

A MESSAGE FROM THE WV STATE AUDITOR'S OFFICE REGARDING TAX SALE CHANGES

Tax time is almost here, and the West Virginia State Auditor's Office wants to make sure you understand the process and some changes recently made with the implementation of Senate Bill 552. **Most people will not notice a difference**; your tax ticket will still be sent by the county tax department, and you will still be allowed to pay in two installments. The changes kick in when taxes become delinquent. These changes were made with the help and input of many stakeholders from The County Sheriff's Association to statewide landbanks.

So, why were the changes made? The process was overly bureaucratic and confusing and hadn't been revamped in nearly 30 years. This bill will streamline the process and save the state money. The bill will also clean up our communities which are dealing with vacant and dilapidated structures. For years, the tax sale has been a root cause of slum and blight. Out of state speculators, many with no desire to turn properties into usable living spaces, would buy properties to make money off West Virginians who had fallen on hard times. The properties purchased at tax sales were a mechanism to cash in on the interest homeowners had to pay to get their properties back. This bill eliminates that interest to not only help homeowners save money, but to encourage purchasers in the tax sale to buy properties as an investment in a community.

The tax sale will now happen once a year in each county. Under the old law, the Auditor's Office would help conduct the Sheriff's Sale in all counties and handled redemptions and issuances of deeds in 53 of the 55 counties. Then, the Auditor's Office would hold an additional sale of properties not sold at the county sale. Under the new law, there will be one sale conducted by the Auditor's Office in each county courthouse.

Any property that is not sold will still be available to purchase through the Auditor's Office, however, SB 552 establishes a pecking order for unsold properties. This order was established to encourage purchase and to get properties back into productive use to clean up communities and make use of vacant properties. The unsold properties will be offered in this order: adjacent landowners, municipalities/land reuse agencies, counties, land stewardship corporation and then the public.

Recognizing that no one's home should be taken away for falling on hard times, for the first time ever, this bill establishes a payment plan. If your home is sold at a tax sale, you can request a re-payment plan from the Auditor's Office, to be paid in three installments before the deed is issued to the new purchaser.

As always, if you have any questions – you may reach out to your county tax department or the State Auditor's Office – we are here to help you.

Below you will find some additional bullet points outlining other changes in the bill. We have also included a guide with important property tax dates.

- Each County Sheriff Tax Office retains the authority and responsibility for collecting taxes in their respective counties.
- From the redemption rate, \$10 will go directly to a fund to maintain county courthouses.
- The Bill retains the requirement that delinquent taxpayers be provided notice of their right to redeem their property.
- The Bill provides WVDEP with the authority to utilize statewide contracts and appropriated funds to remediate dilapidated structures, including those acquired by communities and public corporations, and redevelop such structures to address the statewide scourge of run-down properties
- The DEP was provided with \$10 million for the pilot phase of this program