

SECOND REGULAR SESSION
HOUSE COMMITTEE SUBSTITUTE FOR
SENATE BILL NO. 778
89TH GENERAL ASSEMBLY

Reported from the Committee on Local Government & Related Matters, April 15, 1998, with recommendation that the House Committee Substitute for Senate Bill No. 778 Do Pass by Consent.
ANNE C. WALKER, Chief Clerk
L3156.03C

AN ACT

To repeal sections 140.250, 140.730, 141.530 and 141.550, RSMo 1994, and sections 140.405 and 301.025, RSMo Supp. 1997, relating to the procedure for collection of certain taxes, and to enact in lieu thereof six new sections relating to the same subject.

Be it enacted by the General Assembly of the state of Missouri, as follows:

Section A. Sections 140.250, 140.730, 141.530 and 141.550, RSMo 1994, and sections 140.405 and 301.025, RSMo Supp. 1997, are repealed and six new sections enacted in lieu thereof, to be known as sections 140.250, 140.405, 140.730, 141.530, 141.550 and 301.025, to read as follows:

140.250. 1. Whenever any lands have been or shall hereafter be offered for sale for delinquent taxes, interest, penalty and costs by the collector of the proper county for any two successive years and no person shall have bid therefor a sum equal to the delinquent taxes thereon, interest, penalty and costs provided by law, then such county collector shall at the next regular tax sale of lands for delinquent taxes sell same to the highest bidder, and there shall be **[no] a ninety-day** period of redemption from such sales **as specified in section 140.405**.

2. No certificate of purchase shall issue as to such sales, but the purchaser at such sales shall be entitled to the issuance and delivery of a collector's deed upon completion of title search action as specified in section 140.405.

3. If any lands or lots are not sold at such third offering, then the collector, in his discretion, need not again advertise or offer such lands or lots for sale oftener than once every five years after the third offering of such lands or lots, and such offering shall toll the operation of any applicable statute of limitations.

4. A purchaser at any sale subsequent to the third offering of any land or lots shall be entitled to the immediate issuance and delivery of a collector's deed and there shall be no period of redemption from such sales; provided, however, before any purchaser at a sale to which this section is applicable shall be entitled to a collector's deed it shall be the duty of the collector to demand, and the purchaser to pay, in addition to his bid, all taxes due and unpaid on such lands or lots that become due and payable on such lands or lots subsequent to the date of the taxes included in such advertisement and sale.

5. In the event the real purchaser at any sale to which this section is applicable shall be

EXPLANATION—Matter enclosed in bold faced brackets [thus] in this bill is not enacted and is intended to be omitted in the law.

the owner of the lands or lots purchased, or shall be obligated to pay the taxes for the nonpayment of which such lands or lots were sold, then no collector's deed shall issue to such purchaser, or to anyone acting for or on behalf of such purchaser, without payment to the collector of such additional amount as will discharge in full all delinquent taxes, penalty, interest and costs.

140.405. Any person purchasing property at a delinquent land tax auction, other than persons purchasing property at a third offering for which there is [no] a **ninety-day** period of redemption pursuant to section 140.250, shall not acquire the deed to the real estate, as provided for in section 140.420, until the person meets with the following requirement or until such person makes affidavit that a title search has revealed no publicly recorded deed of trust, mortgage, lease, lien or claim on the real estate. At least ninety days prior to the date when a purchaser is authorized to acquire the deed, the purchaser shall notify any person who holds a publicly recorded deed of trust, mortgage, lease, lien or claim upon that real estate of the latter person's right to redeem such person's publicly recorded security or claim. Notice shall be sent by certified mail to any such person, including one who was the publicly recorded owner of the property sold at the delinquent land tax auction previous to such sale, at such person's last known available address. Failure of the purchaser to comply with this provision shall result in such purchaser's loss of all interest in the real estate. **Any person who holds a publicly recorded deed of trust, mortgage, lease, lien or claim upon real estate purchased at a third offering tax auction and has received proper notice pursuant to this section shall redeem the property at least ninety days prior to the date which a purchaser is authorized to acquire the deed or shall be forever barred from redeeming the property.**

140.730. 1. Tangible personal property taxes assessed on and after January 1, 1946 and all personal taxes delinquent at that date, shall constitute a debt, as of the date on which such taxes were levied for which a personal judgment may be recovered against the party assessed with such taxes before any court of this state having jurisdiction.

