

COMPREHENSIVE GUIDE TO UNDERSTANDING KENTUCKY TAX SALES

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TAX SALES IN KENTUCKY

Kentucky's counties strictly abide by the statutory code outlined in KRS Chapter 134 when conducting tax sales. However, under section 156b of the Kentucky Constitution, Kentucky is a "home rule" state. This means that the Kentucky Constitution authorized the Kentucky General Assembly to grant broad "home rule" powers to cities. Thus, the Kentucky General Assembly granted broad home rule authority to all classes¹ of cities by adopting KRS 82.082. Therefore, the home rule cities of Kentucky can effectively self-govern. Lexington is a home rule city but maintains all responsibilities and privileges under its urban county statutes.² These self-governing laws make it critical to determine who the selling entity within the jurisdiction is and the procedures it follows.

To understand tax sales in Kentucky, it is important to understand the statutory codes and procedures associated with the counties and home rule cities. Therefore, both will be addressed below.

Disclaimer:

This publication is designed to provide accurate and authoritative information in regard to the subject matter covered. This publication does not constitute legal advice. Should you need assistance, retaining experienced legal counsel is recommended.

¹ As of 2015, Louisville is the only "first class city" remaining in Kentucky. Although classified as a first class city, Louisville opts to have the sheriff collect its taxes and the county clerk collect delinquent taxes and proceed with tax lien sales. Chapter 91 of the Kentucky Revised Statutes is the statutory authority for first class cities.

² <https://www.klc.org/InfoCentral/Detail/2/classification>

**KENTUCKY REAL PROPERTY TAX LIEN SALES,
"TOLLING PERIODS," REDEMPTIONS
AND JUDICIAL FORECLOSURES**

In Kentucky, delinquent real property taxes are sold as tax lien certificates ("certificates of delinquency") at an annual public auction. One year following the date of delinquency, a purchaser can initiate a suit to foreclose on the lien.

**COUNTIES IN KENTUCKY³
REAL PROPERTY TAX LIEN SALES**

I. Real Property Delinquent Tax Liens

Kentucky real property taxes are due on or before December 31 each year and are considered delinquent on January 1st. 134.015; 134.119. If delinquent property taxes go unpaid, a lien attaches to the property and continues from the time the taxes become delinquent until the taxes are paid, up to 11 years from the date the taxes become delinquent. 134.015; 134.420. Such a lien is only defeated by sale to a bona fide purchaser. 134.420. The delinquent tax lien includes all interest, penalties, fees, commissions, charges, costs, attorneys' fees, and other expenses delineated in KRS 134.420 incurred by the delinquency or in the process of collecting on the delinquency. 134.420.

II. Sheriff's Collection of Delinquent Taxes

The taxpayer, or other parties, may pay the sheriff delinquent taxes owed. 134.119. Upon the written notarized request of the taxpayer, a party may pay taxes on the taxpayer's behalf. 134.119; 134.121. That person will be treated as a "transferee." 134.121. Additionally, certain persons or entities do not need a written request from the taxpayer.

³ Counties in Kentucky comply with Chapter 134 of the Kentucky Revised Statutes.

134.119. Those persons/entities are (1) any person holding a legal or equitable estate in the property upon which the delinquent taxes are due⁴; (2) a tenant or lawful occupant of the real property; or any person having a mortgage on the real property or a security interest in the real property upon which the delinquent taxes are due. *Id.* The aforementioned interested parties, upon written request to the sheriff, are treated as transferees. 134.119. A transferee receives a certificate of transfer from the sheriff which must be recorded. 134.121. Failure to record the certificate of transfer will result in a loss of the lien on the property. *Id.*

III. County's Collection of Delinquent Taxes

On April 15, or three months and fifteen days from the date the delinquent taxes were due if operating under an alternative collection schedule⁵, the sheriff files all tax claims on real property remaining in his/her possession with the county clerk. 134.122. After filing with the county clerk, the real property tax claim becomes a certificate of delinquency and the Department of Revenue ("Department"), as opposed to the sheriff, is then responsible for collecting the amounts due. *Id.* Payment for a certificate of delinquency includes (1) the face amount of the tax due; (2) a ten percent (10%) penalty; the sheriff's commission and a ten percent (10%) sheriff's "add-on"⁶. *Id.* Certificates of

⁴ This is other than a person whose only interest in the property is a lien resulting from ownership of a prior year certificate of delinquency. *Id.*

⁵ If the regular collection schedule is delayed, the Department of Revenue may establish an alternative collection schedule, where taxes must be due two full months from the date the tax bills are mailed. 134.015.

