A BILL

To amend sections 5723.04 and 5723.06 of the Revised Code to increase, from one to six years, the interval within which county auditors must offer tax-forfeited land for sale and to give county auditors more discretion as to how and where such sales are conducted.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF OHIO:

Section 1. That sections 5723.04 and 5723.06 of the Revised Code be amended to read as follows:

Sec. 5723.04. (A) The county auditor shall maintain a list of forfeited lands and shall offer such lands for sale annually every six years, or more frequently if the auditor determines that more frequent sales are necessary. A sale may include one or more tracts of forfeited lands.

(B) Notwithstanding division (A) of this section, upon the request of a county land reutilization corporation organized under Chapter 1724. of the Revised Code, the county auditor shall promptly transfer to such corporation, by auditor's deed, the fee simple title to a parcel on the list of forfeited lands,
which shall pass to such corporation free and clear of all
taxes, assessments, charges, penalties, interest, and costs.
Subject to division (C) of this section, any subordinate liens
shall be deemed fully and forever satisfied and discharged. Upon
such request, the land is deemed sold by the state for no
consideration. The county land reutilization corporation shall
file the deed for recording.

(C) When title to a parcel of land upon which a lien has
been placed under section 715.261, 743.04, or 6119.06 of the
Revised Code is transferred to a county land reutilization
corporation under this section, the lien on the parcel shall be
extinguished if the lien is for costs or charges that were
incurred before the date of the transfer to the corporation and
if the corporation did not incur the costs or charges,
regardless of whether the lien was attached or the costs or
charges were certified before the date of transfer. In such a
case, the corporation and its successors in title shall take
title to the property free and clear of any such lien and shall
be immune from liability in any action to collect such costs or
charges.

If a county land reutilization corporation takes title to
property before any costs or charges have been certified or any
lien has been placed with respect to the property under section
715.261, 743.04, or 6119.06 of the Revised Code, the corporation
shall be deemed a bona fide purchaser for value without
knowledge of such costs or lien, regardless of whether the
corporation had actual or constructive knowledge of the costs or
lien, and any such lien shall be void and unenforceable against
the corporation and its successors in title.

Sec. 5723.06. (A)(1) The county auditor, on the day set
for the sale of forfeited lands provided in section 5723.04 of
the Revised Code, shall attend at the courthouse and offer for
sale the whole of each tract of land as contained in the list
provided for in such section, at public auction, to the highest
bidder, for an amount sufficient to pay the lesser of the
amounts described in divisions (A)(1) and (2) of section 5721.16
of the Revised Code.

The sale may be conducted at any location in the county
deemed appropriate by the county auditor shall offer each tract
separately, beginning with the first tract contained in the
list.

(2) If no bid is received for any of the tracts in an
amount sufficient to pay the required amount, and no notice is
given under section 5722.04 of the Revised Code or division (B)
of this section, the auditor may offer such tract for sale
forthwith, and sell it for the best price obtainable. The county
auditor shall continue through such list and may adjourn the
sale from day to day until the county auditor has disposed of or
offered for sale each tract of land specified in the notice. The
county auditor may offer a tract of land two or more times at
the same sale.

(3) Notwithstanding the minimum sales price provisions of
divisions (A)(1) and (2) of this section to the contrary,
forfeited lands sold pursuant to this section shall not be sold
in either of the following circumstances:

(a) To any person that is delinquent on real property
taxes in this state;

(b) For less than the total amount of the taxes,
assessments, penalties, interest, and costs that stand charged
against the land if the highest bidder is the owner of record of the parcel immediately prior to the judgment of foreclosure or foreclosure and forfeiture, or a member of the following class of parties connected to that owner: a member of that owner's immediate family, a person with a power of attorney appointed by that owner who subsequently transfers the parcel to the owner, a sole proprietorship owned by that owner or a member of that owner's immediate family, or a partnership, trust, business trust, corporation, or association in which the owner or a member of the owner's immediate family owns or controls directly or indirectly more than fifty per cent.

If a parcel sells for less than the total amount of the taxes, assessments, penalties, interest, and costs that stand charged against it, the officer conducting the sale shall require the buyer to complete an affidavit prepared by the officer stating that the buyer is not the owner of record immediately prior to the judgment of foreclosure or foreclosure and forfeiture, or a member of the specified class of parties connected to that owner, and the affidavit shall become part of the court records of the proceeding. If the county auditor discovers within three years after the date of the sale that a parcel was sold to that owner or a member of the specified class of parties connected to that owner for a price less than the amount so described, and if the parcel is still owned by that owner or a member of the specified class of parties connected to that owner, the auditor within thirty days after such discovery shall add the difference between that amount and the sale price to the amount of taxes that then stand charged against the parcel and is payable at the next succeeding date for payment of real property taxes. As used in this paragraph, "immediate family" means a spouse who resides in the same household and
As Introduced

(B) The director of natural resources may give written notice to the auditor prior to the time of the sale of the director's intention to purchase forfeited land for the state. Such notice is a legal minimum bid at the time of the sale, and, if no bid is received in an amount sufficient to pay the lesser of the amounts described in divisions (A)(1) and (2) of section 5721.16 of the Revised Code, the land is deemed sold to the state for no consideration. The director of natural resources shall record the deed.

(C) The sale of forfeited land under this section conveys the title to the tract or parcel of land, divested of all liability for any taxes, assessments, charges, penalties, interest, and costs due at the time of sale that remain after applying the amount for which it was sold, except as otherwise provided in division (D) of this section.

(D) If the parcel is sold for the amount described in division (A)(2) of section 5721.16 of the Revised Code, and the county treasurer's estimate of that amount exceeds the amount of taxes, assessments, interest, penalties, and costs actually payable when the deed is transferred to the purchaser, the county auditor shall refund to the purchaser the difference between the estimate and the amount actually payable. If the amount of taxes, assessments, interest, penalties, and costs actually payable when the deed is transferred to the purchaser exceeds the county treasurer's estimate, the county auditor shall certify the amount of the excess to the treasurer, who shall enter that amount on the real and public utility property tax duplicate opposite the property; the amount of the excess shall be payable at the next succeeding date prescribed for
payment of taxes in section 323.12 of the Revised Code.

Section 2. That existing sections 5723.04 and 5723.06 of the Revised Code are hereby repealed.