

Code of Alabama

Title 40. Revenue and Taxation. (Refs & Annos)

Chapter 10. Sale of Land. (Refs & Annos)

Article 7. Sale of Tax Liens. (Refs & Annos)

Ala.Code 1975 § 40-10-197

§ 40-10-197. Action to foreclose the right to redeem and quiet title;
notice requirements; effect of foreclosure; deed; expiration of certificate.

Effective: July 1, 2018

[Currentness](#)

(a) At any time not less than three years after the auction or sale of a tax lien but not later than 10 years after the auction or sale, if the tax lien is not redeemed, the holder of the tax lien certificate may bring in the circuit court of the county in which the property is located an action to foreclose the right to redeem and quiet title to the property in the name of the holder of the tax lien certificate. If any applicable law or court order prohibits bringing an action to foreclose the right to redeem and quiet title to the property, the limitation provided in this section shall be extended 12 months following the termination of the prohibition.

(b)(1) At least 30 days before filing a tax lien foreclosure action under this article, but not more than 180 days before the action is commenced, the holder of the tax lien certificate shall send notice of intent to file the foreclosure action by certified mail to all of the following:

a. The property owner of record, according to the property tax records of the county in which the property is located, at the owner's address shown in the records and at the street address of the property if different.

b. All holders of outstanding mortgages, judgment liens, or other liens on the property as recorded in the probate office of the county in which the property is located.

c. The tax collecting official of the county in which the property is located.

(2) The notice shall include the property owner's name, the uniform parcel number, the legal description of the property, the name and address of the holder of the tax lien certificate, and a statement that the holder proposes to file a tax lien foreclosure action between 30 and 180 days after the date of mailing of the notice. If the holder fails to send the notice required by this subsection, the court shall dismiss any tax lien foreclosure action filed under this article.

(c) The holder shall name as parties defendant to the tax lien foreclosure action all persons entitled to redeem under this article. Upon filing the tax lien foreclosure action, the holder shall file a notice as provided by [Section 35-4-131](#).

(d)(1) In a tax lien foreclosure action, if the court finds that the tax lien auction or sale is valid, that proper notice has been given, and that the tax lien has not been redeemed, the court shall enter judgment foreclosing the right of the defendant or

defendants to redeem and shall direct the circuit clerk to execute and deliver to the party in whose favor judgment is entered a deed conveying the interests of the defendants in the property described in the tax lien certificate.

(2) After entry of judgment, a party whose rights to redeem the tax lien are foreclosed has no further legal or equitable right, title, or interest in the property subject to the right of appeal and stay of execution as in other civil actions.

(e) The foreclosure of the right to redeem does not extinguish any easement or right-of-way on or appurtenant to the property or rights of any public utility or governmental entity in the property, nor does it affect the rights of holders of prior tax lien certificates.

(f)(1) The clerk's deed executed in accordance with subsection (d) shall include all of the following information:

- a. The date of the judgment.
- b. The number and style of the case.
- c. The name of the plaintiff who shall be known as the grantee.
- d. The legal description of the property.
- e. The uniform parcel number of the property.
- f. The date of the conveyance.

(2) The original deed shall be delivered to the plaintiff for recording in the probate records in the county in which the property is located.

(g) Any person who is entitled to redeem under this article may redeem at any time before judgment is entered, notwithstanding that an action to foreclose has been commenced. If the person who redeems has been served personally or by publication in the action, or if the person became an owner after the action began and redeems after a notice is recorded pursuant to subsection (c), judgment shall be entered in favor of the plaintiff against the person for the costs incurred by the plaintiff in the action, including reasonable attorney fees actually incurred, to be determined by the court.

(h) If a tax lien that was purchased pursuant to this article is not redeemed and the holder of the tax lien certificate fails to commence a tax lien foreclosure action on or before 10 years from the date of the tax lien certificate, the tax lien certificate shall expire and the lien shall become void.

(i) If a judicial proceeding prohibits bringing a tax lien foreclosure action, the time of expiration under this section shall be extended by 12 months following the completion of the judicial proceeding.

Credits

(Acts 1995, No. 95-408, p. 864, § 19; Act 2018-577, § 1.)

Ala. Code 1975 § 40-10-197, AL ST § 40-10-197

Current through Act 2019-540.

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