

REFERENCE TITLE: tax liens; redemption; property sale

State of Arizona  
House of Representatives  
Fifty-sixth Legislature  
Second Regular Session  
2024

# HB 2098

Introduced by  
Representatives Griffin: Parker J

## AN ACT

AMENDING SECTIONS 11-495, 42-18103, 42-18108, 42-18127, 42-18151, 42-18152, 42-18154, 42-18201, 42-18202, 42-18204, 42-18205, 42-18302 AND 42-18303, ARIZONA REVISED STATUTES; RELATING TO PROPERTY TAX.

(TEXT OF BILL BEGINS ON NEXT PAGE)

1 Be it enacted by the Legislature of the State of Arizona:

2 Section 1. Section 11-495, Arizona Revised Statutes, is amended to  
3 read:

4 11-495. Taxpayers' information fund

5 A. A taxpayers' information fund is established in each county  
6 treasury consisting of monies collected from the public records copy  
7 surcharge imposed pursuant to section 11-496, the tax lien processing fee  
8 imposed pursuant to section 42-18116, subsection C, ~~fifteen dollars~~ \$15 of  
9 each judgment deed fee collected pursuant to section 42-18205, subsection  
10 ~~A~~ B, interest earned from the elderly assistance fund pursuant to section  
11 42-17401, the community facilities district special assessment fee imposed  
12 pursuant to section 48-721 and the fees authorized for collecting  
13 municipal fire and emergency services fees in certain areas of the county  
14 as prescribed in section 9-500.23.

15 B. The county treasurer shall administer the fund and spend monies  
16 in the fund only to defray the cost of converting or upgrading an  
17 automated public information system as follows:

- 18 1. Purchasing computer hardware and software.
- 19 2. Training employees to operate the system.
- 20 3. Maintaining the system, including purchasing equipment  
21 maintenance agreements.
- 22 4. Updating the system hardware and software.
- 23 5. In counties with a population of more than two million persons,  
24 notifying property owners of the tax and ownership status of a taxpayer's  
25 parcel prior to the taxpayer's parcel being sold at a deed sale and the  
26 tax and ownership status of any parcels being sold at a deed sale that are  
27 adjacent to a taxpayer's parcel, prior to the deed sale.

28 C. The county treasurer shall annually submit to the board of  
29 supervisors the amount of anticipated revenues under this section. If the  
30 projected revenues are considered to be insufficient to establish and  
31 maintain the fund at an adequate level, the monies may accumulate until  
32 sufficient monies are available in the fund.

33 Sec. 2. Section 42-18103, Arizona Revised Statutes, is amended to  
34 read:

35 42-18103. Notice of delinquent taxes; property information  
36 report

37 A. On or before September 1 of each year the county treasurer shall  
38 send by CERTIFIED mail, RETURN RECEIPT REQUESTED, to the last known  
39 address of each person or firm that owes delinquent taxes notice that  
40 there are delinquent taxes against the real property that is assessed in  
41 the taxpayer's name. IF ANY NOTICE SENT PURSUANT TO THIS SECTION IS  
42 RETURNED AS UNDELIVERABLE, THE COUNTY TREASURER SHALL CONDUCT AN  
43 ADDITIONAL SEARCH TO LOCATE AND NOTIFY THE PROPERTY OWNER OF RECORD.

44 B. THE COUNTY TREASURER SHALL CONTRACT WITH A TITLE COMPANY OR AN  
45 ABSTRACT COMPANY TO PROVIDE A PROPERTY INFORMATION REPORT IN ORDER TO

1 IDENTIFY THE PERSON OR FIRM TO WHICH NOTICE MUST BE SENT PURSUANT TO  
2 SUBSECTION A OF THIS SECTION. THE COUNTY TREASURER MAY ADVERTISE AND  
3 ACCEPT BIDS FOR THE CONTRACT AND MAY CONTRACT WITH ANY TITLE COMPANY OR  
4 ABSTRACT COMPANY, REGARDLESS OF THE COMPANY'S LOCATION, IF:

5 1. THE FEE CHARGED BY THE TITLE COMPANY OR ABSTRACT COMPANY IS  
6 REASONABLE.

7 2. THE TITLE COMPANY OR ABSTRACT COMPANY IS AUTHORIZED TO DO  
8 BUSINESS IN THIS STATE.