2. All actions commenced [under] **pursuant to** this law shall be prosecuted in the name of the state of Missouri, at the relation and to the use of the collector and against the person or persons named in the tax bill, and in one petition and in one count thereof may be included the said taxes for all such years as may be delinquent and unpaid, and said taxes shall be set forth in a tax bill or bills of said personal back taxes duly authenticated by the certificate of the collector and filed with the petition; and said tax bill or tax bills so certified shall be prima facie evidence that the amount claimed in said suit is just and correct, and all notices and process in suits [under] **pursuant to** this chapter shall be sued and served in the same manner as in civil actions, and the general laws of this state as to practice and proceedings and appeals and writs of error in civil cases shall apply, as far as applicable, to the above actions; provided, however, that in no case shall the state, county, city or collector be liable for any costs nor shall any be taxed against them or any of them.

3. For the purpose of this chapter, personal tax bills shall become delinquent on the first day of January following the day when said bills are placed in the hands of the collector, and suits thereon may be instituted on and after the first day of February following, and within [five] **three** years from said day.

4. Said personal tax shall be presented and allowed against the estates of deceased or insolvent debtors, in the same manner and with like effect, as other indebtedness of said debtors. The remedy hereby provided for the collection of personal tax bills is cumulative, and shall not

in any manner impair other methods existing or hereafter provided for the collection of the same.

141.530. 1. **Except as otherwise provided in section 141.520**, during such waiting period and at any time prior to the time of foreclosure sale by the sheriff, any interested party may redeem any parcel of real estate as provided by this chapter[; provided, however, that]. During such [time] **waiting period** and at any time prior to the time of foreclosure sale by the sheriff, the collector may, at the option of the party entitled to redeem, enter into a written redemption contract with any such party interested in any parcel of real estate, **other than a residential property which has been vacant for at least six months**, providing for payment in installments, monthly or bimonthly, of the delinquent tax bills, including interest, penalties, attorney's fees and costs charged against such parcel of real estate, provided, however, that in no instance shall such installments exceed twelve in number or extend more than twenty-four months next after any agreement for such installment payments [shall] have been entered into; provided further, that upon good cause being shown by the owner of any parcel of real estate occupied as a homestead, or in the case of improved real estate with an assessed valuation of not more than three thousand five hundred dollars, owned by an individual, the income from such property being a major factor in the total income of such individual, or by anyone on [his] **the individual's** behalf, the court may, in its discretion, fix the time and terms of payment in such contract to permit all of such installments to be paid within not longer than forty-eight months after any order or agreement as to installment payments [shall have been] **being** made.

2. So long as such installments [be] **are** paid according to the terms of the contract, the [said six months] **six-month** waiting period shall be extended, but if any installment [be] **is** not paid when due, the extension of [said] **such** waiting period shall be ended without notice, and the real estate shall forthwith be advertised for sale or included in the next notice of sheriff's foreclosure sale.

141.550. 1. The sale shall be conducted, the sheriff's return [thereof] **of the sale** made, and the sheriff's deed pursuant to the sale executed, all as provided in the case of sales of real estate taken under execution except as otherwise provided in sections 141.210 to 141.810, and provided that such sale need not occur during the term of court or while the court is in session.

2. **The sale shall be held on the day for which it is advertised, between the hours of nine o'clock a.m. and five o'clock p.m. and continued day to day thereafter to satisfy the judgment as to each respective parcel of real estate sold.**

3. **The sale shall be conducted publicly, by auction, for ready money. The highest bidder shall be the purchaser unless the highest bid is less than the full amount of all tax bills included in the judgment, interest, penalties, attorney's fees and costs then due on the real estate. No person shall be eligible to bid on a parcel at the time of the sale if such person is the owner of any other parcel of real estate in the county which is affected by a delinquent tax bill.**

4. Such sale shall convey the whole interest of every person having or claiming any right, title or interest in or lien upon such real estate, whether such person has answered or not, subject to rights-of-way thereon of public utilities upon which tax has been otherwise paid, and subject to the lien [thereon] **on the real estate**, if any, of the United States of America.

