



General Assembly

Amendment

February Session, 2004

LCO No. 4030

HB0566104030HDO

Offered by:
REP. BERGER, 73rd Dist.

To: Subst. House Bill No. 5661 File No. 607 Cal. No. 399

"AN ACT CONCERNING PROPERTY TAXES."

1 After the last section, add the following and renumber sections and
2 internal references accordingly:

3 "Sec. 501. Section 12-172 of the general statutes is repealed and the
4 following is substituted in lieu thereof (*Effective from passage and*
5 *applicable to all foreclosure proceedings commenced after the effective date of*
6 *this section, including foreclosure of tax liens for tax years before the effective*
7 *date of this section*):

8 The interest of each person in each item of real estate, which has
9 been legally set in his assessment list, shall be subject to a lien for that
10 part of his taxes laid upon the valuation of such interest, as found in
11 such list when finally completed, as such part may be increased by
12 interest, fees and charges, and a lien for any obligation to make a
13 payment in lieu of any such taxes, as defined in section 12-171. Such
14 lien, unless otherwise specially provided by law, shall exist from the
15 first day of October or other assessment date of the municipality in the
16 year previous to that in which such tax, or the first installment thereof,

17 became due until one year after such tax or first installment thereof
18 became due and, during its existence, shall take precedence of all
19 transfers and encumbrances in any manner affecting such interest in
20 such item, or any part of it. Such lien, during its existence, may be
21 enforced by levy and sale of such real estate if such person has
22 complete title thereto or of his interest in such real estate if he does not
23 have complete title thereto. No sale of real estate for taxes or
24 foreclosure of any lien shall divest the estate sold of any existing lien
25 for other taxes, except as provided in subsection (c) of section 12-181,
26 as amended by this act, and sections 12-182 to 12-194, inclusive.

27 Sec. 502. Section 12-181 of the general statutes is repealed and the
28 following is substituted in lieu thereof (*Effective from passage and*
29 *applicable to all foreclosure proceedings commenced after the effective date of*
30 *this section, including foreclosure of tax liens for tax years before the effective*
31 *date of this section*):

32 (a) Whenever used in this section, unless the context otherwise
33 requires, "municipality" has the meaning given thereto in section 12-
34 141. The tax collector of any municipality may bring suit for the
35 foreclosure of tax liens in the name of the municipality by which the
36 tax was laid, and all municipalities having tax liens upon the same
37 piece of real estate may join in one complaint for the foreclosure of the
38 same, in which case the amount of the largest unpaid tax shall
39 determine the jurisdiction of the court. If all municipalities having tax
40 liens upon the same piece of real estate do not join in a foreclosure
41 action, any party to such action may petition the court to cite in any or
42 all of such municipalities as may be omitted, and the court shall order
43 such municipality or municipalities to appear in such action and be
44 joined in one complaint. The court in which action is commenced shall
45 continue to have jurisdiction thereof and may dispose of such action in
46 the same manner as if all the municipalities had commenced action by
47 joining in one complaint. If one or more municipalities having one or
48 more tax liens upon the same piece of property are not joined in one
49 action, each of such municipalities shall have the right to petition the
50 court to be made a party plaintiff to such action and have its claims

51 determined in the same action, in which case the same court shall
52 continue to have jurisdiction of the action and shall have the same
53 rights to dispose of such action as if all municipalities had originally
54 joined in the complaint. The court having jurisdiction under the
55 provisions of this section may limit the time for redemption, order the
56 sale of the real estate, determine the relative amount of the undivided
57 interest of each municipality in real estate obtained by absolute
58 foreclosure if two or more municipalities are parties to one foreclosure
59 action or pass such other decree as it judges to be equitable. If one or
60 more municipalities foreclose one or more tax liens on real estate and
61 acquire absolute title thereto and if any other municipality having one
62 or more tax liens upon such real estate at the time such foreclosure title
63 becomes absolute has not, either as plaintiff or defendant, been made a
64 party thereto, the tax liens of each of such other municipalities shall
65 not be thereby invalidated or jeopardized.

66 (b) The tax collector of any municipality may bring suit for the
67 foreclosure of tax liens in the name of the municipality by which the
68 tax was laid, and any third party lienholder having a tax lien upon the
69 same piece of real estate may join in one complaint for the foreclosure
70 of the same. If all third party lienholders having tax liens upon the
71 same piece of real estate do not join in a foreclosure action, any party
72 to such action may petition the court to cite in any or all of such third
73 party lienholders as may be omitted, and the court shall order such
74 third party lienholders to appear in such action and be joined in one
75 complaint. The court in which action is commenced shall continue to
76 have jurisdiction thereof and may dispose of such action in the same
77 manner as if all the third party lienholders had commenced action by
78 joining in one complaint. If one or more third party lienholders having
79 tax liens upon the same piece of property are not joined in one action,
80 each of such third party lienholders shall have the right to petition the
81 court to be made a party plaintiff to such action and have its claims
82 determined in the same action, in which case the same court shall
83 continue to have jurisdiction of the action and shall have the same
84 rights to dispose of such action as if all third party lienholders had

85 originally joined in the complaint. The court having jurisdiction under
86 the provisions of this subsection may limit the time for redemption
87 and if any third party lienholder is a party to the foreclosure action,
88 shall order the sale of the real estate. The relative priorities of all joined
89 third party lienholders and the municipality shall be equal unless the
90 municipality and any third party lienholders have agreed, in writing,
91 to a different priority of each year's tax lien. Following the sale, the
92 court shall order distribution of the proceeds after payment of all
93 expenses of the suit based on the pro rata values of the liens of the
94 municipality and each third party lienholder, including both principal
95 and interest. The court may pass such other decree as it judges to be
96 equitable. If a municipality forecloses one or more tax liens on real
97 estate and acquire absolute title thereto and if any other third party
98 lienholder having a tax lien upon such real estate at the time such
99 foreclosure title becomes absolute has not, either as plaintiff or
100 defendant, been made a party thereto, the tax liens of each of such
101 unnamed third party lienholders shall not be thereby invalidated or
102 jeopardized."