

SB 651 -- Redline

Introduced to Committee Substitute -- Relating to sale of certain properties subject to delinquent tax liens

Deletions ~~struck~~ · Insertions underlined

WEST VIRGINIA LEGISLATURE REGULAR SESSION ~~Introduced~~Committee Substitute for Senate Bill 651 ~~By~~BY Senator ~~SENATORS Smith~~SMITH(MR. (Mr. President)~~RESIDENT~~), ~~[Introduced~~LIVERI, January~~RUCKER 28, 2026~~EEDS, ANDT AYLOR [Reported February 24, 2026, from the Committee on Government Organization] CS for SB 651 A BILL to amend and reenact Sec.11A-2-14, Sec.11A-3-2, Sec.11A-3-39, Sec.11A-3-44, Sec.11A-3-45, Sec.11A-3-46, Sec.11A-3-48, Sec.11A-3-55, Sec.11A-3-65, and Sec.11A-3-66 of the Code of West Virginia, 1931, as amended, relating to the sale of certain properties subject to delinquent tax liens;

~~referred to the Committee on Government Organization]~~ ~~Intr SB 651 2026R3418 A BILL to amend and reenact Sec.11A-2-14, Sec.11A-3-2, Sec.11A-3-39, Sec.11A-3-44, Sec.11A-3-45, Sec.11A-3-46, Sec.11A-3-48, Sec.11A-3-55, Sec.11A-3-65, and Sec.11A-3-66 of the Code of West Virginia, 1931, as amended, relating to the sale of certain properties subject to delinquent tax liens;~~

requiring highest bidder to pay ~~10 percent~~ buyer's fee to private auctioneer under certain circumstances;

requiring highest bidder to pay ~~\$50 of total bid amount to State Auditor and remainder of~~ bid amount to county sheriff;

~~Intr~~CS for SB 651-~~2026R3418~~ Sec.11A-3-2.

Name of Quantity Local Total amount of ~~taxes,~~ person charged of land description taxes, interest, and with taxes charges due to date of sale If any of said the tracts or lots remain unsold following the auction, they shall be subject to sale by the Auditor without additional advertising or public auction, such terms as the Auditor deems appropriate pursuant to Sec.11A-3-48 of this code.

Any of the aforesaid tracts or lots, or part thereof or an undivided interest therein, may be redeemed by the payment to the undersigned sheriff (or collector) before certification to the Auditor, of the total amount of taxes, interest, and charges due thereon up to the date of redemption by credit card, cashier's check, money order, certified check, or United States ~~Intr~~CS for SB 651-~~2026R3418~~ currency. of this ~~code,~~code and the publication area for such the publication shall be is the county.

and (4) In the case of property which includes a mineral interest but does not include an interest in the surface other than an interest for the purpose of developing the minerals, to each person ~~Intr~~CS for SB 651 ~~2026R3418~~ who has in writing delivered to the sheriff, on a form prescribed by the Tax Commissioner, a request for such notice which identifies the person as an owner of an interest in the surface of real property that is included in the boundaries of such ~~property,~~property:

~~Provided, That~~Provided, That in a case where one owner owns more than one parcel of real property upon which taxes are delinquent, the sheriff may, at his or her option, mail separate notices to the owner and each lienholder for each parcel or may prepare and mail to the owner and each lienholder a single notice which pertains to all such delinquent parcels.

In no event shall any event, failure to receive the mailed notice by the landowner or lienholder does not affect the validity of the title of the property conveyed if it is conveyed pursuant to Sec.11A-3-27 or ~~Sec.11A-3-59~~Sec.11A- 3-59 of this code.

CS for SB 651 Sec.11A-3-39.

~~Intr SB 651 2026R3418~~-(a) Upon payment of the sum necessary to redeem, the Auditor shall execute a certificate of redemption in triplicate, which certificate shall specify the real estate redeemed, or the interest therein, as the case may be, together with any changes in respect thereto which were made in the land book and in the record of delinquent lands, shall specify the year or years for which payment was made, and shall state that it is a receipt for the money paid and a release of the state's lien against the real estate redeemed.

