

Transmittal Sheet For Notice Of Intended Action

Control: 810

Department or Agency: Revenue

Rule Nos: 810-4-6-.01

Rule Title: Clarification of Procedures for Tax Lien Auction and Tax Lien Sale

New; Amended; Repealed; Adopt by Reference

Would the absence of the proposed rule significantly harm or endanger the public health, welfare, or safety? No

Is there a reasonable relationship between the state's police power and the protection of the public health, safety, or welfare? Yes

Is there another, less restrictive method of regulation available that could adequately protect the public? No

Does the proposed rule have the effect of directly or indirectly increasing the costs of any goods or services involved and, if so, to what degree? No

Is the increase in cost, if any, more harmful to the public than the harm that result from the absence of the proposed rule? N/A

Are all the facets of the rulemaking process designed solely for the purpose of, and so they have, as their primary effect, the protection of the public? Yes

Does the proposed rule relate to or effect any matter of litigation which the agency is a party to concerning the subject matter of the proposed rule? No

Does the proposed rule have any economic impact? No

If the proposed rule has an economic impact, the proposed rule is required to be accompanied by a fiscal note prepared in accordance with subsection (f) of Section 41-22-23, Code of Alabama 1975.

Certification of Authorized Official

I certify that the attached proposed rule has been proposed in full compliance with the requirements of Chapter 22, Title 41, Code of Alabama 1975 and that it conforms to all applicable filing requirements of the Administrative Procedure Division of the Legislative Services Agency.

Signature of certifying officer



Date 06/20/2018

ALABAMA DEPARTMENT OF REVENUE
Property Tax

NOTICE OF INTENDED ACTION

RULE NO. & TITLE

810-4-6-.01

Clarification of Procedures for Tax Lien Auction and Tax Lien Sale

INTENDED ACTION

New

SUBSTANCE OF

PROPOSED ACTION:

The department proposes to create a rule to provide clarification of procedures for Tax Lien Auction and Tax Lien Sale.

TIME, PLACE, MANNER OF PRESENTING VIEWS: A public hearing will be held at 01:20 PM on Tuesday, August 14, 2018, Room 1203, First Floor, Gordon Persons Building, located at 50 N Ripley Street, Montgomery, Alabama. Copies of the rule(s) can be obtained at <http://www.revenue.alabama.gov/tax-policy/>.

All interested parties may present their views in writing to the **Secretary of the Alabama Department of Revenue, Room 4131, Gordon Persons Building, 50 N Ripley Street, Montgomery, Alabama 36132** at any time following publication of the notice up until the conclusion of the hearing. Interested parties may also appear at the hearing to present their views.

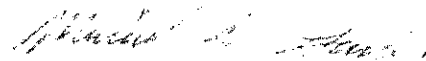
FINAL DATE FOR COMMENT AND COMPLETION OF NOTICE:

Tuesday, August 14, 2018

CONTACT PERSON AT AGENCY:

Meagan Barrett

Alabama Department of Revenue
4131 Gordon Persons Building
Montgomery, Alabama 36132
(334) 242-1380



Michael D. Gamble, Secretary
Alabama Department of Revenue

(1) Title 40, Chapter 10, Code of Ala. 1975, allows the option for a county to collect delinquent ad valorem taxes through a tax lien auction or tax lien sale.

(2) DEFINITIONS: Definitions related to terms used in this rule may be found in §40-10-181, Code of Ala. 1975.

(3) Each county tax collecting official shall have sole authority to decide whether his or her county shall utilize the method of tax lien auction or sale to collect delinquent property taxes. The method decided by the tax collecting official shall apply to all property in that county for the year so decided. The decision for which method to use shall be made no later than October 1 when property taxes become due and payable. If the tax collecting official chooses to hold a tax lien auction or sale then notice must be published in accordance with §40-10-180, Code of Ala. 1975. If the tax collecting official holds a tax lien auction one year and chooses to hold a tax lien auction the next year, no notice is required. If the tax collecting official holds a tax lien auction one year and the next year decides to hold a tax sale, notice shall be published in accordance with §40-10-180, Code of Ala. 1975.

(4) The principal amount of the delinquent taxes, the amount of accrued and accruing interest thereon, and penalties, fees, and costs proposed through the day of the tax lien auction relating to each year of assessment shall be included on the tax lien auction list.

(5) If the interest rate bid for the property reaches 0.00 percent and more than one bidder remains, the tax collecting official shall draw lots to determine the winning bidder for the property. The process of drawing lots shall be left to the discretion of the county tax collecting official. The tax collecting official shall have written procedures in place prior to the tax sale auction and the procedures shall be made available to all bidders on or before the day of the auction.

(6) The tax collecting official shall pay the redemption money to the holder of the tax lien certificate of sale upon surrender of the original tax lien certificate. If the original tax lien certificate has been lost or destroyed, a copy made in accordance with §40-10-190, Code of Ala. 1975, shall be acceptable.

Author: Kristie Pratt
Authority: §40-2A-7(a)(5), and 40-10-180 thru 40-10-200 Code of Ala. 1975.
History: Adopted: Filed June 20, 2018; Effective