



Proposed law defines "termination price" as the amount calculated pursuant to R.S. 47:2243 that is required to be paid in order to terminate a tax lien certificate.

Present law provides that delinquent ad valorem property taxes bear interest at a rate of 1% per month.

Proposed law clarifies that the 1% interest per month is on a non-compounding basis and allows for the imposition of a 5% penalty if statutory impositions remain unpaid after 90 days. Further provides that failure to pay statutory impositions allows the tax lien to be sold at tax lien auction and that a tax lien has priority over all mortgages, liens, privileges, and security interests.

Present law requires the tax collector to mail property tax bills to the tax debtor and each tax notice party. If the property is sold at a tax sale, future tax bills are required to be sent to the tax sale purchaser.

Proposed law retains present law requirement that property tax bills be mailed to the tax debtor and each tax notice party. Further requires the tax bill to inform the tax debtor if there is any unredeemed tax sale certificate or tax lien certificate.

Present law requires the tax collector to send written notice to each tax notice party when the tax debtor has not paid all the statutory impositions that have been assessed on immovable property. The notice informs recipients that if the statutory impositions are not paid within 20 days of sending of the notice, the tax sale title to the property will be sold.

Proposed law retains present law notice requirement to each tax notice party. Further requires the tax collector to include that assessment constitutes a lien and that if not paid within 20 days that the lien will either be retained by tax collector or sold at auction.

Present law requires the tax collector to seize, advertise, and sell the tax sale title to the property upon which delinquent taxes are due.

Proposed law repeals present law and requires the tax collector to advertise for sale by public auction the delinquent obligation for statutory impositions and the lien securing it.

Present law requires that the tax collector resend notice by first class mail to the tax debtor when the certified mail is returned. Further requires the tax collector to take additional steps to notify including:

- (1) Review the local telephone directory or internet for the tax debtor.
- (2) Contact the assessor for potential updated addresses or other properties assessed in the tax debtor's name.
- (3) Examine the mortgage and conveyance records of the parish where the property is located to determine whether there are any other transactions pertaining to the tax debtor.

- (4) Attempt personal or domiciliary service of the tax bill.
- (5) Post a notice of the tax lien auction at the property.
- (6) Perform a computer search of digitized records and databases of the clerk of court or sheriff's office for addresses of other properties that may be assessed in the tax debtor's name.

Proposed law retains present law and requires that notice be re-sent to the occupant of the property as well.

Present law provides for the adjudication of property and the effect of the adjudication of the property.

Proposed law repeals present law.

Proposed law provides that a delinquent obligation and the lien and privilege evidenced by the tax lien certificate prescribes seven years after recordation unless an action to enforce the tax lien is filed. Provides that if no action filed within seven years, recorder of mortgages shall cancel the inscription upon request of an interested party. Upon expiration of this time period, the recorder of mortgages shall cancel the inscription of the tax lien certificate from the records upon request of an interested party. No action to collect the delinquent obligation or enforce the lien and privilege may be instituted more than seven years after the recordation of the tax lien certificate. This period shall be preemptive.

Proposed law provides that after three years from recordation of certificate, the tax lien certificate holder can institute proceeding to enforce a tax lien.

Proposed law requires that at least 180 days prior to filing an action to enforce the tax lien, the tax lien certificate holder shall send notice to all tax lien certificate holders and to all tax auction parties.

Proposed law authorizes the tax lien certificate holder to make necessary repairs to the property to comply with a notice/order of the political subdivision charged with enforcement of property standards when authorized by a court.

Proposed law provides for a procedure to recognize the amount due under a tax lien certificate.

Proposed law provides for the termination of the tax lien certificate by paying the termination price.

Proposed law provides that if a person holding an interest in the property other than a certificate holder, tax sale purchaser, or tax certificate purchaser is the winning bidder at the judicial sale, then only the amount necessary to satisfy the costs of sale, the commission and the amounts due to the plaintiff certificate holder need be delivered to the sheriff and the effect of the judicial sale shall be the same as if the tax lien certificate was terminated immediately prior to the rendering of the judgment being enforced.

Proposed law provides that a judicial sale terminates all interests in the immovable property filed prior to the filing of the tax lien certificate except the following:

- (1) Building restrictions, condominium declarations, or other common ownership interest regimes.
- (2) Dedications in favor of political subdivisions, the public, or public utilities.
- (3) Immobilizations of manufactured homes.
- (4) Integrated coastal protection as defined in R.S. 49:214.2 or a project listed in the comprehensive master coastal protection plan as defined in R.S. 49:214.2.
- (5) Levee or drainage projects by the departments, agencies, boards, or commissions of the state of Louisiana and their political subdivisions.
- (6) Mineral rights.
- (7) Pipeline servitudes.
- (8) Predial servitudes.

Effective if and when the proposed amendment of Article VII of the Constitution of La. contained in the Act which originated as Senate Bill No. 119 of this 2024 R.S. of the Legislature is adopted at a statewide election and becomes effective.

(Amends R.S. 47:1993, 2058, the headings of Chapter 5 and Part I of Subtitle III of Title 47 of the Louisiana Revised Statutes of 1950, R.S. 47:2122, 2124, 2126, 2127, 2130, 2132-2137, 2151, 2153-2156, 2158-2160, 2162, 2163, 2201, 2202(A), 2203, 2204, 2211, Part V of Chapter 5 of Subtitle III of Title 47 of the Louisiana Revised Statutes of 1950, comprised of R.S. 47:2241-2247, the headings of Part VI and Subpart A of Chapter 5 of Subtitle III of Title 47 of the Louisiana Revised Statutes of 1950; adds R.S. 47:2127.1, 2140, 2151.1, 2160.1, 2164, 2206(D), 2207.1, 2241.1, 2266.1, 2267, 2268, and 2269; repeals R.S. 47:2121, 2123, 2128, 2131, 2152, 2157, 2161, 2196, 2197, 2266, and 2271-2280)