⁶ The sheriff's additional compensation is an amount equal to ten percent (10%) of the total taxes due plus ten percent (10%) of the ten percent (10%) penalty for all delinquent taxes. 134.119. This fee is added to the total amount due. *Id.*

delinquency are assignable. 134.126. If payment is made by a person other than the person liable on the certificate of delinquency, the person making such payment may request that the payment constitute an assignment. *Id.* The county clerk is paid ten percent (10%) of the amount due each taxing unit for each certificate of delinquency and that fee is added to the amount of the tax claim and will be paid by the person paying for the certificate of delinquency. *Id.* The same persons/entities that may pay the sheriff in the stead of the taxpayer for a certificate of delinquency under 134.119, may also pay the county clerk for the certificate. 134.127. However, any person may pay the total amount due on the certificate after 90 days have passed from the filing of the tax claim with the county clerk. *Id.*; 134.128.

IV. Sale of Certificates of Delinquency to Third Parties

The sale of certificates of delinquency by county clerks to persons other than the delinquent taxpayer or those persons/entities with an interest in the real property as codified in KRS 134.119 and 134.127, are conducted in accordance with KRS 134.128. Under KRS 134.128, the Department must establish an annual statewide schedule for the sale of certificates of delinquency in each county and such schedule is published on the Department's website at least ten days before the first sale. The sale is conducted by the county clerk and must be scheduled at least 90 days, but not more than 135 days after the unpaid tax claims are filed with the county clerk. 134.128.

a. Requirements of Third Party Purchasers Prior to Sale

Any third party purchaser holding a certificate of delinquency on a parcel of property from a prior year has first priority and is allowed to submit a priority list and

purchase any priority certificates of delinquency to which the third party purchaser is entitled. 134.128. Third party purchasers are required to submit a list of priority certificates of delinquency to the county clerk up to ten days before the annual sale so that the clerk may identify and allocate priority certificates of delinquency to third party purchasers before the annual sale. *Id.* All priority certificates of delinquency allocated to third party purchasers must be removed from the annual sale. *Id.* Priority is given to the third party purchaser holding a certificate of delinquency from the most recent tax year if there are more than one holding an outstanding certificate on a parcel of property. *Id.* Those third party purchasers who intend to participate in the sale must register at least one week in advance with the county clerk. *Id.* Any person who, in any calendar year, pays or intends to pay more than five certificates of delinquency statewide, more than three certificates in any county, or invests or plans to invest more than \$10,000.00 in the payment of certificates statewide, must register with the Department of Revenue⁷. 134.128; 134.129.

b. Pre-Sale Notice of the Tax Sale

At least 30 - but not more than 45 - days before the sale date, the county clerk must publish notice of the sale in a newspaper of general circulation within the county conducting the sale. 134.129. A fee of \$5.00 for each certificate of delinquency advertised is added to the amount owed for the certificate. *Id.* Then, on or before June 1, the Department publishes on its website a consolidated list of certificates of delinquency by

⁷ An application is available on the Department's website - <http://revenue.ky.gov/property+tax>.

county. 134.131. Thereafter, beginning in mid-July, county clerks conduct sales of certificates of delinquency to third party purchasers. <https://revenue.ky.gov/Property/Pages/Delinquent-Property-Tax.aspx>. The sales run through the latter part of October, however, the majority of the sales are conducted from mid-July through the end of August. *Id.*

c. Sale Procedures

Kentucky uses a premium bid method. The counties starting bid includes back taxes, penalties, interest, and any administrative costs. Investors will bid up the price of the lien and the highest bidder will receive the certificate of delinquency. Certificates of delinquency are sold by the county clerks in a predetermined lot size. <https://revenue.ky.gov/Documents/PotentialThirdPartyPurchasersManual.pdf>. The selection order is determined by a random drawing at the beginning of the sale. *Id.* The Department has a system for how the certificates are sold, depending on lot size. *Id.* In counties with 500 or fewer certificates of delinquency to be sold, the certificates may be sold in lots of up to 5; in counties with more than 500 and less than 1,000 certificates of delinquency to be sold, the certificates may be sold in lots of up to 10; in counties with at least 1,000 and less than 2,500 certificates of delinquency to be sold, the certificates may be sold in lots of up to 25; in counties with at least 2,500 but not more than 7,500 certificates of delinquency to be sold, the certificates may be sold in lots of up to 50; and if a county has more than 7,500 certificates of delinquency available for sale, the certificates may be sold in lots of no more than 50 for the first 4 rounds. For all subsequent rounds, the certificates may be sold in lots not to exceed 2% of the total number of

