

SECOND REGULAR SESSION

[P E R F E C T E D]

# SENATE BILL NO. 805

93RD GENERAL ASSEMBLY

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INTRODUCED BY SENATOR GROSS.

Read 1st time January 4, 2006, and ordered printed.

Read 2nd time January 11, 2006, and referred to the Committee on Ways and Means.

Reported from the Committee February 2, 2006, with recommendation that the bill do pass and be placed on the Consent Calendar.

Taken up March 1, 2006. Read 3rd time and placed upon its final passage; bill passed.

TERRY L. SPIELER, Secretary.

3116S.02P

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## AN ACT

To repeal sections 140.250, 140.340, and 140.405, RSMo, and to enact in lieu thereof three new sections relating to collection of delinquent taxes.

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

Section A. Sections 140.250, 140.340, and 140.405, RSMo, are repealed  
2 and three new sections enacted in lieu thereof, to be known as sections 140.250,  
3 140.340, and 140.405, to read as follows:

140.250. 1. Whenever any lands have been or shall hereafter be offered  
2 for sale for delinquent taxes, interest, penalty and costs by the collector of the  
3 proper county for any two successive years and no person shall have bid therefor  
4 a sum equal to the delinquent taxes thereon, interest, penalty and costs provided  
5 by law, then such county collector shall at the next regular tax sale of lands for  
6 delinquent taxes sell same to the highest bidder **and such bid may be less**  
7 **than the delinquent taxes thereon, interest, penalty, and costs**, and there  
8 shall be a ninety-day period of redemption from such sales as specified in section  
9 140.405.

10 2. No certificate of purchase shall issue as to such sales, but the  
11 purchaser at such sales shall be entitled to the issuance and delivery of a  
12 collector's deed upon completion of title search action as specified in section  
13 140.405.

14 3. If any lands or lots are not sold at such third offering, then the  
15 collector, in his discretion, need not again advertise or offer such lands or lots for

16 sale more often than once every five years after the third offering of such lands  
17 or lots, and such offering shall toll the operation of any applicable statute of  
18 limitations.

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

27 5. In the event the real purchaser at any sale to which this section is  
28 applicable shall be the owner of the lands or lots purchased, or shall be obligated  
29 to pay the taxes for the nonpayment of which such lands or lots were sold, then  
30 no collector's deed shall issue to such purchaser, or to anyone acting for or on  
31 behalf of such purchaser, without payment to the collector of such additional  
32 amount as will discharge in full all delinquent taxes, penalty, interest and costs.

140.340. 1. The owner or occupant of any land or lot sold for taxes, or any  
2 other persons having an interest therein, may redeem the same at any time  
3 during the one year next ensuing, in the following manner: by paying to the  
4 county collector, for the use of the purchaser, his heirs or assigns, the full sum  
5 of the purchase money named in his certificate of purchase and all the cost of the  
6 sale, **including the cost of the title search and mailing of notification**  
7 **required in sections 140.250 or 140.405**, together with interest at the rate  
8 specified in such certificate, not to exceed ten percent annually, except on a sum  
9 paid by a purchaser in excess of the delinquent taxes due plus costs of the sale,  
10 no interest shall be owing on the excess amount, with all subsequent taxes which  
11 have been paid thereon by the purchaser, his heirs or assigns, with interest at the  
12 rate of eight percent per annum on such taxes subsequently paid, and in addition  
13 thereto the person redeeming any land shall pay the costs incident to entry of  
14 recital of such redemption.

15 2. Upon deposit with the county collector of the amount necessary to  
16 redeem as herein provided, it shall be the duty of the county collector to mail to  
17 the purchaser, his heirs or assigns, at the last post office address if known, and  
18 if not known, then to the address of the purchaser as shown in the record of the  
19 certificate of purchase, notice of such deposit for redemption.

20           3. Such notice, given as herein provided, shall stop payment to the  
21 purchaser, his heirs or assigns, of any further interest or penalty.

22           4. In case the party purchasing said land, his heirs or assigns, fails to  
23 take a tax deed for the land so purchased within six months after the expiration  
24 of the one year next following the date of sale, no interest shall be charged or  
25 collected from the redemptioner after that time.

          140.405. Any person purchasing property at a delinquent land tax auction  
2 shall not acquire the deed to the real estate, as provided for in section 140.420,  
3 until the person meets with the following requirement or until such person makes  
4 affidavit that a title search has revealed no publicly recorded deed of trust,  
5 mortgage, lease, lien or claim on the real estate. At least ninety days prior to the  
6 date when a purchaser is authorized to acquire the deed, the purchaser shall  
7 notify any person who holds a publicly recorded deed of trust, mortgage, lease,  
8 lien or claim upon that real estate of the latter person's right to redeem such  
9 person's publicly recorded security or claim. Notice shall be sent by certified mail  
10 to any such person, including one who was the publicly recorded owner of the  
11 property sold at the delinquent land tax auction previous to such sale, at such  
12 person's last known available address. Failure of the purchaser to comply with  
13 this provision shall result in such purchaser's loss of all interest in the real  
14 estate. If any real estate is purchased at a third-offering tax auction and has a  
15 publicly recorded deed of trust, mortgage, lease, lien or claim upon the real  
16 estate, the purchaser of said property at a third-offering tax auction shall notify  
17 anyone with a publicly recorded deed of trust, mortgage, lease, lien or claim upon  
18 the real estate pursuant to this section. Once the purchaser has notified the  
19 county collector by affidavit that proper notice has been given, anyone with a  
20 publicly recorded deed of trust, mortgage, lease, lien or claim upon the property  
21 shall have ninety days to redeem said property or be forever barred from  
22 redeeming said property. If the county collector chooses to have the title search  
23 done then the county collector must comply with all provisions of this section, and  
24 may charge the purchaser the cost of the title search before giving the purchaser  
25 a deed pursuant to section 140.420. **The state tax commission shall supply  
26 to the county collector a standard format to be used for the affidavits  
27 and notices required by this section.**

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