

65.375 Conditions under which authority to take title to tax delinquent properties.

- (1) If any party obtains a judgment against a tax delinquent property within the county for the taxes and, to satisfy the judgment, the property is ordered sold at a tax sale pursuant to KRS 91.504 or other provision of the Kentucky Revised Statutes, if no person bids an amount equal to the full amount of all tax bills, interest, and costs owing on the property at the sale, the authority shall be deemed to have bid the full amount of all tax bills, interest, and costs due to all parties of the authority regardless of whether or not they are all parties to the lawsuit. The authority shall not be required to make actual payment to the court for the amount deemed to have been bid. The court, notwithstanding any other provision of law, shall treat the amount deemed to have been bid as cash received. Upon proper motion by the authority, the court shall make a deed of the property to the "Land Bank Authority." The title to the property shall be an absolute estate in fee simple, free and clear of all tax bills, interests, and costs owing to the parties of the authority but shall be subject to rights of way of public utilities on which tax has otherwise been paid and subject to any right of redemption of the United States of America, if any.
- (2) When a property is acquired by the authority, all state, county, city, and school district taxes shall be extinguished.
- (3) At the time that the authority sells or otherwise disposes of property as part of its land bank program, the proceeds from the sale shall be distributed as follows:
 - (a) The party or parties bringing the action that resulted in the acquisition of the property by the land bank authority shall be reimbursed, to the extent proceeds are available, for all costs incurred; and
 - (b) Any remaining proceeds shall be distributed to the parties in proportion to their respective tax bills. Conveyance of a property to a party shall not constitute disposal.

Effective: January 1, 2010

History: Amended 2009 Ky. Acts ch. 10, sec. 57, effective January 1, 2010. -- Amended 1992 Ky. Acts ch. 314, sec. 7, effective July 14, 1992. -- Repealed, reenacted, and amended 1990 Ky. Acts ch. 341, sec. 6, effective July 13, 1990. -- Created 1988 Ky. Acts ch. 92, sec. 5, effective July 15, 1988.

Formerly codified as KRS 91.820.