LD8281308

1   **HOUSE BILL NO. 437**
2   House Amendments in [ ] — February 10, 1994
3   *A BILL to amend and reenact § 58.1-3340 of the Code of Virginia, relating to the responsibility of a*
4   *purchaser of real estate to apply sale proceeds to unpaid taxes.*
5   ——————
6   Patrons—Johnson, Barlow, Kidd, Kilgore, Phillips, Shuler and Stump
7   ——————
8   Referred to Committee on Finance
9   ——————
10   **Be it enacted by the General Assembly of Virginia:**
11   **1. That § 58.1-3340 of the Code of Virginia is amended and reenacted as follows:**
12   § 58.1-3340. Lien on real estate for taxes and levies assessed thereon; responsibility of purchaser at
13 sale; lien on rents.
14   There shall be a lien on real estate for the payment of taxes and levies assessed thereon prior to any
15 other lien or encumbrance. The lien shall continue to be such prior lien until actual payment shall have
16 been made to the proper officer of the taxing authority. The purchaser at a sale shall [~~see~~ ~~that~~ *cause*]
17 the proceeds [~~are~~ *to be*] applied to the payment of all taxes and levies assessed on real estate, the
18 provisions of § 55-59.4 notwithstanding*, and in the case of the purchase of a portion of a tract of land,*
19 *shall* [~~see~~ ~~that~~ *cause*] *the proceeds* [~~are to be~~] *applied to the payment of taxes and levies assessed on*
20 *the entire tract, prorated in accordance with the relationship that the purchase price bears to the most*
21 *recent assessed value of the entire tract.* The seller's liability for taxes and levies shall be effectively
22 prorated contractually. The words "taxes" and "levies" as used in this section include the penalties and
23 interest accruing on such taxes and levies in pursuance of law. The lien imposed hereby shall, in
24 addition to existing remedies for the collection of taxes and levies, be enforceable by suit in equity
25 under the provisions of Article 4 of Chapter 39 (§ 58.1-3965 et seq.).
26   There shall be a further lien upon the rents of such real estate whether the same be in money or in
27 kind, for taxes of the current year.