9 Sec. 3. Section 42-18108, Arizona Revised Statutes, is amended to  
10 read:

11 42-18108. Personal notice of proposed sale

12 A. AT LEAST SIXTY BUT NOT MORE THAN ONE HUNDRED TWENTY DAYS BEFORE  
13 THE SALE OF A TAX LIEN, the county treasurer shall SEND BY CERTIFIED mail,  
14 RETURN RECEIPT REQUESTED, a copy of the notice of proposed sale to the  
15 owner of each parcel of property on the delinquent tax list at the owner's  
16 last known address. IF ANY NOTICE SENT PURSUANT TO THIS SECTION IS  
17 RETURNED AS UNDELIVERABLE, THE COUNTY TREASURER SHALL CONDUCT AN  
18 ADDITIONAL SEARCH TO LOCATE AND NOTIFY THE PROPERTY OWNER OF RECORD.

19 B. THE COUNTY TREASURER SHALL USE THE PROPERTY INFORMATION REPORT  
20 PROVIDED PURSUANT TO SECTION 42-18103, SUBSECTION B TO LOCATE AND NOTIFY  
21 THE PROPERTY OWNER OF RECORD FOR EACH PARCEL OF PROPERTY ON THE DELINQUENT  
22 TAX LIST.

23 Sec. 4. Section 42-18127, Arizona Revised Statutes, is amended to  
24 read:

25 42-18127. Expiration of lien and certificate; notice;  
26 applicability

27 A. If the certificate of purchase is not redeemed and the purchaser  
28 or the purchaser's heirs or assigns fail to commence an action to  
29 foreclose the right of redemption as provided by this chapter within ten  
30 years after the last day of the month in which the original certificate of  
31 purchase, including any subsequent taxes paid, was acquired pursuant to  
32 section 42-18114, the certificate of purchase or registered certificate  
33 expires and the lien is void.

34 B. Within three hundred sixty-five days before the expiration date,  
35 the county treasurer shall notify the purchaser by certified mail of the  
36 pending expiration. Within thirty days after expiration, the treasurer  
37 shall notify the purchaser by mail or email, if practicable, that the lien  
38 and certificate of purchase or registered certificate have expired.

39 C. This section does not apply if, at the time of expiration:

40 1. The parcel for which the lien was purchased is subject to a  
41 judicial proceeding or a ~~thirty-day~~ SIXTY-DAY notice pursuant to section  
42 42-18202.

43 2. Other applicable law or a court order prohibits the commencement  
44 of an action to foreclose the right to redeem. The expiration date of the

1 tax lien shall be extended to twelve months after the termination of such  
2 a prohibition.

3 Sec. 5. Section 42-18151, Arizona Revised Statutes, is amended to  
4 read:

5 42-18151. Who may redeem real property tax liens; persons  
6 owning partial interest

7 A. A real property tax lien that is sold under article 3 of this  
8 chapter may be redeemed by:

9 1. The owner.

10 2. Any person that wants to pay on behalf of the owner ~~by making a~~  
11 ~~charitable gift.~~

12 3. The owner's agent, assignee or attorney.

13 4. Any person who has a legal or equitable claim in the property,  
14 including a certificate of purchase of a different date.

15 B. A person who owns an interest in real property less than the  
16 whole may redeem a tax lien against that interest as a percentage of the  
17 entire liability reported by the county assessor by paying the  
18 proportionate part of the whole amount due.

19 Sec. 6. Section 42-18152, Arizona Revised Statutes, is amended to  
20 read:

21 42-18152. When lien may be fully redeemed; partial payment  
22 refund

23 A. A real property tax lien may be fully redeemed at any time:

24 1. Within ~~three~~ FIVE years after the date of THE TAX LIEN sale.

25 2. After ~~three~~ FIVE years but before the delivery of a treasurer's  
26 deed to the purchaser or the purchaser's heirs or assigns.

27 B. A lien that has been partially redeemed under section 42-18056,  
28 subsection C must be fully redeemed before the delivery of a treasurer's  
29 deed to the purchaser.

30 C. The county treasurer shall refund all partial payment amounts  
31 impounded under section 42-18056, subsection E, ~~to~~ to the person or persons  
32 or their heirs or assigns within thirty days after delivering the  
33 treasurer's deed to the purchaser.