[3.] 5. The collector shall advance the sums necessary to pay for the publication of all advertisements required by sections 141.210 to 141.810 and shall be allowed credit therefor in [his] **the collector's** accounts with the county. [He] **The collector** shall give credit in such accounts for all such advances recovered by [him] **the collector**. Such expenses of publication

shall be apportioned pro rata among and taxed as costs against the respective parcels of real estate described in the judgment; provided, however, that none of the costs [herein] enumerated **in this section**, including the costs of publication, shall constitute any lien upon the real estate after such sale.

301.025. 1. No state registration license to operate any motor vehicle in this state shall be issued unless the application for license of a motor vehicle or trailer is accompanied by a tax receipt **for the tax year which immediately precedes the year in which the vehicle's or trailer's registration is due** or a statement certified by the county or township collector of the county or township in which the applicant's property was assessed showing that the state and county tangible personal property taxes for [the preceding] **such previous tax** year have been paid by the applicant or that no such taxes were due or, if the applicant is not a resident of this state and serving in the armed forces of the United States, the application is accompanied by a leave and earnings statement from such person verifying such status. Every county and township collector shall give each person a tax receipt or a certified statement of tangible personal property taxes paid. The receipt issued by the county collector in any county of the first classification with a charter form of government which contains part of a city with a population of at least three hundred fifty thousand inhabitants which is located in more than one county, any county of the first classification without a charter form of government with a population of at least one hundred fifty thousand inhabitants which contains part of a city with a population of at least three hundred fifty thousand inhabitants which is located in more than one county and any county of the first classification without a charter form of government with a population of at least one hundred ten thousand but less than one hundred fifty thousand inhabitants shall be determined null and void if the person paying tangible personal property taxes issues or passes a check or other similar sight order which is returned to the collector because the account upon which the check or order was drawn was closed or did not have sufficient funds at the time of presentation for payment by the collector to meet the face amount of the check or order. The collector may assess and collect in addition to any other penalty or interest that may be owed, a penalty of ten dollars or five percent of the total amount of the returned check or order whichever amount is greater to be deposited in the county general revenue fund, but in no event shall such penalty imposed exceed one hundred dollars. The collector may refuse to accept any check or other similar sight order in payment of any tax currently owed plus penalty or interest from a person who previously attempted to pay such amount with a check or order that was returned to the collector unless the remittance is in the form of a cashier's check, certified check or money order. If a person does not comply with the provisions of this section, a tax receipt issued pursuant to this section is null and void and no state registration license shall be issued or renewed. Where no such taxes are due each such collector shall, upon request, certify such fact and transmit such statement to the person making the request. Each receipt or statement shall describe by type the total number of motor vehicles on which personal property taxes were paid, and no renewal of any state registration license shall be issued to any person for a number greater than that shown on his **or her** tax receipt or statement except for a vehicle which was purchased without another vehicle being traded therefor, or for a vehicle previously registered in another state, provided the application for title or other evidence shows that the date the vehicle was purchased or was first registered in this state was such that no personal property tax was owed on [said] **such** vehicle as of the date of the last tax receipt or certified statement prior to the renewal. The director of revenue shall make necessary rules and regulations for the enforcement of this section, and shall

design all necessary forms.

2. Every county collector in counties with a population of over six hundred thousand and less than nine hundred thousand shall give priority to issuing tax receipts or certified statements pursuant to this section for any person whose motor vehicle registration expires in January. Such collector shall send tax receipts or certified statements for personal property taxes for the previous year within three days to any person who pays the person's personal property tax in person, and within twenty working days, if the payment is made by mail. Any person wishing to have priority pursuant to this subsection shall notify the collector at the time of payment of the property taxes that a motor vehicle registration expires in January. Any person purchasing a new vehicle in December and licensing [said] **such** vehicle in January of the following year, may use the personal property tax receipt of the prior year as proof of payment.

3. In addition to all other requirements, the director of revenue shall not register any vehicle subject to the heavy vehicle use tax imposed by Section 4481 of the Internal Revenue Code of 1954 unless the applicant presents proof of payment, or that such tax is not owing, in such form as may be prescribed by the United States Secretary of the Treasury. No proof of payment of such tax shall be required by the director until the form for proof of payment has been prescribed by the Secretary of the Treasury.

Bill

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