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STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2009

A N A C T

RELATING TO TAXATION -- TAX SALES

Introduced By: Senators Metts, Jabour, Goodwin, McCaffrey, and Perry

Date Introduced: February 25, 2009

Referred To: Senate Judiciary

It is enacted by the General Assembly as follows:

1 SECTION 1. Sections 44-9-10, 44-9-13, 44-9-21 and 44-9-25 of the General Laws in
2 Chapter 44-9 entitled "Tax Sales" are hereby amended to read as follows:
3 **44-9-10. Notice of sale to taxpayer.** -- (a) Whether or not the person or general
4 partnership to whom the estate is taxed as of December 31st prior to the tax sale is a resident of
5 this state, the collector shall, in addition to the foregoing, notify the taxpayer of the time and place
6 of sale first by first-class mail not less than ninety (90) days before the date of sale or any
7 adjournment of the sale, and again by certified mail not less than forty (40) days before the date
8 of sale or any adjournment of the sale, sent postpaid to the street address of the real estate liable
9 for payment of taxes, and, if different, to the taxpayer's address listed with the tax assessor's
10 office of the city or town where the real estate is located or to any other address which the
11 taxpayer designates by written notice to the tax assessor, or to the address of the taxpayer stated
12 on the deed recorded in the land evidence records of the city or town where the real estate is
13 located or to the last known address of the taxpayer or be left at the taxpayer's last known address
14 or personally served on the taxpayer not less than thirty (30) days before the date of sale or any
15 adjournment of the sale, but no notice of adjournments shall be necessary other than the
16 announcement made at the sale. [The collector shall notify Rhode Island Housing and Mortgage](#)
17 [Finance Corporation, at the same time as prescribed above, of the tax sale by providing an](#)
18 [encrypted, searchable electronic file specifying, for each parcel of real estate liable for payment](#)
19 [of taxes: \(1\) The name of the taxpayer; \(2\) The street address of the real estate; \(3\) The amount of](#)

1 taxes owed; and (4) The address or addresses of the taxpayer to which the notice of tax sale was
2 sent by the collector. ~~Copies of such notices shall also be sent or hand delivered at the same time~~
3 ~~as prescribed above, to the Rhode Island Housing and Mortgage Finance Corporation.~~ Failure to
4 notify the Rhode Island Housing and Mortgage Finance Corporation as prescribed herein shall
5 nullify any tax sale of any property with respect to which such notice was not given.

6 (b) Persons aged sixty-five (65) years and over or persons suffering from a disability
7 may designate a third party to whom notice may be sent as required pursuant to this section by
8 advising the tax assessor of the name and address of the person.

9 (c) If the estate taxed is a corporation, the notice may be sent either by registered or
10 certified mail to its place of business or left at the business office of the corporation with some
11 person employed there.

12 (d) In the event the person to whom the estate is taxed is listed in the records of the
13 assessor and/or collector as having applied for and been granted a property tax abatement based
14 wholly or partially on the age of the taxpayer, then the collector shall also notify the department
15 of elderly affairs by certified mail or hand delivery as described herein. Failure to notify the
16 department of elderly affairs as prescribed herein shall nullify any tax sale of any property with
17 respect to which such notice was not given.

18 (e) Within ninety (90) days after the end of each calendar year, the department of elderly
19 affairs shall prepare and submit an annual report to the governor, the speaker of the house of
20 representatives, the president of the senate and the secretary of state. The report shall contain
21 information concerning the number of notices received by the department of elderly affairs
22 pursuant to this section of law during the calendar year, and information concerning the identity
23 of the specific parcels that might be sold in each city or town as well as a description of exactly
24 what action followed on each such notice. The report shall conclude by indicating the present
25 status of each case in which the department received such a notice as well as an indication as to
26 whether each such case is open or closed.

27 **44-9-13. Entry by collector not required -- Recording of tax sale list.** -- (a) No entry
28 upon the land by the collector shall be deemed necessary, but the collector in all cases of sales of
29 real estate shall deliver to the clerk's or recorder's office a list of those properties sold at tax sale
30 which the clerk or recorder shall record or post in the land evidence records for their city or town
31 within five (5) business days after the sale of real estate. The recorded or posted list shall include
32 the assessed owner's name, the address of the property, and the assessor's plat and lot, and the
33 recorded or posted list shall be conclusive evidence of the facts stated in the list.

