

CONFERENCE COMMITTEE REPORT

HB 659

2024 Regular Session

Phelps

May 29, 2024

To the Honorable Speaker and Members of the House of Representatives and the Honorable President and Members of the Senate.

Ladies and Gentlemen:

We, the conferees appointed to confer over the disagreement between the two houses concerning House Bill No. 659 by Representative Phelps, recommend the following concerning the Reengrossed bill:

1. That the set of Senate Floor Amendments by Senator Jenkins (#3709) be rejected.
2. That the following amendments be adopted:

AMENDMENT NO. 1

On page 1, delete lines 11 through 18 in their entirety and on page 2, delete lines 1 through 7 in their entirety and insert the following:

"B.(1) The acquiring person shall not be entitled to or charge any rental or lease payments to the owner or occupants and shall not place any constructions on or make any improvements to the tax sale property during the redemptive period. An acquiring person who violates the provisions of this Section shall be subject to a penalty of five percent of the price paid by the acquiring person for tax title and five percent of any amounts paid by the tax debtor who is the owner of and who is residing in the tax sale property for rental or lease payments. The penalty shall accrue from the time the acquiring person took possession of the property until the time the property is redeemed. Furthermore, nothing in this Section shall be construed to limit the rights of a tax debtor who is the owner of and who is residing in the tax sale property to recover rental or lease payments paid to an acquiring person in violation of the provisions of this Section.

(2) In addition to the penalties provided for in Paragraph (1) of this Subsection, an acquiring person who violates the provisions of this Section shall forfeit any right to claim any statutory imposition associated with the property other than the delinquent amount of unpaid ad valorem taxes if the property is redeemed in accordance with law."

AMENDMENT NO. 2

On page 2, delete lines 11 through 25 in their entirety and insert the following:

"B.(1) The acquiring person shall not be entitled to or charge any rental or lease payments to the owner or occupants and shall not place any constructions on or make any improvements to the tax sale property during the redemptive period. An acquiring person who violates the provisions of this Section shall be subject to a penalty of five percent of the price paid by the acquiring person for tax title and five percent of any amounts paid by the tax debtor who is the owner of and who is residing in the tax sale property for rental or lease payments. The penalty shall accrue from the time the acquiring person took possession of the property until the time the property is redeemed. Furthermore, nothing in this Section shall be construed to limit the rights of a tax debtor who is the owner of and who is residing in the tax sale property to recover rental or lease payments paid to an acquiring person in violation of the provisions of this Section.

(2) In addition to the penalties provided for in Paragraph (1) of this Subsection, an acquiring person who violates the provisions of this Section shall forfeit any right to claim any statutory imposition associated with the property other than the delinquent amount of unpaid ad valorem taxes if the property is redeemed in accordance with law."

Respectfully submitted,

Representative Tammy T. Phelps

Senator Sam L. Jenkins, Jr.

Representative Julie Emerson

Senator Franklin J. Foil

Representative Jeremy S. LaCombe

Senator Edward J. "Ed" Price

DIGEST

The digest printed below was prepared by House Legislative Services. It constitutes no part of the legislative instrument. The keyword, one-liner, abstract, and digest do not constitute part of the law or proof or indicia of legislative intent. [R.S. 1:13(B) and 24:177(E)]

CONFERENCE COMMITTEE REPORT DIGEST

HB 659

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Phelps

Keyword and oneliner of the instrument as it left the House

TAX/PROPERTY: Increases certain penalties relative to certain prohibited actions regarding tax sale property

Report rejects Senate amendments which would have:

1. Provided that this Act terminates if SB No. 505 of this 2024 R.S. is enacted into law and becomes effective.

Report amends the bill to:

1. Technical amendments to reorganize proposed law into separate Paragraphs.
2. Remove reference to redemptive period in favor of redemption in accordance with law.

Digest of the bill as proposed by the Conference Committee

Present law (R.S. 47:2121 et seq.) provides the procedures for the payment and collection of property taxes, including the procedures for the sale of property for the collection of delinquent ad valorem property taxes.

Present law (R.S. 47:2158) provides that when necessary to comply with an order of a political subdivision for the purpose of enforcing property standards, upon the presentation of the order and a certified copy of a tax sale certificate for immovables to a judge, the judge shall grant ex parte an order of seizure and possession, commanding the sheriff to seize the property and place the purchaser in actual possession.

Present law authorizes a purchaser to take actual possession without the order with the consent or acquiescence of the tax debtor or otherwise, provided no force or violence is used.

Present law prohibits a tax debtor who is an owner of and who is residing in the tax sale property from being subject to any eviction proceeding or a writ of possession pursuant to present law during the redemptive period.

Present law (R.S. 47:2231) provides that after the tax sale certificate is filed, the political subdivision may institute a suit in the district court of the parish in which the property is located to obtain possession of the adjudicated property. Authorizes the suit to be tried by summary proceeding and with costs of court being paid out of the first revenue received from the sale of the tax sale property.

Present law (R.S. 47:2231.1) prohibits a tax debtor who is an owner of and who is residing in the tax sale property adjudicated to a political subdivision from being subject to any eviction proceeding or suit to obtain possession pursuant to present law during the redemptive period.

Present law (R.S. 47:2158.1 and 2231.1) prohibits the acquiring person from charging any rental or lease payments from the owner or occupants and prohibits constructions and improvements during the redemptive period by the acquiring person to the tax sale property. Further provides for a penalty for violations of present law payable by an acquiring person of 5% of the price paid by the acquiring person for tax title and 5% of any amounts paid by the tax debtor who is the owner of and who is residing in the tax sale property for rental or lease payments. The penalty shall accrue from the time the acquiring person took possession of the property until the time the property is redeemed.

Proposed law retains present law but adds a penalty for an acquiring person to forfeit any right to claim any statutory imposition associated with the property acquired through a tax sale other than the delinquent amount of unpaid taxes if the acquiring person improperly charges rent or lease payments or improperly evicts a property owner who is residing in tax sale property if the property is redeemed in accordance with present law.

(Amends R.S. 47:2158.1(B) and 2231.1(B))