certificates of delinquency available to be sold. *Id.* After the tax sale, the remaining certificates of delinquency may be purchased at any time by any third party purchaser so long as they meet the registration requirements. *Id.*

d. Post-Sale Notice of the Tax Sale

If a third party purchases the certificate of delinquency, the delinquent taxpayer must then work with the third party to satisfy the delinquency. *Id.* Within 50 days after delivery of a certificate of delinquency to the third party purchaser, the third party purchaser is tasked with sending notice to the delinquent taxpayer by first-class mail with proof of mailing. 134.490. The notice must include a statement that the certificate of delinquency is a lien of record against the property; that the certificate accrues simple interest at the rate of 1% per month; a statement that if the certificate is not paid it will be subject to collection which may include foreclosure, a list of the total due as of the date of the notice, and if the purchaser was required to register with the Department, a statement that the taxpayer may make a written request for an installment payment plan. 134.490. Additionally, until the third party purchaser institutes a foreclosure action, the third party purchaser must continue sending notice, at least annually, to the delinquent taxpayer. *Id.*

e. Fees Third Party Purchaser is Entitled to Collect

If the taxpayer, or someone on behalf of the taxpayer, seeks to “redeem” or satisfy the certificate of delinquency, the third party purchaser is entitled to a multitude of fees, such as the amount paid for the certificate of delinquency, interest calculated at 12% per

year on the amount paid to the county clerk from the date of purchase of the certificate of delinquency until the same is paid, and prelitigation attorneys' fees.⁸ 134.452.

**ONE YEAR "TOLLING PERIOD"
AND JUDICIAL FORECLOSURES**

I. One Year "Tolling Period"

Kentucky has a one year "tolling period" for purposes of initiating a lawsuit. 134.546. In Kentucky, a purchaser cannot bring an action to collect any amounts due on a certificate of delinquency until one year from the date the taxes became delinquent has passed. *Id.* Therefore, because taxes are considered delinquent on January 1 of each year, a lawsuit cannot be commenced until January 1 of the following year. Additionally, no action can be brought within 11 years of the date when the taxes became delinquent⁹. *Id.*

II. Foreclosure/Enforcement Actions

Any time after the expiration of the one year tolling period - but before 11 years following the date of delinquency - a third party purchaser may institute a foreclosure action to collect on the amounts owed under the certificate of delinquency or to enforce the lien created by the certificate of delinquency. 134.546. Under KRS 134.546, a third party purchaser may (1) institute an action against the delinquent taxpayer to collect the amount of the certificate of delinquency to enforce the debt; (2) institute an action to enforce the lien represented by the certificate of delinquency; or (3) institute one action including both types of the aforementioned actions. *Id.* Any property owned by a

⁸ See KRS 134.452(1)(c) for specific amounts eligible for collection regarding attorneys' fees.

⁹ Said another way, a purchaser has 10 years following the expiration of the tolling period to initiate an action.

delinquent taxpayer is subject to foreclosure or execution in satisfaction of a judgment against the property or the person, or both, to enforce the obligation. *Id.*

a. Notice Required Before Instituting Any Action

The third party purchaser must send the taxpayer notice by first-class mail with proof of mailing, at least 45 days before instituting the action. 134.490. The notice must inform the taxpayer that an enforcement action will be taken. *Id.* To send notice, the purchaser must obtain the most recent address for the property owner from the office of the property valuation administrator (“PVA”) of the county in which the real property is located. *Id.* The purchaser need not send notice to any other party other than the owner of record as provided by the PVA¹⁰. *Id.* Within 20 days of receipt of a notice returned as undeliverable, notice must be re-sent by first-class mail with proof of mailing addressed to the “Occupant” at the address of the subject property identified in the certificate of delinquency. *Id.*

The notice of institution of an action must include:

- (1) a statement that the certificate of delinquency is a lien of record against the property evidenced by the certificate of delinquency;
- (2) a statement that the certificate bears interest at the rate of 12% per annum;
- (3) a statement that if the certificate is not paid, it will be subject to collection as provided by law, and that collection actions may include foreclosure;
- (4) a complete listing of the amount due, as of the date of the notice, broken down as follows:
 - a. purchase price of certificate;

¹⁰ If a third party purchaser is aware of a more recent or accurate address for the delinquent taxpayer that is different from the address provided by the PVA, the purchaser must send notice to the updated address and notify the PVA of the updated address. 134.490.