Upon completion of the list for certification, a charge of \$25 \$35 shall be added to the taxes, interest, and charges already due on each tract ~~listed,~~listed to cover ~~the~~CS Intr for SB 651 ~~2026R3418~~the costs incurred by the Auditor in the preparation of the list.

Such copies delivered to the clerk of the county commission ~~and~~CS Intr for SB 651 ~~2026R3418~~and the sheriff shall become permanent ~~records,~~records and shall be preserved as such in the offices of the Auditor and the clerk of the county commission.

currency, or money order payable ~~as one payment to the Auditor and in the amount of \$50 and the remainder of the total to the~~ sheriff of the county in which the property is ~~situated,~~situated bothand ~~of which shall be~~ delivered before the close of business on the day of sale.

of this ~~code,~~code. ~~Intr SB 651 2026R3418~~ (b) ~~A private, nonprofit, charitable corporation, incorporated in this state, which has been certified as a nonprofit corporation pursuant to the provisions of Section 501(c)(3) of the federal Internal Revenue Code, as amended, which has as its principal purpose the~~

~~construction of housing or other public facilities and which notifies the Auditor of an intention to bid and subsequently submits a bid that is not more than five percent lower than the highest bid submitted by any person or organization which is not a private, nonprofit, charitable corporation as defined in this subsection, shall be sold the property offered for sale at public auction by the Auditor pursuant to the provisions of this section at the public auction as opposed to the highest bidder.~~

CS for SB 651 (b) A private, nonprofit, charitable corporation, incorporated in this state, which has been certified as a nonprofit corporation pursuant to the provisions of Section 501(c)(3) of the federal Internal Revenue Code, as amended, which has as its principal purpose the construction of housing or other public facilities and which notifies the Auditor of an intention to bid and subsequently submits a bid that is not more than five percent lower than the highest bid submitted by any person or organization which is not a private, nonprofit, charitable corporation as defined in this subsection, shall be sold the property offered for sale at public auction by the Auditor pursuant to the provisions of this section at the public auction as opposed to the highest bidder.

(2) At the time of registration or the certification of sale to the state pursuant to Sec.11A-3-44 of this code is delinquent in the payment of real property tax for a period of one or more years, for which registrant is the most recent owner of record of a property being certified for sale, to any county in this state;

(3) Has a history of noncompliance with code enforcement violations issued by a county or municipality pursuant to Sec.7-1-3ff and Sec.8-12-16 of this code, which includes violations issued CS for ~~Intr-SB 651 2026R3418~~ for any property owned by the same property owner who has failed to comply with five or more code enforcement orders within the preceding five years prior to the auction;

(4) At the time of registration or the certification of sale to the state pursuant to Sec.11A-3-44 of this code is subject to legal proceedings in any court of any county or municipality in this state or appeals thereof that are related to code enforcement violations regarding real property owned by him or her;

~~(d) Potential bidders who are domestic or foreign entities as defined in chapters 31B, Sec.31B-1- 31D, 1 and et 31E seq., of Sec.31D-1-1 this et code seq., must show proof at the time of their registration that they properly registered with the Secretary of State's office and are Sec.31E-1-1 authorized et to seq. conduct business in this state.~~

of this code must show proof at the time of their registration that they properly registered with the Secretary of State's office and are authorized to conduct business in this state.

The lands will be offered for sale by the undersigned Auditor at public auction in (specify location) the courthouse of _____ County between the hours of CS for SB 651 _____ in the morning and _____ in the afternoon, on the _____ day of _____, 20_____.

~~Intr SB 651 2026R3418~~ Each tract or lot as described below will be sold to the highest eligible bidder at the auction.

currency, or money order payable ~~as one payment~~ to the Auditor ~~and in the amount of \$50 and the remainder of the total to the~~ sheriff of the county in which the property is ~~situated,~~ situated both and ~~of which shall be~~ delivered before the close of business on the day of the sale.

