

2024 -- H 7466

LC003977

STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2024

A N A C T

RELATING TO TAXATION -- TAX SALES

Introduced By: Representatives P. Morgan, and Nardone

Date Introduced: February 02, 2024

Referred To: House Municipal Government & Housing

It is enacted by the General Assembly as follows:

1 SECTION 1. Sections 44-9-8 and 44-9-14 of the General Laws in Chapter 44-9 entitled  
2 "Tax Sales" are hereby amended to read as follows:

3 **44-9-8. Sale of undivided part or whole of land.**

4 (a) If the taxes are not paid, the collector shall, ~~at the time and place appointed for the sale,~~  
5 ~~sell by public auction for the amount of the taxes, assessments, rates, liens, interest, and necessary~~  
6 ~~intervening charges, the smallest undivided part of the land which will bring the amount, but not~~  
7 ~~less than one percent (1%), or the whole for the amount if no person offers to take an undivided~~  
8 ~~part~~ appoint a real estate broker, duly registered with the municipality, to list the property for sale  
9 for fair market value.

10 (b) If the amount received from the sale is more than the taxes, assessments, rates, liens,  
11 interest and necessary intervening charges, the excess amount shall be paid to the owner of the real  
12 estate at the time of the sale.

13 SECTION 2. Section 44-9-14 of the General Laws in Chapter 44-9 entitled "Tax Sales" is  
14 hereby amended to read as follows:

15 **44-9-14. Purchase by collector for city or town.**

16 If ~~at the time and place of sale~~ no person, within six (6) months of the broker listing as set  
17 forth in §44-9-8, bids offers fair market value ~~an amount equal to the tax and charges~~ for the land  
18 offered for sale, the collector shall then and there make public declaration of the fact; and, ~~if no bid~~  
19 ~~equal to the tax and charges is then made,~~ the collector shall give public notice that the collector

1 may purchase ~~purchases~~ for the city or town by which the tax is assessed the land as offered for  
2 sale at the amount of the ~~tax and the charges and expenses of the levy and sale~~ fair market value.  
3 This amount, together with the cost of recording the deed of purchase, shall be allowed the collector  
4 in his or her settlement with the city or town; provided, that the collector causes the deed to be duly  
5 recorded within sixty (60) days after the purchase and to be delivered to the city or town treasurer.

6 SECTION 3. This act shall take effect upon passage.

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EXPLANATION  
BY THE LEGISLATIVE COUNCIL  
OF  
A N A C T  
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1           This act would replace the tax sale auction process with a real estate broker listing of the  
2 land for fair market value and any surplus proceeds realized upon sale shall be paid to the owner  
3 of the real estate at the time of the sale. If no fair market value is received, the town or city collector  
4 may purchase the real estate at fair market value.

5           This act would take effect upon passage.

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