34 Sec. 7. Section 42-18154, Arizona Revised Statutes, is amended to  
35 read:

36 42-18154. Certificate of redemption; statement of partial  
37 payment; issuance; contents; fee

38 A. If a person requests to redeem a real property tax lien that was  
39 sold under article 3 of this chapter, ~~and if~~ the county treasurer is  
40 satisfied that the person has the right to redeem the tax lien, ~~UNDER~~  
41 SECTION 42-18151 and ~~if~~ the person pays the amount due, the county  
42 treasurer shall issue ~~to the person~~ a certificate of redemption TO THE  
43 PROPERTY OWNER.

44 B. The certificate shall:

45 1. Describe the parcels on which the tax lien is redeemed.



1 limitation provided herein shall be extended twelve months following the  
2 termination of such prohibition.

3 B. For a subsequent year certificate of purchase by assignment  
4 issued under section 42-18121, subsection B, at any time beginning three  
5 years after the date the subsequent year certificate of purchase was  
6 assigned but not later than ten years after the last day of the month in  
7 which the tax lien was assigned under section 42-18121, if the lien is not  
8 redeemed, the ~~purchaser~~ SUBSEQUENT YEAR CERTIFICATE OF PURCHASE HOLDER or  
9 the ~~purchaser's~~ SUBSEQUENT YEAR CERTIFICATE OF PURCHASE HOLDER'S heirs or  
10 assigns, or the state if it is the assignee, may bring an action to  
11 foreclose the right to redeem the lien represented by certificates of  
12 purchase acquired by assignment and held by the party that filed the  
13 action to foreclose. All certificates of purchase held by other parties  
14 remain in place. The action to foreclose the right to redeem shall be  
15 filed in the superior court in the county in which the real property is  
16 located and shall name the county treasurer AND ANY OTHER PERSONS WITH A  
17 RECORDED INTEREST IN THE PROPERTY as ~~a party~~ PARTIES to the action. If  
18 any applicable law or court order prohibits bringing an action to  
19 foreclose the right to redeem, the limitation provided in this subsection  
20 shall be extended twelve months following the termination of the  
21 prohibition.

22 C. AN ACTION TO FORECLOSE THE RIGHT TO REDEEM MAY NOT BE FILED  
23 UNDER THIS SECTION UNLESS THE AMOUNT REQUIRED TO REDEEM THE REAL PROPERTY  
24 TAX LIEN DETERMINED PURSUANT TO SECTION 42-18153 EXCEEDS FIVE PERCENT OF  
25 THE FAIR MARKET VALUE OF THE REAL PROPERTY AS SHOWN BY THE COUNTY  
26 ASSESSOR'S VALUATION OF THE REAL PROPERTY FOR THE CURRENT TAX YEAR OR  
27 \$50,000, WHICHEVER IS LESS.

28 Sec. 9. Section 42-18202, Arizona Revised Statutes, is amended to  
29 read:

30 42-18202. Notice

31 A. At least ~~thirty~~ SIXTY days before filing an action to foreclose  
32 the right to redeem under this article, but not more than one hundred  
33 eighty days before such an action is commenced or may be commenced under  
34 section 42-18201, the ~~purchaser~~ CERTIFICATE OF PURCHASE HOLDER shall send  
35 notice of intent to file the foreclosure action by certified mail, RETURN  
36 RECEIPT REQUESTED, to:

37 1. The property owner of record according to the records of the  
38 county recorder in the county in which the property is located ~~or to all~~  
39 ~~of the following~~, INCLUDING:

40 (a) The property owner, as determined by section 42-13051, at the  
41 property owner's mailing address according to the records of the county  
42 assessor in the county in which the property is located. IF ANY NOTICE  
43 SENT PURSUANT TO THIS PARAGRAPH IS RETURNED AS UNDELIVERABLE, THE  
44 CERTIFICATE OF PURCHASE HOLDER SHALL PROVIDE FOR A SEARCH, CONSISTENT WITH

1 SECTION 42-18103, SUBSECTION B, TO LOCATE AND NOTIFY THE PROPERTY OWNER OF  
2 RECORD.

3 (b) The situs address of the property, if shown on the tax roll and  
4 if different from the property owner's address under subdivision (a) of  
5 this paragraph.

6 (c) The tax bill mailing address according to the records of the  
7 county treasurer in the county in which the property is located if that  
8 address is different from the addresses under subdivisions (a) and (b) of  
9 this paragraph.