- b. interest accrued after purchase of certificate; and
 - c. fees imposed by the third party purchaser;
- (5) for purchasers required to register with the Department due to volume of purchases, and for certificates purchased after June 1, 2012, a statement informing the taxpayer that upon written request and payment of a processing fee, the purchaser will offer a payment plan; and
- (6) information detailing the provisions of law relating to the third party purchaser fees and charges.

Id.

b. Installment Plans

As mentioned above, those persons or entities that pay or intend to pay more than five certificates of delinquency statewide, more than three in any county, or invest or intend to invest more than \$10,000.00 in payment of certificates statewide in a calendar year, must provide a monthly installment payment plan to a taxpayer. 134.128; 134.490¹¹. The taxpayer and purchaser must sign an agreement detailing the terms of the installment plan and the purchaser may impose a processing fee, not to exceed \$8.00 per month for administrative costs. 134.490. Upon default on an installment plan, the purchaser retains all amounts paid – applied to the outstanding balance due – and the purchaser is not required to offer the taxpayer another opportunity for an installment plan. *Id.* A purchaser who is not required to register with the Department for volume of purchases, may still voluntarily offer an installment plan to the taxpayer. *Id.*

¹¹ The Department of Revenue has developed a payment plan calculator that is posted at <http://revenue.ky.gov/property+tax>.

III. Redemption

A foreclosure action is initiated in the circuit court of the county where the property is located. The Master Commissioner then has the property appraised and sets a time for the foreclosure sale. The third party purchaser can actually bid at the sale and if it is the high bidder, can become the new owner of the property. But if property is sold pursuant to a judgment of foreclosure, and it does not bring two-thirds (2/3) of its appraised value, the taxpayer (Defendant) and his or her representatives may redeem the property within six months from the day of sale. 426.530. To redeem, the defendant/taxpayer must pay the original purchase money, 10% per year interest, and any reasonable costs incurred by the purchaser after the sale for maintenance or repair of the property, utility expenses, insurance, association fees, taxes, etc. *Id.* The defendant/taxpayer pays the redemption amount to the clerk of the court where the judgment was rendered or the order of sale was made. *Id.* Upon payment by defendant/taxpayer, the Master Commissioner conveys the property to the defendant/taxpayer. *Id.* When the right of redemption exists, the purchaser will receive an immediate writ of possession and deed containing a lien in favor of the defendant/taxpayer, reflecting the defendant/taxpayer's right to redeem during the statutory period. *Id.* If there is no purchaser at the foreclosure sale, the Master Commissioner then issues a deed to the owner of the certificate of delinquency and that person has a pro rata interest per the amount of their certificate(s). 134.546.

IV. Sales of Certificates of Delinquency Owned by the State, County, or Taxing Districts

If the state, county, or a taxing district owns a certificate of delinquency, it not only has the right to commence an action for amounts due on the certificate of delinquency, but it also has the right to distrain and sell any property owned by the delinquent taxpayer. 134.546. After the state, county, or taxing district obtains the real property, the agent of the commissioner may advertise and sell at a public sale, any of the lands and the commissioner may convey the lands by deed to the purchaser. 134.549. The sales are advertised by notice posted at the courthouse door for 15 days before the date of sale and by publication in the newspaper of general circulation. *Id.* Any real property acquired by the state, county, or taxing districts may be redeemed at any time before the commissioner gives a deed to the purchaser. *Id.* To redeem, the taxpayer must pay the county clerk the amount due when the property was acquired, plus subsequent costs and interest at the rate of 12% per year. *Id.*

HOME RULE CITIES IN KENTUCKY¹² REAL PROPERTY TAX LIEN SALES

I. Real Property Delinquent Tax Liens in Home Rule Cities

Any city in Kentucky may elect to have all city property taxes, including delinquent taxes, collected by the county sheriff. 91A.070. If the city elects to have the county sheriff collect its taxes, the sheriff collects the property taxes, including delinquent

¹² Home rule cities comply with Chapter 92 of the Kentucky Revised Statutes. Chapter 91A provides additional guidance. Should the specific city choose to have the sheriff collect taxes on its behalf, the relevant statutory guidelines are contained in Chapter 134.

taxes, in the same manner as the county taxes are collected, as provided in KRS Chapter 134 and outlined above. *Id.* Alternatively, if a city does not elect to have its taxes collected by the county sheriff, the city must establish its own procedures for the collection of property taxes. *Id.* The city's ordinance for its tax collection procedures must specify:

- (a) the date the city property taxes are due and payable;
- (b) the manner of billing;
- (c) the place and manner for payment;
- (d) discounts, if any, for early payment;
- (e) any penalties and interest for late payment or nonpayment; and
- (f) any other necessary procedures related property tax administration, so long as the procedures do not conflict with state law.

