



General Assembly

February Session, 2016

Raised Bill No. 472

LCO No. 3275



Referred to Committee on JUDICIARY

Introduced by:
(JUD)

AN ACT CONCERNING THE ASSIGNMENT OF LIENS FILED BY A MUNICIPAL TAX COLLECTOR.

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 Section 12-195h of the general statutes is repealed and the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 (*Effective October 1, 2016*):

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 in excess of two
6 thousand five hundred dollars on real property as provided under the
7 provisions of this chapter. The consideration received by the
8 municipality shall be negotiated between the municipality and the
9 assignee. The assignee or assignees of such liens shall have and possess
10 the same powers and rights at law or in equity as such municipality
11 and municipality's tax collector would have had if the lien had not
12 been assigned with regard to the precedence and priority of such lien,
13 the accrual of interest and the fees and expenses of collection and of
14 preparing and recording the assignment. The assignee shall have the
15 same rights to enforce such liens as any private party holding a lien on

16 real property including, but not limited to, foreclosure and a suit on
17 the debt.

18 (b) The assignee, or any subsequent assignee, shall provide written
19 notice of an assignment, not later than thirty days after the date of such
20 assignment, to: [any]

21 (1) Any holder of a mortgage, on the real property that is the subject
22 of the assignment, provided such holder is of record as of the date of
23 such assignment. Such notice shall include information sufficient to
24 identify [(1)] (A) the property that is subject to the lien and in which
25 the holder has an interest, [(2)] (B) the name and addresses of the
26 assignee, and [(3)] (C) the amount of unpaid taxes, interest and fees
27 being assigned relative to the subject property as of the date of the
28 assignment; and

29 (2) The taxpayer against whom such lien has been filed. Such notice
30 shall contain information sufficient to identify (A) the property that is
31 subject to the lien, (B) the name and addresses of the assignee, (C) the
32 amount of unpaid taxes, interest and fees being assigned relative to the
33 subject property as of the date of the assignment, and (D) the terms of
34 any proposed payment plan offered by the assignee that delineates the
35 amount of the unpaid taxes, the interest owing on the unpaid taxes
36 and any fees that are to be paid by the taxpayer to the assignee. Such
37 notice shall also inform the taxpayer that the assignee may seek to
38 recover any costs and reasonable attorneys' fees from the taxpayer in
39 the event that the assignee initiates a foreclosure action or other legal
40 proceeding pursuant to this section to collect on the debt.

This act shall take effect as follows and shall amend the following sections:		
Section 1	October 1, 2016	12-195h

Statement of Purpose:

To: (1) Limit the assignment of liens on unpaid taxes to liens in excess of two thousand five hundred dollars, and (2) ensure that taxpayer

notification safeguards are in place when a municipality elects to assign tax liens filed by the municipality's tax collector to a third party.

[Proposed deletions are enclosed in brackets. Proposed additions are indicated by underline, except that when the entire text of a bill or resolution or a section of a bill or resolution is new, it is not underlined.]