10 2. ANY LIENHOLDER OF RECORD THAT HAS RECORDED A LIEN AGAINST THE  
11 PROPERTY IF AN ADDRESS APPEARS ON THE RECORDED LIEN.

12 3. ANY MORTGAGEE OF RECORD IF AN ADDRESS APPEARS ON THE RECORDED  
13 MORTGAGE.

14 4. ANY VENDEE OF A RECORDED CONTRACT FOR DEED IF AN ADDRESS APPEARS  
15 ON THE RECORDED CONTRACT.

16 5. ANY PERSON TO WHOM THE PROPERTY WAS ASSESSED ON THE TAX ROLL FOR  
17 THE YEAR IN WHICH THE PROPERTY WAS LAST ASSESSED.

18 6. ANY LIENHOLDER OF RECORD THAT HAS RECORDED A LIEN AGAINST MOBILE  
19 HOME THAT IS LOCATED ON THE PROPERTY IS AN ADDRESS APPEARS ON THE RECORDED  
20 LIEN.

21 7. ANY LEGAL TITLEHOLDER OF RECORD OF PROPERTY THAT IS CONTIGUOUS  
22 TO THE PROPERTY DESCRIBED IN THE CERTIFICATE OF PURCHASE, IF THE PROPERTY  
23 DESCRIBED IS SUBMERGED LAND OR COMMON ELEMENTS OF A SUBDIVISION AND IF THE  
24 ADDRESS OF THE TITLEHOLDER OF CONTIGUOUS PROPERTY APPEARS ON THE RECORD OF  
25 CONVEYANCE OF THE PROPERTY TO THE LEGAL TITLEHOLDER. FOR THE PURPOSES OF  
26 THIS PARAGRAPH, "CONTIGUOUS":

27 (a) MEANS TOUCHING, MEETING OR JOINING AT THE SURFACE OR BORDER,  
28 OTHER THAN AT A CORNER OR A SINGLE POINT, AND NOT SEPARATED BY SUBMERGED  
29 LANDS.

30 (b) DO NOT INCLUDE SUBMERGED LANDS THAT LIE BELOW THE ORDINARY  
31 HIGH-WATER MARK AND THAT ARE SOVEREIGN LANDS.

32 B. THE NOTICE REQUIRED BY SUBSECTION A OF THIS SECTION SHALL  
33 INCLUDE THE FOLLOWING WARNING STATEMENT IN SUBSTANTIALLY THE FOLLOWING  
34 FORM:

35 NOTICE: THERE ARE UNPAID TAXES ON THE PROPERTY LOCATED  
36 AT (ADDRESS) THAT YOU MAY OWN OR HAVE A LEGAL INTEREST IN OR  
37 THAT MAY BE CONTIGUOUS TO YOUR PROPERTY. THE PROPERTY WILL BE  
38 SOLD AT PUBLIC AUCTION ON (DATE) UNLESS THE OUTSTANDING TAXES  
39 ARE PAID. TO MAKE PAYMENT OR TO RECEIVE FURTHER INFORMATION,  
40 CONTACT (CERTIFICATE OF PURCHASE HOLDER) IMMEDIATELY AT  
41 (ADDRESS) OR (TELEPHONE NUMBER). THE (COUNTY) COUNTY  
42 TREASURER CAN PROVIDE MORE INFORMATION ABOUT THE FORECLOSURE  
43 PROCESS AND YOUR RIGHTS IN THE FORECLOSURE PROCESS.

1           ~~2.~~ C. IN ADDITION TO THE NOTICE REQUIRED BY SUBSECTION A OF THIS  
2 SECTION, THE CERTIFICATE OF PURCHASE HOLDER SHALL ALSO NOTIFY the  
3 treasurer of the county in which the real property is located. The county  
4 treasurer may not accept partial payments under section 42-18056,  
5 subsection C after the date the treasurer receives a notice of action to  
6 foreclose the right to redeem.

7           ~~B.~~ D. The notice REQUIRED BY SUBSECTIONS A AND B OF THIS SECTION  
8 shall include:

- 9           1. The property owner's name.
- 10           2. The real property tax parcel identification number.
- 11           3. The county assessor's description of the real property.
- 12           4. The certificate of purchase number.
- 13           5. The proposed date of filing the action.

