

DEPARTMENT OF TAXATION

2001 Fiscal Impact Statement

1. **Patron** Callahan

3. **Committee** Senate Finance

4. **Title** Real Estate Tax: Surplus Proceeds From the
Sale of Real Estate for Delinquent Taxes

2. **Bill Number** HB 1715

House of Origin:

 Introduced

 Substitute

 Engrossed

Second House:

 X **In Committee**

 Substitute

 Enrolled

5. Summary/Purpose:

This bill would require that any unclaimed surplus from the proceeds of sales of real estate for delinquent real property taxes be paid to the county, city or town that received the proceeds from the sale of the real estate. In those instances in which both a county and a town receive proceeds from the same sale, the unclaimed surplus shall be divided between the two on a pro-rata basis, based on the relative on the amount of proceeds each received from the initial sale.

The effective date of this bill is not specified.

6. Fiscal Impact Estimates are: Not Available.

7. Budget Amendment necessary: No.

8. Fiscal implications:

This bill would have no impact on state or local revenues. It may affect the distribution of proceeds from the sale of real estate.

9. Specific agency or political subdivisions affected:

This bill would affect the towns and counties in the Commonwealth.

10. Technical amendment necessary: No.

11. Other comments:

Under current law, the distribution of the proceeds from the sale of real estate for delinquent taxes is based upon the location of the real estate being sold. Only counties and cities may receive unclaimed surpluses from such sales. Under this bill, the counties would share those surpluses with the towns that received the proceeds from the same sale.

cc: Secretary of Finance

Date: 2/5/01/slr

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