



General Assembly

Substitute Bill No. 613

February Session, 2000

An Act Concerning Assignment Of Municipal Tax Liens.

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. Section 12-195h of the general statutes is repealed and the
2 following is substituted in lieu thereof:

3 (a) Any municipality, by resolution of its legislative body, as
4 defined in section 1-1, may assign, for consideration, any and all liens
5 filed by the tax collector to secure unpaid taxes on real property as
6 provided under the provisions of this chapter. The consideration
7 received by the municipality shall be negotiated between the
8 municipality and the assignee. The assignee or assignees of such liens
9 shall have and possess the same powers and rights at law or in equity
10 as such municipality and municipality's tax collector would have had
11 if the lien had not been assigned with regard to the precedence and
12 priority of such lien, the accrual of interest and the fees and expenses
13 of collection. The assignee shall have the same rights to enforce such
14 liens as any private party holding a lien on real property.

15 (b) Any assignee of a lien under this section, or the agent, employee
16 or representative of such assignee, who knowingly charges or exacts
17 any fee or charge in connection with the redemption of any such lien in
18 excess of the amount of any interest which would be permitted under
19 section 12-146 if the municipality were enforcing the lien, shall forfeit
20 such lien to the person who was charged such excessive or unlawful

21 fee or charge and the person paying such unlawful fee or charge shall
22 become vested with all the right, title and interest of such assignee in
23 and to such tax lien. In addition, the person paying such unlawful fee
24 or charge may bring an action in the Superior Court to recover the full
25 amount paid to such tax lien assignee. The provisions of this section
26 shall not apply to any contract governing any such assignment that
27 was entered into before the effective date of this act.

28 Sec. 2. Subsection (f) of section 12-129n of the general statutes, as
29 amended by section 5 of public act 99-89, is repealed and the following
30 is substituted in lieu thereof:

31 (f) Any municipality providing property tax relief under this section
32 may establish a lien on such property in the amount of the relief
33 granted, [provided if the total amount of such property tax relief with
34 respect to any such taxpayer, when combined with any such tax relief
35 for which such taxpayer may be eligible in accordance with sections
36 12-129b to 12-129d, inclusive, or 12-170aa, exceeds in the aggregate
37 seventy-five per cent of the property tax for which such taxpayer
38 would be liable but for the benefits under this section and any of the
39 sections mentioned above in this subsection, such municipality shall be
40 required to establish a lien on such property in the amount of the total
41 tax relief granted,] plus interest applicable to the total of such unpaid
42 taxes at a rate to be determined by such municipality. Any such lien
43 shall have a priority in the settlement of such person's estate.

FIN Committee Vote: Yea 47 Nay 0 JFS