

As Introduced

133rd General Assembly

Regular Session

2019-2020

H. B. No. 487

Representatives Green, West

Cosponsors: Representatives Riedel, Seitz

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 19
taxes, assessments, charges, penalties, interest, and costs. 20
Subject to division (C) of this section, any subordinate liens 21
shall be deemed fully and forever satisfied and discharged. Upon 22
such request, the land is deemed sold by the state for no 23
consideration. The county land reutilization corporation shall 24
file the deed for recording. 25

(C) When title to a parcel of land upon which a lien has 26
been placed under section 715.261, 743.04, or 6119.06 of the 27
Revised Code is transferred to a county land reutilization 28
corporation under this section, the lien on the parcel shall be 29
extinguished if the lien is for costs or charges that were 30
incurred before the date of the transfer to the corporation and 31
if the corporation did not incur the costs or charges, 32
regardless of whether the lien was attached or the costs or 33
charges were certified before the date of transfer. In such a 34
case, the corporation and its successors in title shall take 35
title to the property free and clear of any such lien and shall 36
be immune from liability in any action to collect such costs or 37
charges. 38

If a county land reutilization corporation takes title to 39
property before any costs or charges have been certified or any 40
lien has been placed with respect to the property under section 41
715.261, 743.04, or 6119.06 of the Revised Code, the corporation 42
shall be deemed a bona fide purchaser for value without 43
knowledge of such costs or lien, regardless of whether the 44
corporation had actual or constructive knowledge of the costs or 45
lien, and any such lien shall be void and unenforceable against 46
the corporation and its successors in title. 47

Sec. 5723.06. (A) (1) The county auditor, on the day set 48

for the sale of forfeited lands provided in section 5723.04 of 49
the Revised Code, shall ~~attend at the courthouse and offer for~~ 50
sale the whole of each tract of land as contained in the list 51
provided for in such section, at public auction, to the highest 52
bidder, for an amount sufficient to pay the lesser of the 53
amounts described in divisions (A) (1) and (2) of section 5721.16 54
of the Revised Code. 55

The sale may be conducted at any location in the county 56
deemed appropriate by the county auditor ~~shall offer each tract~~ 57
~~separately, beginning with the first tract contained in the~~ 58
~~list.~~ 59

(2) If no bid is received for any of the tracts in an 60
amount sufficient to pay the required amount, and no notice is 61
given under section 5722.04 of the Revised Code or division (B) 62
of this section, the auditor may offer such tract for sale 63
forthwith, and sell it for the best price obtainable. The county 64
auditor shall continue through such list and may adjourn the 65
sale from day to day until the county auditor has disposed of or 66
offered for sale each tract of land specified in the notice. The 67
county auditor may offer a tract of land two or more times at 68
the same sale. 69

(3) Notwithstanding the minimum sales price provisions of 70
divisions (A) (1) and (2) of this section to the contrary, 71
forfeited lands sold pursuant to this section shall not be sold 72
in either of the following circumstances: 73

(a) To any person that is delinquent on real property 74
taxes in this state; 75

(b) For less than the total amount of the taxes, 76
assessments, penalties, interest, and costs that stand charged 77

against the land if the highest bidder is the owner of record of 78
the parcel immediately prior to the judgment of foreclosure or 79
foreclosure and forfeiture, or a member of the following class 80
of parties connected to that owner: a member of that owner's 81
immediate family, a person with a power of attorney appointed by 82
that owner who subsequently transfers the parcel to the owner, a 83
sole proprietorship owned by that owner or a member of that 84
owner's immediate family, or a partnership, trust, business 85
trust, corporation, or association in which the owner or a 86
member of the owner's immediate family owns or controls directly 87
or indirectly more than fifty per cent. 88

If a parcel sells for less than the total amount of the 89
taxes, assessments, penalties, interest, and costs that stand 90
charged against it, the officer conducting the sale shall 91
require the buyer to complete an affidavit prepared by the 92
officer stating that the buyer is not the owner of record 93
immediately prior to the judgment of foreclosure or foreclosure 94
and forfeiture, or a member of the specified class of parties 95
connected to that owner, and the affidavit shall become part of 96
the court records of the proceeding. If the county auditor 97
discovers within three years after the date of the sale that a 98
parcel was sold to that owner or a member of the specified class 99
of parties connected to that owner for a price less than the 100
amount so described, and if the parcel is still owned by that 101
owner or a member of the specified class of parties connected to 102
that owner, the auditor within thirty days after such discovery 103
shall add the difference between that amount and the sale price 104
to the amount of taxes that then stand charged against the 105
parcel and is payable at the next succeeding date for payment of 106
real property taxes. As used in this paragraph, "immediate 107
family" means a spouse who resides in the same household and 108

children. 109

(B) The director of natural resources may give written 110
notice to the auditor prior to the time of the sale of the 111
director's intention to purchase forfeited land for the state. 112
Such notice is a legal minimum bid at the time of the sale, and, 113
if no bid is received in an amount sufficient to pay the lesser 114
of the amounts described in divisions (A) (1) and (2) of section 115
5721.16 of the Revised Code, the land is deemed sold to the 116
state for no consideration. The director of natural resources 117
shall record the deed. 118

(C) The sale of forfeited land under this section conveys 119
the title to the tract or parcel of land, divested of all 120
liability for any taxes, assessments, charges, penalties, 121
interest, and costs due at the time of sale that remain after 122
applying the amount for which it was sold, except as otherwise 123
provided in division (D) of this section. 124

(D) If the parcel is sold for the amount described in 125
division (A) (2) of section 5721.16 of the Revised Code, and the 126
county treasurer's estimate of that amount exceeds the amount of 127
taxes, assessments, interest, penalties, and costs actually 128
payable when the deed is transferred to the purchaser, the 129
county auditor shall refund to the purchaser the difference 130
between the estimate and the amount actually payable. If the 131
amount of taxes, assessments, interest, penalties, and costs 132
actually payable when the deed is transferred to the purchaser 133
exceeds the county treasurer's estimate, the county auditor 134
shall certify the amount of the excess to the treasurer, who 135
shall enter that amount on the real and public utility property 136
tax duplicate opposite the property; the amount of the excess 137
shall be payable at the next succeeding date prescribed for 138

payment of taxes in section 323.12 of the Revised Code. 139

Section 2. That existing sections 5723.04 and 5723.06 of 140
the Revised Code are hereby repealed. 141