Id.

For the cities that elect to create their own property tax collection procedures, real property taxes are considered delinquent if they are not paid by the due date created by that city's ordinance or statute. *Id.* Just like the county tax liens, the city tax liens are superior to all other liens, except for state taxes. *Id.* The city may enforce the lien by action in the name of the city in the Circuit Court as provided by statute and it may also obtain a personal judgment against the delinquent taxpayer for the tax, penalties, interest, and costs of the suit. *Id.* Any city that establishes penalties and interest for late or nonpayment of property taxes may also provide an amnesty program for forgiveness or reduction of a taxpayer's accumulated penalties and interest in previous tax years. *Id.*

II. City's Collection of Delinquent Taxes and Actions to Collect or Enforce

a. Individual Action

A city in Kentucky can use different methods to collect on its delinquent taxes. A city can enforce its lien through individual action 91A.070; 134.546. This method is

consistent with the method used by third party purchasers in the counties. 134.546. The city sues in the Circuit Court and/or asserts an action to obtain a personal judgment against the delinquent taxpayer for the tax, penalties, interests, and costs of the suit. 91A.070.

b. Mass Foreclosures

Another method for collecting on the delinquent taxes, is to conduct “mass foreclosures.” 91.487-91.527; 92.810. If the delinquent taxes remain unpaid for six calendar months from the date they became due, the collector of the taxes can sue in the Circuit Court against the land or lots to enforce the city’s lien. 91.487. A defense to an action for recovery of taxes against real property is that the action was not commenced within seven years after delinquent. *Id.* The owner, or any person with interest, in the lot or land with the delinquent tax lien can release the tract of land or lot from the city’s lien by paying the taxes owed with interest from the date of the delinquency. *Id.* If a lawsuit has already commenced, the person paying the delinquent taxes must pay the taxes owed, interest, costs including attorneys’ fees, and costs incurred in the court where the suit is pending. *Id.* The collector can bring these delinquent tax lawsuits for multiple tracts of lands or lots in one action, known as a mass foreclosure. 91.488. Each separate tract or parcel joined in one action must be plead as separate counts. *Id.* KRS 91.4881 provides the form and contents that must be contained in a petition for a mass foreclosure. 91.4881. The petition will have the same effect, with respect to each parcel named therein, as a separate suit against any one of the tracts or parcels. *Id.* To that end,

the invalidity of any of the separate counts does not affect the validity of the rest of the counts. *Id.*

Within 30 days of filing the lawsuit, the collector publishes a notice of the enforcement suit in the local newspaper. 91.4883. Additionally, within 30 days of filing the lawsuit, the collector prepares and mails by certified first class mail, a brief notice of filing the suit to any taxing authority or person or record owning or holding any tax bills or claiming any right, title, or interest in or on the property or lien attached to it. 91.4884.

A master commissioner conducts the foreclosure sale. 91.4885. Before the sale, the collector must file an affidavit with the court about the most recent certified tax assessment or each parcel and that assessment will be the PVA's last assessment certified the Department. *Id.* Each parcel is sold separately by individual count number and the master commissioner must then issue a report of sale to the court. *Id.* Any collection suit pending at the commencement of another collection suit brought affecting the same land, will be consolidated. 91.501; 92.810.

c. Redemption

Any time before the sale of the property, an interested party can redeem by discharging a city lien or satisfying a judgment in favor of the city by paying all the sums mentioned in the petition, including principal, interest, penalties, and costs due. 91.511. If the property is sold under the assessed value certified by the Department, the owner can redeem the property within 60 days from the date of sale by paying the purchaser the purchase amount with interest at 18% per year. *Id.* When the right of redemption exists, as described above, the owner can remain in possession of the property until the 60 day

redemption period expires. *Id.* If a party redeems the property from a tax bill lien, the party has to pay – in addition to the other amounts owed – one dollar (\$1) per parcel of real estate for issuance of the certificate, five dollars (\$5) per parcel of real estate if notice of publication has commenced, and five dollars (\$5) as an additional charge for each parcel of real estate if notice of the sale has commenced. 91.524. If redeemed, the sale is considered null and void. *Id.* If not redeemed, the owner or any other interested party are forever barred of all right, title, and interest in the property described in the petition. *Id.*