34 (b) No properties shall be sold at tax sale to any bidder who is delinquent in the paying

1 of taxes or is an officer, more than ten percent (10%) shareholder or owner of a partnership or
2 corporation or limited liability company that is delinquent in the paying of taxes on any property
3 located within the city or town in which the tax sale is held, unless the bidder has agreed to a
4 written payment plan approved by the collector and is current on any and all payments required
5 by the plan. The collector may require a bidder or an authorized officer or partner of the bidder to
6 execute an affidavit that the bidder is qualified under this provision. [This subsection shall not](#)
7 [apply to any properties subject to section 44-9-8.3.](#)

8 **44-9-21. Redemption from purchaser other than city or town.** -- Any person may
9 redeem by paying or tendering to a purchaser, other than the city or town, his or her legal
10 representatives, or assigns, or to the person to whom an assignment of a tax title has been made
11 by the city or town, at any time prior to the filing of the petition for foreclosure, in the case of a
12 purchaser the original sum and any intervening taxes which have been paid to the municipality
13 plus interest thereon at the rate of one percent (1%) per month and costs paid by him or her, plus
14 a penalty as provided in section 44-9-19, or in the case of an assignee of a tax title from a city or
15 town, the amount stated in the instrument of assignment [and any intervening taxes which have](#)
16 [been paid to the municipality plus interest thereon at the rate of one percent \(1%\) per month and](#)
17 [costs paid by him or her](#), plus the above-mentioned penalty. He or she may also redeem the land
18 by paying or tendering to the treasurer the sum which he or she would be required to pay to the
19 purchaser or to the assignee of a tax title, in which case the city or town treasurer shall be
20 constituted the agent of the purchaser or assignee. The right of redemption may be exercised only
21 by those entitled to notice of the sale pursuant to sections 44-9-10 and 44-9-11.

22 **44-9-25. Petition for foreclosure of redemption.** -- (a) After one year from a sale of
23 land for taxes, except as provided in sections 44-9-19 -- 44-9-22, whoever then holds the acquired
24 title may bring a petition in the superior court for the foreclosure of all rights of redemption under
25 the title. The petition shall set forth a description of the land to which it applies, with its assessed
26 valuation, the petitioner's source of title, giving a reference to the place, book, and page of record,
27 and other facts as may be necessary for the information of the court. Two (2) or more parcels of
28 land may be included in any petition brought by any purchaser of a title or titles, if the parcels are
29 in the same record ownership at the time of bringing the petition (Form 5).

30 (b) No more than one foreclosure petition may be filed for each tax deed regardless of
31 the number of tax title holders having an interest under such deed. If more than one petition is
32 filed, the petitions shall be consolidated for hearing by the court. The court shall not award more
33 than one attorneys' fee to the petitioners.

34 (c) Notwithstanding the provisions of subsection (a) of this section, no petition for

1 foreclosure of redemption shall be filed or entertained by any court with respect to any property
2 or title acquired by the Rhode Island Housing and Mortgage Corporation pursuant to section 44-
3 9-8.3 of the general laws until after ~~five (5)~~ two (2) years from the sale of said property or title for
4 taxes; provided, however, that a petition for foreclosure of redemption may be brought after one
5 year from the sale of the property for taxes where: (1) The interest of the owner-occupant in the
6 property has been foreclosed by a mortgagee subsequent to, or within sixty (60) days prior to,
7 Rhode Island Housing and Mortgage Corporation's acquisition of the property or title; or (2) The
8 owner-occupant has failed to contact Rhode Island Housing and Mortgage Finance Corporation
9 after having been mailed written notice by certified mail return receipt requested at the address of
10 the property on two (2) separate occasions at least thirty (30) days apart.

11 SECTION 2. This act shall take effect upon passage.

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EXPLANATION
BY THE LEGISLATIVE COUNCIL
OF
A N A C T
RELATING TO TAXATION – TAX SALES

1 This act would require tax collectors to notify the Rhode Island Housing and Mortgage
2 Finance Corporation of pending tax sales and no petition for foreclosure of redemption would be
3 filed or entertained with respect to any property or title acquired by the Rhode Island Housing and
4 Mortgage Corporation pursuant to section 44-9-8.3 of the general laws until after two (2) years
5 from the sale of said property or title for taxes.

6 This act would take effect upon passage.

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