14           E. WHEN THE COUNTY TREASURER RECEIVES THE NOTICE REQUIRED BY  
15 SUBSECTION B OF THIS SECTION, THE COUNTY TREASURER SHALL:

16           1. PUBLISH A COPY OF THE NOTICE IN A NEWSPAPER OF GENERAL  
17 CIRCULATION IN THE COUNTY WHERE THE PROPERTY IS LOCATED AND INCLUDE THE  
18 FOLLOWING WARNING STATEMENT IN SUBSTANTIALLY THE FOLLOWING FORM:

19                   NOTICE: THERE ARE UNPAID TAXES ON THE PROPERTY LOCATED  
20 AT (ADDRESS) THAT YOU MAY OWN OR HAVE A LEGAL INTEREST IN OR  
21 THAT MAY BE CONTIGUOUS TO YOUR PROPERTY. THE PROPERTY WILL BE  
22 SOLD AT PUBLIC AUCTION ON (DATE) UNLESS THE OUTSTANDING TAXES  
23 ARE PAID. TO MAKE PAYMENT OR TO RECEIVE FURTHER INFORMATION,  
24 CONTACT (CERTIFICATE OF PURCHASE HOLDER) IMMEDIATELY AT  
25 (ADDRESS) OR (TELEPHONE NUMBER). YOU MAY BE ELIGIBLE FOR FREE  
26 LEGAL ASSISTANCE IF YOU REACH OUT TO (NAME OF FREE LEGAL  
27 SERVICES ORGANIZATION) AT (ADDRESS), (TELEPHONE NUMBER) FOR  
28 LEGAL ADVICE ABOUT HOW TO RESPOND TO THIS NOTICE.

29           2. POST THE NOTICE AND WARNING STATEMENT IN A CONSPICUOUS PLACE ON  
30 THE PROPERTY.

31           3. POST THE NOTICE AND WARNING STATEMENT IN A CONSPICUOUS PLACE ON  
32 THE COUNTY TREASURER'S WEBSITE AND AT THE COUNTY TREASURER'S OFFICE.

33           4. RECORD THE NOTICE AND WARNING STATEMENT. A PERSON ACQUIRING AN  
34 INTEREST IN THE PROPERTY AFTER THE NOTICE IS RECORDED IS DEEMED TO BE ON  
35 NOTICE OF THE PENDING SALE AND NO OTHER NOTICE TO THAT PERSON IS REQUIRED.  
36 THE SALE OF THE PROPERTY AUTOMATICALLY RELEASES ANY RECORDED NOTICE OF TAX  
37 SALE FOR THAT PROPERTY. IF THE PROPERTY IS REDEEMED, THE COUNTY TREASURER  
38 SHALL RECORD A RELEASE OF THE NOTICE ON PAYMENT OF THE RECORDING FEE.

39           ~~C.~~ F. If the ~~purchaser~~ CERTIFICATE OF PURCHASE HOLDER:

40           1. Complies with ~~subsection A, paragraph 1, subdivisions (a), (b)~~  
41 ~~and (c)~~ SUBSECTIONS A AND B of this section, the ~~purchaser~~ CERTIFICATE OF  
42 PURCHASE HOLDER is considered to have substantially complied with the  
43 requirements of this section and is not required to send the notice to any  
44 other address.



1           2. Fails to send the notice required by this section, the ~~purchaser~~  
2 **CERTIFICATE OF PURCHASE HOLDER** is considered to have substantially failed  
3 to comply with this section. A court may not enter any judgment to  
4 foreclose the right to redeem under this article until the ~~purchaser~~  
5 **CERTIFICATE OF PURCHASE HOLDER** sends the notice required by this section.

6           Sec. 10. Section 42-18204, Arizona Revised Statutes, is amended to  
7 read:

8           42-18204. Judgment foreclosing right to redeem; effect

9           A. In an action to foreclose the right to redeem, if the court  
10 finds that the sale **OF THE TAX LIEN** is valid and that the tax lien has not  
11 been redeemed, the court shall enter judgment:

12           1. Foreclosing the right of the defendant to redeem.

13           2. Directing the ~~county treasurer to expeditiously execute and~~  
14 ~~deliver to the party in whose favor judgment is entered, including the~~  
15 ~~state, a deed conveying the property described in the certificate of~~  
16 ~~purchase~~ **SALE OF THE PROPERTY IN ACCORDANCE WITH THE REQUIREMENTS OF THIS**  
17 **CHAPTER.**

18           B. After entering judgment the parties whose rights to redeem the  
19 tax lien are thereby foreclosed have no further legal ~~or equitable right,~~  
20 title or interest in the property subject to the right of appeal and stay  
21 of execution as in other civil actions.

