

Walker County  
Tax Lien Auction and Sale  
Process Information

In accordance with Title 40, Chapter 10, Code of Ala. 1975 (§40-10-180 through 200), the Walker County Tax Collecting official has authority to auction and sell tax liens on properties for which ad valorem property taxes are delinquent. Walker County conducts its delinquent property tax lien auction sale on May 3<sup>rd</sup> 2021.

The format of sale has officially changed to tax lien auction and sale effective with the 2020 tax collection year and as advertised in/on the Walker County Revenue website and the Daily Mountain Eagle newspaper.

Effective with the 2020 delinquent property tax a Tax Lien Auction will be held May 3<sup>rd</sup>, 2021, the following process will apply to Walker County's Tax Lien Auction and Sale.

- Before bidding begins, the Tax Collecting official shall make available the Tax Lien Auction list, which shall have the UPN number associated with parcel on which taxes are delinquent, the name(s) of the last known parcel's owner as listed in the property assessment and the taxes due for each respective parcel, and all cost, fees and interest.
- Bidders will purchase the tax liens for the property in the amount of past-due taxes, which equals the principal amount of the delinquent taxes, the amount of accrued and accruing interest thereon, and penalties, fees, and costs proposed through the day of the tax lien auction or sale.
  - Purchasers will bid down the interest rate they are willing to accept on their purchase of a tax lien starting at 12% per annum. The Tax Collecting official shall set increments of the bids.
    - Competing bidders will continue to bid down the interest rate until no bidder continues to bid lower or until the interest rate reaches 0%.
    - If there is a tie, the Tax Collecting official shall break the tie by having each bidder (in the tie) to draw a card from a container with index cards. One card will read "yes" and the other cards will be blank. The one drawing the "yes" card will determine the winning bidder for the tax lien.
- The name of the tax lien purchaser will be recorded in the County Tax official's office at the time of sale, along with the date of sale, the interest rate, and tax lien purchaser's contact information, known as the record of tax lien auction and sale.
  - All bids must be paid 1 hour before closing of the Tax Collecting official's office, on the date of Tax Lien Auction via cash or immediately available certified funds (no personal checks are accepted.)
  - A \$5.00 tax auction certificate fee will be added to each sale.

- Within 10 days of a completed tax lien auction or sale, the Tax Collecting official will send notice to the property owner for whom the property was assessed informing said property owner that the tax lien has been auctioned.
  - The notice will include the date of the auction and the name and address of the tax lien purchaser.
  - This notice will be sent by first class mail to the address listed in the property assessment.
- The tax lien certificate purchaser will have the first right to purchase the tax lien relating to a subsequent delinquency on the property as described in the tax lien certificate of the holder and will be entitled to the same interest rate as shown on the previous tax lien certificate.
  - Subsequent tax notices will be mailed to the property owners of record, not to tax lien certificate holders.
  - If a property owner wishes to pay current year property taxes based on a tax notice he or she received, the tax lien must be satisfied on behalf of the tax lien certificate holder before current year taxes can be paid.
- If a tax lien certificate purchaser refuses the right to purchase a tax lien relating to a subsequent delinquency as described above, the subsequent delinquent tax lien will be auctioned. The bid-down process will start at 12% as a new tax lien auction and sale with bidders bidding down the interest rate as described above.

Redemption: (§40-10-193)

- Property tax liens may be redeemed by the following:
  - The owner, including a partial owner of less than whole in the real property, or heirs or personal representative.
  - Any mortgagee or purchaser of the property or any portion of the property.
  - Any person listed under subsection (a) of Section 40-10-120, *Code of Alabama 1975*, if the property has been sold for taxes.
- Property tax liens may be redeemed as indicated here by payment to the Tax Collecting official of the amount specified on the tax lien certificate as the total amount of delinquent tax, interest, penalties, and fees and cost paid to the purchaser of the tax lien certificate plus an interest at the rate specified in the tax lien certificate and a \$10 redemption fee.

Tax Lien Sale: (§40-10-199)

- The Tax Collecting official within 45 days after the tax lien auction date, may sell at private sale an unsold tax lien for no less than all taxes, interest, penalties, cost, and fees. The purchaser at private sale shall be entitled to interest on the amount paid at a rate agreed to by the Tax Collecting official, not to exceed 12%.
  - All tax liens that remain unsold by the tax lien auction or sale shall be included in all future tax lien auctions or sales until sold.
- Notification will be handled same as above.