



General Assembly

February Session, 2012

Raised Bill No. 5456

LCO No. 2032

* _____HB05456PD_____032612_____*

Referred to Committee on Planning and Development

Introduced by:
(PD)

AN ACT CONCERNING DEFICIENCY JUDGMENTS IN TAX LIEN FORECLOSURES.

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

1 Section 1. Section 12-181 of the general statutes is repealed and the
2 following is substituted in lieu thereof (*Effective October 1, 2012*):

3 (a) Whenever used in this section, unless the context otherwise
4 requires, "municipality" has the meaning given thereto in section 12-
5 141. The tax collector of any municipality may bring suit for the
6 foreclosure of tax liens in the name of the municipality by which the
7 tax was laid, and all municipalities having tax liens upon the same
8 piece of real estate may join in one complaint for the foreclosure of the
9 same, in which case the amount of the largest unpaid tax shall
10 determine the jurisdiction of the court. If all municipalities having tax
11 liens upon the same piece of real estate do not join in a foreclosure
12 action, any party to such action may petition the court to cite in any or
13 all of such municipalities as may be omitted, and the court shall order
14 such municipality or municipalities to appear in such action and be
15 joined in one complaint. The court in which action is commenced shall
16 continue to have jurisdiction thereof and may dispose of such action in

17 the same manner as if all the municipalities had commenced action by
18 joining in one complaint. If one or more municipalities having one or
19 more tax liens upon the same piece of property are not joined in one
20 action, each of such municipalities shall have the right to petition the
21 court to be made a party plaintiff to such action and have its claims
22 determined in the same action, in which case the same court shall
23 continue to have jurisdiction of the action and shall have the same
24 rights to dispose of such action as if all municipalities had originally
25 joined in the complaint. The court having jurisdiction under the
26 provisions of this section may limit the time for redemption, order the
27 sale of the real estate, determine the relative amount of the undivided
28 interest of each municipality in real estate obtained by absolute
29 foreclosure if two or more municipalities are parties to one foreclosure
30 action or pass such other decree as it judges to be equitable. If one or
31 more municipalities foreclose one or more tax liens on real estate and
32 acquire absolute title thereto and if any other municipality having one
33 or more tax liens upon such real estate at the time such foreclosure title
34 becomes absolute has not, either as plaintiff or defendant, been made a
35 party thereto, the tax liens of each of such other municipalities shall
36 not be thereby invalidated or jeopardized.

37 (b) If the proceeds of the sale of real estate are not sufficient to pay
38 in full the amount secured by any tax lien thereby foreclosed, the court
39 having jurisdiction shall determine the deficiency and thereupon may
40 render judgment for the deficiency against any party liable to pay the
41 same who is a party to the action and has been served with process or
42 has appeared therein. All persons liable to pay the debt secured by the
43 lien may be made parties.

This act shall take effect as follows and shall amend the following sections:		
Section 1	October 1, 2012	12-181

PD *Joint Favorable*