22           C. The foreclosure of the right to redeem does not extinguish any  
23 **OF THE FOLLOWING:**

24           1. **AN** easement on or appurtenant to the property.

25           ~~B. The foreclosure of the right to redeem does not extinguish any~~

26           2. A lien for an assessment levied pursuant to title 48, chapter 4,  
27 6, 14 or 18, or section 9-276.

28           3. **THE PROPERTY OWNER'S OR OTHER LIENHOLDER'S INTEREST IN THE**  
29 **PROCEEDS FROM THE SALE OF THE PROPERTY.**

30           Sec. 11. Section 42-18205, Arizona Revised Statutes, is amended to  
31 read:

32           42-18205. County treasurer's deed; form

33           A. **THE COUNTY BOARD OF SUPERVISORS SHALL SELL THE PROPERTY IN THE**  
34 **SAME MANNER AS THE SALE OF LAND BY THE STATE UNDER TAX DEED PURSUANT TO**  
35 **ARTICLE 7 OF THIS CHAPTER.**

36           ~~A. B. On receiving a certified copy of a judgment foreclosing the~~  
37 ~~right to redeem and a fee of fifty dollars~~ **\$50** per parcel, the county  
38 treasurer shall execute and deliver to the party ~~in whose favor the~~  
39 ~~judgment was entered~~ **THAT PURCHASED THE PROPERTY PURSUANT TO SUBSECTION A**  
40 **OF THIS SECTION** a deed conveying the property described in the ~~judgment~~  
41 ~~SALE.~~

42           ~~B. C. The deed shall include the following information:~~

43           1. The date, ~~court action number and name of the judgment~~ **OF THE**  
44 **SALE.**

45           2. The name of the purchaser **AT THE SALE.**

- 1           3. The property description.
- 2           4. The date of the conveyance.
- 3           5. A formal acknowledgment by the treasurer.

4           Sec. 12. Heading change

5           The article heading of title 42, chapter 18, article 7, Arizona  
6 Revised Statutes, is changed from "SALE OF LAND HELD BY STATE UNDER TAX  
7 DEED" to "SALE OF LAND HELD BY STATE UNDER TAX DEED OR AFTER JUDICIAL  
8 FORECLOSURE OF RIGHT OF REDEMPTION".

9           Sec. 13. Section 42-18302, Arizona Revised Statutes, is amended to  
10 read:

11           42-18302. Notice of sale; third-party contractor

12           A. The board of supervisors shall advertise the real property for  
13 sale at a public sale. The advertisement shall be by:

14           1. Publishing the list and notice of sale in a newspaper of general  
15 circulation in the county at least once a week for at least two weeks, but  
16 not more than three weeks, before the stated date of the sale.

17           2. Continuously posting a current list and notice in the offices of  
18 the board of supervisors.

19           3. POSTING ON A MULTIPLE LISTING SERVICE FOR AT LEAST THIRTY DAYS  
20 BEFORE THE DATE OF THE SALE.

21           B. The newspaper that ~~prints~~ PUBLISHES the list and notice shall  
22 also post the list and notice on the internet on a website that posts the  
23 legal notices of ten or more Arizona newspapers.

24           C. THE BOARD OF SUPERVISORS MAY CONTRACT WITH A THIRD PARTY TO  
25 OPERATE AND ADVERTISE THE PUBLIC SALE. THE CONTRACT MAY PROVIDE THAT A  
26 PROPERTY SELLS FOR MORE THAN THE AMOUNT OF THE TAXES, PENALTIES, INTEREST  
27 AND COSTS CHARGED AGAINST THE PROPERTY, THE PRIVATE PARTY OPERATING AND  
28 ADVERTISING THE PUBLIC SALE AND ADVERTISING THE PROPERTY MAY RECEIVE UP TO  
29 THREE PERCENT OF THE AMOUNT OF THE SALE PRICE OF A PROPERTY THAT IS MORE  
30 THAN THE AMOUNT OF THE TAXES, PENALTIES, INTEREST AND COSTS CHARGED  
31 AGAINST THE PROPERTY.

