

Senate Engrossed House Bill

**FILED**

**JANICE K. BREWER  
SECRETARY OF STATE**

State of Arizona  
House of Representatives  
Forty-eighth Legislature  
Second Regular Session  
2008

CHAPTER 174

**HOUSE BILL 2523**

AN ACT

AMENDING SECTIONS 11-495 AND 42-18303, ARIZONA REVISED STATUTES; RELATING TO  
PROPERTY TAXES.

(TEXT OF BILL BEGINS ON NEXT PAGE)

1 Be it enacted by the Legislature of the State of Arizona:

2 Section 1. Section 11-495, Arizona Revised Statutes, is amended to  
3 read:

4 11-495. Taxpayers' information fund

5 A. A taxpayers' information fund is established in each county  
6 treasury consisting of monies collected from the public records copy  
7 surcharge imposed pursuant to section 11-496, the tax lien processing fee  
8 imposed pursuant to section 42-18116, subsection C, fifteen dollars of each  
9 judgment deed fee collected pursuant to section 42-18205, subsection A,  
10 interest earned from the elderly assistance fund pursuant to section  
11 42-17401, the community facilities district special assessment fee imposed  
12 pursuant to section 48-721 and the fees authorized for collecting municipal  
13 fire and emergency services fees in certain areas of the county as prescribed  
14 in section 9-500.23.

15 B. The county treasurer shall administer the fund and spend monies in  
16 the fund only to defray the cost of converting or upgrading an automated  
17 public information system as follows:

- 18 1. Purchasing computer hardware and software.
- 19 2. Training employees to operate the system.
- 20 3. Maintaining the system, including purchasing equipment maintenance  
21 agreements.
- 22 4. Updating the system hardware and software.

23 5. IN COUNTIES WITH A POPULATION OF MORE THAN TWO MILLION PERSONS,  
24 NOTIFYING PROPERTY OWNERS OF THE TAX AND OWNERSHIP STATUS OF A TAXPAYER'S  
25 PARCEL PRIOR TO THE TAXPAYER'S PARCEL BEING SOLD AT A DEED SALE AND THE TAX  
26 AND OWNERSHIP STATUS OF ANY PARCELS BEING SOLD AT A DEED SALE THAT ARE  
27 ADJACENT TO A TAXPAYER'S PARCEL, PRIOR TO THE DEED SALE.

28 C. The county treasurer shall annually submit to the board of  
29 supervisors the amount of anticipated revenues under this section. If the  
30 projected revenues are considered to be insufficient to establish and  
31 maintain the fund at an adequate level, the monies may accumulate until  
32 sufficient monies are available in the fund.

33 Sec. 2. Section 42-18303, Arizona Revised Statutes, is amended to  
34 read:

35 42-18303. Auction and sale of land held by state under tax  
36 deed; disposition of proceeds

37 A. After advertisement, pursuant to section 42-18302, the board of  
38 supervisors may sell the real property in the county held by the state by tax  
39 deed to the highest bidder for cash EXCEPT AS PROVIDED IN SUBSECTION E OF  
40 THIS SECTION. THE PROPERTY MAY ALSO BE POSTED ON THE TREASURER'S WEBSITE.  
41 The sale may include a live auction or an online bidding process in which the  
42 board receives bids electronically over the internet in a real-time,  
43 competitive bidding event.

1 B. On selling the property the board shall execute and deliver to the  
2 purchaser, at the purchaser's cost, a deed conveying the title of the state  
3 in and to the parcel purchased. The deed shall be acknowledged by the  
4 chairman and clerk of the board.

5 C. The purchase money shall be paid to the county treasurer. After  
6 deducting and distributing interest, penalties, fees and costs charged  
7 against the parcel, the treasurer shall apportion the remainder to the funds  
8 of the various taxing authorities in proportion to their current share of the  
9 taxes charged against real property.

10 D. If the property is not sold before the time for the next succeeding  
11 notice of sale, the board may omit it from the notice.

12 E. THE BOARD OF SUPERVISORS MAY SELL REAL PROPERTY IN THE COUNTY HELD  
13 BY THE STATE BY TAX DEED TO THE OWNER OF CONTIGUOUS REAL PROPERTY THAT IS  
14 USED FOR RESIDENTIAL PURPOSES, AND THE BOARD MAY ACCEPT AN OFFER BY THE  
15 CONTIGUOUS OWNER TO PURCHASE THE PROPERTY, IF BOTH OF THE FOLLOWING  
16 CONDITIONS APPLY:

17 1. BOTH THE PROPERTY OFFERED FOR SALE AND THE CONTIGUOUS PROPERTY WERE  
18 AT ONE TIME UNDER COMMON OWNERSHIP, OR THE PROPERTY OFFERED FOR SALE IS PART  
19 OF A COMMON AREA MAINTAINED BY A HOMEOWNERS' ASSOCIATION AS DETERMINED BY THE  
20 COUNTY ASSESSOR.

21 2. THE PROPERTY OFFERED FOR SALE CANNOT BE SEPARATELY USED FOR  
22 RESIDENTIAL PURPOSES PURSUANT TO APPLICABLE BUILDING CODES AND ORDINANCES OF  
23 THE JURISDICTION IN WHICH THE PROPERTY IS LOCATED DUE TO ITS SIZE,  
24 CONFIGURATION OR RECORDED COMMON AREA RESTRICTIONS.

25 F. IF AN OFFER UNDER SUBSECTION E OF THIS SECTION IS PENDING AT THE  
26 TIME OF THE AUCTION UNDER THIS SECTION, THE BOARD OF SUPERVISORS SHALL REMOVE  
27 THE PROPERTY FROM THE AUCTION.

28 G. SUBSECTION E OF THIS SECTION DOES NOT APPLY IF THERE IS MORE THAN  
29 ONE CONTIGUOUS PARCEL OF PROPERTY THAT MEETS THE REQUIREMENTS PRESCRIBED BY  
30 SUBSECTION E OF THIS SECTION.

31 Sec. 3. Emergency

32 This act is an emergency measure that is necessary to preserve the  
33 public peace, health or safety and is operative immediately as provided by  
34 law.

APPROVED BY THE GOVERNOR MAY 8, 2008.

FILED IN THE OFFICE OF THE SECRETARY OF STATE MAY 8, 2008.