

PROPERTY REDEMPTION AMENDMENTS

2021 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: Phil Lyman

Senate Sponsor: _____

LONG TITLE**General Description:**

This bill modifies provisions related to redemption of property.

Highlighted Provisions:

This bill:

- modifies the manner in which a county treasurer applies a partial payment on a delinquent account for the redemption of property; and
- makes technical changes.

Money Appropriated in this Bill:

None

Other Special Clauses:

None

Utah Code Sections Affected:**AMENDS:****59-2-1346**, as last amended by Laws of Utah 2018, Chapters 197 and 281

*Be it enacted by the Legislature of the state of Utah:*Section 1. Section **59-2-1346** is amended to read:**59-2-1346. Redemption -- Time allowed.**

(1) Property may be redeemed on behalf of the record owner by any person at any time before the tax sale which shall be held in May or June as provided in Section **59-2-1351**



following the lapse of four years from the date the property tax or tax notice charges became delinquent.

(2) A person may redeem property by paying to the county treasurer all delinquent taxes, tax notice charges, interest, penalties, and administrative costs that have accrued on the property.

(3) (a) Subject to Subsection (3)(d), a person may redeem a subdivided lot by paying the county treasurer the subdivided lot's proportional share of the delinquent taxes, tax notice charges, interest, penalties, and administrative costs accrued on the base parcel, calculated in accordance with Subsection (3)(b).

(b) The county treasurer shall calculate the amount described in Subsection (3)(a) by comparing:

(i) the amount of the value of the base parcel as described in Subsection (3)(b)(ii) that is attributable to the property that comprises the subdivided lot as the property existed on January 1 of the year in which the delinquent property taxes on the base parcel were assessed or tax notice charges on the base parcel were listed; and

(ii) the value of the base parcel as it existed on January 1 of the year in which the delinquent property taxes on the base parcel were assessed or tax notice charges on the base parcel were listed.

(c) If the county treasurer does not have sufficient information to calculate the amount described in Subsection (3)(b)(i), upon request from the county treasurer, the county assessor shall provide the county treasurer any information necessary to calculate the amount described in Subsection (3)(b)(i).

(d) A person may redeem a subdivided lot under this Subsection (3) only if the record owner of the subdivided lot is a bona fide purchaser.

(4) (a) At any time before the expiration of the period of redemption the county treasurer shall accept and credit any payment on account for the redemption of property[; ~~payments in amounts of not less than \$10, except for the final payment, which may be in any amount~~].

(b) For the purpose of computing the amount required for redemption and for the purpose of distributing the payments received on account, unless otherwise specified by the person making the payment, the county treasurer shall apply all payments [~~shall be applied~~] in

the following order:

(i) against the delinquent tax and tax notice charges for the earliest year included in the delinquent account at the time of payment;

~~[(i)]~~ (ii) against the interest and administrative costs accrued on the delinquent tax and tax notice charges for the ~~[last]~~ earliest year included in the delinquent account at the time of payment;

~~[(i)]~~ (iii) against the penalty charged on the delinquent tax and tax notice charges for the ~~[last]~~ earliest year included in the delinquent account at the time of payment;

~~[(iii)] against the delinquent tax for the last year included in the delinquent account at the time of payment;~~

(iv) against ~~[the interest and administrative costs accrued on]~~ the delinquent tax and tax notice charges for the ~~[next to last]~~ second earliest year included in the delinquent account at the time of payment; and

(v) so on until the full amount of the delinquent taxes, tax notice charges, penalties, administrative costs, and interest on the unpaid balances are paid within the period of redemption.