32           Sec. 14. Section 42-18303, Arizona Revised Statutes, is amended to  
33 read:

34           42-18303. Auction and sale of land held by state under tax  
35 deed or after foreclosure of the right to redeem;  
36 disposition of proceeds

37           A. After advertisement, pursuant to section 42-18302, the board of  
38 supervisors may sell the real property in the county held by ~~the~~ THIS  
39 state by tax deed OR FOR WHICH A JUDGMENT FORECLOSING THE RIGHT TO REDEEM  
40 HAS BEEN ENTERED to the highest bidder for cash except as provided in  
41 subsections E and F of this section. The property ~~may~~ SHALL also be  
42 posted on the treasurer's website. The sale ~~may~~ SHALL include a live  
43 auction or an online bidding process in which the board receives bids  
44 electronically over the internet in a real-time, competitive bidding  
45 event.

1 B. On selling the property, the board of supervisors shall execute  
2 and deliver to the PROPERTY purchaser, at the PROPERTY purchaser's cost, a  
3 deed conveying the title of the state in and to the parcel purchased. The  
4 deed shall be acknowledged by the chairman and clerk of the board.

5 C. The purchase money shall be paid to the county treasurer. THE  
6 COUNTY TREASURER SHALL:

7 1. FOR A PROPERTY FOR WHICH A JUDGMENT FORECLOSING THE RIGHT TO  
8 REDEEM HAS BEEN ENTERED, DISTRIBUTE THE PROCEEDS TO THE CERTIFICATE OF  
9 PURCHASE HOLDER ON THE PROPERTY IN THE AMOUNT OF THE TAX LIEN AND ANY  
10 PENALTIES, FEES AND COSTS CHARGED AGAINST THE PARCEL.

11 2. FOR A PROPERTY HELD BY THIS STATE UNDER TAX DEED, after  
12 deducting and distributing interest, penalties, fees and costs charged  
13 against the parcel, the treasurer shall apportion monies THE UNPAID  
14 DELINQUENT TAXES to the funds of the various taxing authorities in  
15 proportion to their current share of the taxes charged against real  
16 property.

17 3. DISTRIBUTE any balance remaining with the treasurer after  
18 payment ~~of the taxes, interest, penalties, fees and costs shall be paid~~  
19 PURSUANT TO PARAGRAPH 1 OR 2 OF THIS SUBSECTION to the PROPERTY owner ~~of~~  
20 ~~the property~~ who was dispossessed by the sale. ANY MONIES THAT REMAIN  
21 UNCLAIMED AFTER ONE HUNDRED TWENTY DAYS SHALL BE DISPOSED OF PURSUANT TO  
22 TITLE 44, CHAPTER 3.

23 D. If the property is not sold before the time for the next  
24 succeeding notice of sale, the board of supervisors may omit it from the  
25 notice.

26 E. The board of supervisors may accept ~~an~~ A MARKET-RATE offer from,  
27 and sell real property held by this state by tax deed to, the county or a  
28 city, town or special taxing district in the county for a public purpose  
29 related to transportation or flood control. The board of supervisors  
30 shall convey the deed and apportion the monies received in the transaction  
31 in the manner prescribed by this section.

32 F. The board of supervisors may sell real property in the county  
33 held by ~~the~~ THIS state by tax deed to the owner of contiguous real  
34 property that is used for residential purposes, and the board may accept  
35 an offer by the contiguous owner to purchase the property, if both of the  
36 following conditions apply:

37 1. Both the property offered for sale and the contiguous property  
38 were at one time under common ownership, or the property offered for sale  
39 is part of a common area maintained by a homeowners' association as  
40 determined by the county assessor.

41 2. The property offered for sale cannot be separately used for  
42 residential purposes pursuant to applicable building codes and ordinances  
43 of the jurisdiction in which the property is located due to its size,  
44 configuration or recorded common area restrictions.

1 ~~G. If an offer under subsection E or F of this section is pending~~  
2 ~~at the time of the auction under this section, the board of supervisors~~  
3 ~~shall remove the property from the auction.~~

4 ~~H.~~ G. Subsection F of this section does not apply if there is more  
5 than one contiguous parcel of property that meets the requirements  
6 prescribed by subsection F of this section.

7 Sec. 15. Short title

8 This act may be cited as the "Property Equity Protection Act".

9 Sec. 16. Emergency

10 This act is an emergency measure that is necessary to preserve the  
11 public peace, health or safety and is operative immediately as provided by  
12 law.