Bidding at the auction constitutes transacting business in this state for purposes of ~~Sec.31B-Sec.31B-10-1001-10-1001~~ et seq., Sec.31D-15-1501 et seq., and Sec.31E-14-1401 et seq.

~~Intr CS for SB 651-2026R3418~~ Given under my hand this _____ day of _____, 20_____.

(2) ~~to~~ To the municipality in which the tract or lot is located;

(3) ~~the~~ The county commission of the county in which the tract or lot is located;

(4) ~~to~~ To the West Virginia Land Stewardship Corporation as part of its Land Bank Program set forth in Sec.31-21-11 of this code;

or (5) ~~to~~ To any party willing to purchase such property.

~~Intr CS for SB 651-2026R3418~~ (b) The price of such property shall be as agreed upon by the Auditor and purchaser:

(1) Has failed to make a payment owed at a prior previous auction held pursuant to ~~Sec.11A-3-45~~ Sec.11A-45 of this code within the preceding five years;

(2) At the time of registration or the certification of sale to the state pursuant to Sec.11-3-44 of this code is delinquent in the payment of real property tax for a period of one or more years, for which registrant is the most recent owner of record of a property being certified for sale, to any county in this state;

(4) At the time of registration or the certification of sale to the state pursuant to Sec.11-3-44 of this code, is subject to legal proceedings in any court of any county or municipality in this state or appeals thereof that are related to code enforcement violations regarding real property owned by them;

~~Intr SB 651 2026R3418~~ (a) As soon as the Auditor has prepared the notice provided for in Sec.11A-3-54 of this code, he or she shall cause it to be served upon all persons named on the list generated by the CS

for SB 651 purchaser pursuant to the provisions of Sec.11A-3-52 of this code.

(e) In addition to the other notice requirements set forth in this section, if the real property subject to the tax lien was classified as Class II property at the time of the assessment, at the same time the Auditor issues the required notices by certified mail, the Auditor shall forward a copy of the ~~Intr SB 651-2026R3418~~ notice sent to the delinquent taxpayer by first class mail, or in the manner provided for serving process commencing a civil action, addressed to "Occupant", to the physical mailing CS for SB 651 address for the subject property.

~~50~~90 percent for credit to the general school ~~fund;~~fund and 10 percent for credit to the Auditor's Land Operating Fund provided in Sec.11A-3-36 of this code:

~~25~~Provided, percent~~That for any credit~~such surplus accruing prior to the state's effective General date Revenue of Fund;~~this section, and having been otherwise expended, shall be exempt from the requirements of this section:~~

Provided, however, That any such surplus accruing prior to the effective date of this section, and 25~~having percent~~not CS for SB 651 been paid by the sheriff to the Auditor for credit to the Auditor's general Land school Operating fund Fund or provided otherwise in~~expended. Sec.11A-3-36 shall be subject to the requirements of this code section.~~

~~Provided, however, that any such surplus Intr SB 651-2026R3418 accruing prior to the effective date of this section, and having been otherwise expended, shall be exempt from the requirements of this section.~~

~~Provided, further, that any such surplus accruing prior to the effective date of this section, and having not been paid by the sheriff to the Auditor for credit to the general school fund or otherwise expended, shall be subject to the requirements of this section.~~

In ~~addition,~~addition thereto~~thereto~~, he or she shall receive a commission of seven and one half percent and interest on each sale or redemption not to exceed \$120.00 \$140.

NOTE:

~~The purpose of this bill is to create a more consistent process when handling the sale of tax liens and non-entered, escheated and waste and unappropriated lands by providing all lands subject to sale under this article be certified before July 1;~~

~~providing all land sales be completed within 150 days after the auditor has certified the lands;~~

~~and clarifying payment shall be made to the sheriff of the county in which the property is situated.~~

~~Strike-throughs indicate language that would be stricken from a heading or the present law and underscoring indicates new language that would be added.~~