

# **One Hundred Third Legislature - First Session - 2013**

## **Introducer's Statement of Intent**

### **LB341**

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**Chairperson: Senator Galen Hadley**

**Committee: Revenue**

**Date of Hearing: February 13, 2013**

The following constitutes the reasons for this bill and the purposes which are sought to be accomplished thereby:

LB 341 is the product of an interim study conducted pursuant to LR514. LR 514 called for a comprehensive review of the laws governing the process for the sale of real property for delinquent real property taxes. In summary LB 341 is intended to update and streamline the process for the collection of delinquent property taxes and does the following:

- Eliminates the bid down process-Under current law the bidder who pays all of the taxes and takes the lowest percentage of ownership of the property subject to the tax sale, wins the auction. The return on the investment offered is causing bidders to bid for fractional ownership of the underlying property. This complicates the eventual sale of the property and the process to return the property back to the property tax roles.
- Sets forth a uniform procedure for "round robin" format sales, if a round robin format is used.
- Requires bidders to register with the county treasurer prior to participating, requires a corporation organized under another state's laws (called a foreign corporation) to provide proof that it has an agent on file with the Nebraska Secretary of State who can be served with process if a lawsuit is required and requires a twenty-five dollar, non-refundable, registration fee.
- Changes obsolete language such as "sale book" for "record."
- Updates the fees charged for various services performed by treasurers to help cover the costs of the tax sale process
- Streamlines the process by requiring personal or residential service only on owner occupied property; eliminates a redundant notice sent by certified mail concerning owner occupied property but requires addition information to be provided in the initial notice.
- Requires the sheriff to provide additional information concerning how and to whom the notice of a pending issuance of a tax deed was conducted by the sheriff. This requirement applies only to owner-occupied property.
- Makes other technical and procedural changes to streamline, clarify and update the process.

**Principal Introducer:** \_\_\_\_\_

**Senator John Wightman**