

GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2009

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HOUSE BILL 1568

Short Title: Delinquent Tax Notice in Name of Escrow Agent. (Public)

Sponsors: Representative Allred.

Referred to: Local Government II, if favorable, Finance.

April 30, 2009

A BILL TO BE ENTITLED

AN ACT TO PUBLISH DELINQUENT TAX NOTICES IN THE NAME OF ESCROW AGENTS RATHER THAN PROPERTY OWNERS WHEN A PROPERTY OWNER SHOWS SUFFICIENT EVIDENCE OF HAVING PAID THE TAXES TO AN ESCROW AGENT.

The General Assembly of North Carolina enacts:

**SECTION 1.** G.S. 105-369(c) reads as rewritten:

**"§ 105-369. Advertisement of tax liens on real property for failure to pay taxes.**

...

(c) Time and Contents of Advertisement. – A tax collector's failure to comply with this subsection does not affect the validity of the taxes or tax liens. The county tax collector shall advertise county tax liens by posting a notice of the liens at the county courthouse and by publishing each lien at least one time in one or more newspapers having general circulation in the taxing unit. The municipal tax collector shall advertise municipal tax liens by posting a notice of the liens at the city or town hall and by publishing each lien at least one time in one or more newspapers having general circulation in the taxing unit. Advertisements of tax liens shall be made during the period March 1 through June 30. The costs of newspaper advertising shall be paid by the taxing unit. If the taxes of two or more taxing units are collected by the same tax collector, the tax liens of each unit shall be advertised separately unless, under the provisions of a special act or contractual agreement between the taxing units, joint advertisement is permitted.

The posted notice and newspaper advertisement shall set forth the following information:

(1) Repealed by Session Laws 2006-106, s. 2, effective for taxes imposed for taxable years beginning on or after July 1, 2006.

(1a) The name of the record owner as of the date the taxes became delinquent for each parcel on which the taxing unit has a lien for unpaid taxes, in alphabetical order. The notice and advertisement shall be in the name of the escrow agent instead of the name of the record owner if all of the following conditions are satisfied prior to the time the tax collector posts the notice and publishes the newspaper advertisement:

a. The record owner remitted to an escrow agent an amount equal to or greater than the amount of the delinquent taxes.

b. The escrow agent failed to remit payment for the taxes of the record owner to the tax collector.

c. The record owner provides to the tax collector sufficient evidence of sub-subdivision a. of this subdivision.



- 1           (1b) After the information required by subdivision (1a) of this subsection for each
- 2           parcel, a brief description of each parcel of land to which a lien has attached
- 3           and a statement of the principal amount of the taxes constituting a lien
- 4           against the parcel.
- 5           (2) A statement that the amounts advertised will be increased by interest and
- 6           costs and that the omission of interest and costs from the amounts advertised
- 7           will not constitute waiver of the taxing unit's claim for those items.
- 8           (3) In the event the list of tax liens has been divided for purposes of
- 9           advertisement in more than one newspaper, a statement of the names of all
- 10          newspapers in which advertisements will appear and the dates on which they
- 11          will be published.
- 12          (4) A statement that the taxing unit may foreclose the tax liens and sell the real
- 13          property subject to the liens in satisfaction of its claim for taxes."
- 14          **SECTION 2.** This act is effective July 1, 2009, and applies to tax liens that attach
- 15          on or after that date.