
DIGEST

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CONFERENCE COMMITTEE REPORT DIGEST

HB 851

2024 Regular Session

Phelps

Keyword and oneliner of the instrument as it left the House

CRIME: Creates the crime of tax sale property fraud

Report rejects Senate amendments which would have:

1. Made technical changes.
2. Updated terminology within proposed law to include tax lien certificates.
3. Defined the terms "delinquent obligation" and "tax sale certificate".

Report amends the bill to:

1. Provide for provisions of proposed law that contain updated terminology relative to tax lien certificates and provide that these provisions will become effective on January 1, 2026, if the proposed amendment to present constitution contained in the Act which originated as SB No. 119 of the 2024 R.S. of the Legislature is adopted at a statewide election held on Dec. 7, 2024.
2. Repeal provisions of proposed law that contain terminology relative to tax sale tiles and provide that these provisions will become inoperative on January 1, 2026, if the proposed amendment to present constitution contained in the Act which originated as SB No. 119 of the 2024 R.S. of the Legislature is adopted at a statewide election held on Dec. 7, 2024.

Digest of the bill as proposed by the Conference Committee

Proposed law provides that it is unlawful for any person, in connection with the issuance of a tax sale certificate or tax sale title to the property pursuant to present law to knowingly do any of the following:

- (1) Employ a device, scheme, or artifice with intent to defraud the tax debtor.

- (2) Make an untrue statement of material fact with intent to defraud the tax debtor.
- (3) Receive any portion of the monies, funds, credits, assets, securities, or other property of the tax debtor in connection with the purchase of tax sale property when the recipient knows that the proceeds or other funds were paid as a result of a violation of proposed law.

Proposed law provides for a penalty of imprisonment, with or without hard labor, for not more than two years, or a fine of not more than \$5,000, or both.

Proposed law provides that in addition to the penalties provided in proposed law, a person convicted under proposed law shall forfeit all rights and claims to possession of the tax sale certificate and tax sale title to the property and shall be ordered to make full restitution to the victim and any other person who has suffered a financial loss as a result of the offense.

Proposed law provides that if a person ordered to make restitution pursuant to proposed law is found to be indigent and therefore unable to make restitution in full at the time of conviction, the court shall order a periodic payment plan consistent with the person's financial ability.

Proposed law defines the terms "person", "tax debtor", "tax sale property", and "tax sale title".

Proposed law provides for a statement of legislative intent.

Proposed law provides for provisions of proposed law with updated terminology relative to tax lien certificates and provides that these provisions will become effective on January 1, 2026, if the proposed amendment to present constitution contained in the Act which originated as SB No. 119 of the 2024 R.S. of the Legislature is adopted at a statewide election held on Dec. 7, 2024.

(Adds R.S. 14:71.3.1)