalidates an auction sale of the land; and

12 (e) As used in this section, "interested party" has the same meaning
13 as in § 26-37-301.

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15 SECTION 2. Arkansas Code § 26-37-202 is amended to read as follows:
16 26-37-202. Procedure to sell.

17 (a) Bidders may bid at the sale or mail their bid to the office of the
18 Commissioner of State Lands. Bids shall be delivered at the appropriate place
19 before the deadline established in the notice of sale.

20 (b) If no one bids at least the assessed value, the Commissioner of
21 State Lands may negotiate a sale. All negotiated sales shall have approval
22 of the Attorney General of the State of Arkansas.

23 (c) The Commissioner of State Lands shall conduct tax-delinquent sales
24 in the county wherein the land is located, unless the Commissioner of State
25 Lands determines that there are not enough parcels of land to justify a sale
26 in one (1) county only. In that case, the Commissioner of State Lands may
27 hold a tax-delinquent land sale in one (1) location and thereat sell land
28 located in more than one (1) county if the counties wherein the lands are
29 located are adjoining counties.

30 (d) The sales shall be conducted on the dates specified in the notices
31 required by this subchapter.

32 ~~(e)(1) Unless the owners of record tender~~ After a sale of the land by
33 the Commissioner of State Lands, including a negotiated sale, the
34 Commissioner of State Lands shall notify the owner and all interested parties
35 of the right to redeem the land within thirty (30) days after the date of the
36 sale paying all taxes, penalties, interest, and costs due, within thirty (30)

1 ~~days after the date of sale including the cost of the notice.~~

2 (2) The notice under subdivision (e)(1) of this section shall be
3 sent by regular mail to the last known address of the owner and all
4 interested parties.

5 (3) If the land is not redeemed, a limited warranty deed will be
6 issued by the Commissioner of State Lands to the purchaser.

7 (f) As used in this section, "interested party" has the same meaning
8 as in § 26-37-301.

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10 SECTION 3. Arkansas Code § 26-37-204 is amended to read as follows:
11 26-37-204. Sales set aside.

12 (a) In the event the sale is set aside by legal action or if the land
13 is proven to be nonexistent or double assessed, the purchaser shall be
14 entitled to reimbursement of moneys paid.

15 (b) The Commissioner of State Lands shall have the authority to set
16 aside any sale. In the event the Commissioner determines that a sale shall
17 be set aside, the purchaser may be entitled to reimbursement of moneys paid
18 to the Commissioner of State Lands.

19 (c) In cases where sales may be set aside by the Commissioner of State
20 Lands or by legal action by the record owner or the heirs or assigns of the
21 record owner, the record owner or the heirs or assigns of the record owner
22 shall pay all back taxes, penalties, interest, and costs charged against the
23 land.

24 (d) If the Commissioner of State Lands determines that the owner and
25 all interested parties did not receive the required notice of sale and right
26 to redeem, the Commissioner of State Lands shall:

27 (1) Set aside the sale; or

28 (2) Notify the owner and interested parties of the reasons why
29 the Commissioner of State Lands does not believe the sale should be set
30 aside.

31 (e) As used in this section, "interested party" has the same meaning
32 as in § 26-37-301.

33 (f) The Commissioner of State Lands shall not be liable for any
34 monetary damages to any owner, interested party, or purchaser of tax
35 delinquent land for any action taken or any omission of action related to the
36 sale of tax delinquent land.

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2 SECTION 4. Arkansas Code § 26-37-301 is amended to read as follows:

3 26-37-301. Notice to owner.

4 (a)(1) Subsequent to receiving tax-delinquent land, the Commissioner
5 of State Lands shall notify the owner, at the owner's last known address as
6 certified by the county, by certified mail, of the owner's right to redeem by
7 paying all taxes, penalties, interest, and costs, including the cost of the
8 notice.

9 (2) All interested parties ~~known to the Commissioner of State~~
10 ~~Lands~~ shall receive notice of the sale from the Commissioner of State Lands
11 *in the same manner.*

12 (3) If the notice by certified mail is returned unclaimed, the
13 Commissioner of State Lands shall mail the notice to the owner or interested
14 party by regular mail.

15 (4) If the notice by certified mail is returned undelivered for
16 any other reason, the Commissioner of State Lands shall send a second notice
17 to the owner or interested party at any additional address reasonably
18 identifiable through the examination of the real property records properly
19 filed and recorded in the office of the circuit clerk in the county wherein
20 the property is located as follows:

21 (A) The address shown on the deed to owner;

22 (B) The address shown on the deed, mortgage, assignment,
23 or other filed and recorded document to the interested party; or

24 (C) Any other corrected or forwarding address on file with
25 the county tax collector or county tax assessor.

26 (b)(1) The notice to the owner or interested party shall also indicate
27 that the tax-delinquent land will be sold if not redeemed prior to the date
28 of sale.

29 (2) The notice shall also indicate the sale date, and that date
30 shall be no earlier than two (2) years after the land is certified to the
31 Commissioner of State Lands.

32 (c) As used in this section, "owner" and "interested party" mean any
33 person, firm, corporation, or partnership holding title to or an interest in
34 the property by virtue of a bona fide recorded instrument at the time of
35 certification to the Commissioner of State Lands.

36 (d) The Commissioner of State Lands shall not be required to notify,

1 by certified mail or by any other means, any person, firm, corporation, or
2 partnership whose title to or interest in the property is obtained subsequent
3 to certification to the Commissioner of State Lands.

4 (e)(1) If the Commissioner of State Lands fails to receive proof that
5 the notice sent by certified mail under this section was received by the
6 owner of a homestead, as defined under § 26-26-1118(b), then the Commissioner
7 of State Lands or his or her designee shall provide actual notice to the
8 owner of a homestead, as defined under § 26-26-1118(b), by personal service
9 of process at least sixty (60) days before the date of sale.

10 (2) As used in this subsection, "owner of a homestead" means:

11 (A) Every owner if the homestead is owned by joint
12 tenants; and

13 (B) Either the husband or the wife if the homestead is
14 owned by tenants by the entirety.

15 (3) The owner of a homestead shall pay for the additional cost
16 of the notice by personal service of process under this subsection.

17 /s/ Salmon

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19 APPROVED: 3/30/2007
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