

**ALABAMA REVENUE DEPARTMENT
ADMINISTRATIVE CODE**

CHAPTER 810-4-6

CLARIFICATION OF PROCEDURES FOR TAX LIEN AUCTION AND TAX LIEN SALE

810-4-6-.01

**Clarification Of Procedures For Tax Lien Auction
And Tax Lien Sale.**

(1) Title 40, Chapter 10, Code of Ala. 1975, allows the option for a county to collect delinquent ad valorem taxes through a tax lien auction or tax lien sale.

(2) DEFINITIONS: Definitions related to terms used in this rule may be found in §40-10-181, Code of Ala. 1975.

(3) Each county tax collecting official shall have sole authority to decide whether his or her county shall utilize the method of tax lien auction or sale to collect delinquent property taxes. The method decided by the tax collecting official shall apply to all property in that county for the year so decided. The decision for which method to use shall be made no later than October 1 when property taxes become due and payable. If the tax collecting official chooses to hold a tax lien auction or sale then notice must be published in accordance with §40-10-180, Code of Ala. 1975. Notice under §40-0-180(c), Code of Ala. 1975, is not required for a tax lien auction if a tax lien auction was held by the county the prior year. If the tax collecting official holds a tax lien auction one year and the next year decides to hold a tax sale, notice shall be published in accordance with §40-10-180, Code of Ala. 1975.

(4) The principal amount of the delinquent taxes, the amount of accrued and accruing interest thereon, and penalties, fees, and costs proposed through the day of the tax lien auction relating to each year of assessment shall be included on the tax lien auction list.

(5) If the interest rate bid for the property reaches 0.00 percent and more than one bidder remains, the tax collecting official shall draw lots to determine the winning bidder for the property. The process of drawing lots shall be left to the discretion of the county tax collecting official. The tax collecting official shall have written procedures in place prior to the tax sale auction and the procedures shall be made available to all bidders on or before the day of the auction.

(6) The tax collecting official shall pay the redemption money to the holder of the tax lien certificate of sale upon surrender of the original tax lien certificate. If the original tax lien

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certificate has been lost or destroyed, a copy made in accordance with §40-10-190, Code of Ala. 1975, shall be acceptable.

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Statutory Authority: Code of Ala. 1975, §§40-2A-7(a)(5), 40-2-11, 40-8-1(6).

History: **New Rule:** Filed September 24, 2018; effective November 8, 2018.