After the sale and expiration of the right of redemption, title to the property vests in the purchaser. 94.514. Title is an absolute estate in fee simple, subject to rights-of-way of public utilities and subject to any right of redemption of the United States of America, if any. *Id.* Anyone who may have had any right, title, interest, or claim or equity of redemption, or lien on the Property shall be barred of the same and the purchaser is given immediate possession of the property. *Id.* Title to the property is subject to the liens of any tax bill that may have attached to the property before the filing of the petition, or that may have attached after the filing of the petition but before the expiration of the redemption period. *Id.* If the property is sold to the city or a land bank, the title is free of any liens to the extent of the interest of any taxing authority in the property. *Id.*

d. Distribution of Proceeds from Tax Sale

After a master commissioner sells property, the court holds a hearing to confirm the sale. 91.517. If the sale is confirmed, the court then orders the proceeds from the sale be applied first to the payment of all costs, including court costs, publication costs, and

any other costs associated with the action and sale of the property and then to the payment of all tax bills on the property, including principal, interest, and penalties. *Id.* If there are excess proceeds, the court then tries to determine any other issues in the suit regarding that piece of property and if any of the answering parties have appealed the court retains custody of the excess funds pending disposition of the appeal. *Id.* After the disposition of the appeal, the court then distributes the funds. *Id.* If there are insufficient proceeds from the sale to pay all the claims, then the court orders the claims to be paid in accordance with the priorities. *Id.* If there are remaining funds after distribution as described above and no one is entitled to the funds, the funds escheat to the state. *Id.*

e. Land Banks

Cities also may create, by interlocal agreement with the state and local school districts, a land bank authority (“Authority”). 65.350-65.375. The Authority holds in its name all tax delinquent properties, as well as properties conveyed to it and properties having local government liens attached to it. 65.370. A land bank receives tax delinquent properties when no person bids an amount equal to the full amount of all tax bills, interests, and costs owing on the property at a tax sale. 65.375. The Authority is required to create an inventory of the properties it holds and make the inventory public record. *Id.* The Authority has the power to manage, maintain, protect, rent, lease, repair, insure, alter, sell, trade, exchange, or otherwise dispose of the property. *Id.* When the Authority acquires a property, all state, county, city, and school district taxes are extinguished. *Id.* For five years following any conveyance of a property subject to ad valorem real property taxes from the Authority to an owner, 50% of the ad valorem property taxes collected

from the property must be remitted to the Authority. *Id.* If no one bids the amount equal to the full amount of tax bills, interests, and costs, the Authority is then deemed to have bid the full amount regardless of whether or not they are a party to the lawsuit. 65.375. The Authority need not make an actual payment to the court for the amount it is deemed to have bid. *Id.* The court then treats the amount deemed to have been bid as cash received and upon proper motion by the Authority, the court makes a deed for the property to "Land Bank Authority." *Id.* Title to the property is an absolute estate in fee simple, free and clear of all tax bills, interests, and costs due and owing; however, title is subject to rights of way of public utilities and any right of redemption of the United States of America. *Id.* When the Authority sells or otherwise disposes of the property as part of its land bank program, the sale proceeds are distributed to the party who brought the action resulting in the acquisition of the property to the land bank for all costs incurred and any remaining proceeds are distributed to the parties in proportion to their respective tax bills. *Id.*

CONCLUSION

Since Kentucky gives its cities the ability to self-govern their tax sales, when purchasing delinquent tax properties in Kentucky it is important to know whether the sheriff is collecting on behalf of a county or whether the city is collecting. That is the first step in determining the procedures to follow. Kentucky sells its tax liens and gives the prior owner the chance to redeem at any time prior to the initiation of a lawsuit. An additional redemption period is given when the property is sold under the assessed value. When sold under the PVA's assessed value, an owner can redeem within 60 days

of the date of sale. A purchaser has 11 years from the date the taxes become delinquent to foreclose. It is critical to stay apprised of any legislative changes or legal decisions impacting the tax sale process. It is also important to familiarize yourself and contact the collecting official in the particular county or city to stay informed on their sale dates and the general procedures that the specific city or county follows.