



# TENNESSEE ASSOCIATION OF PROPERTY TAX PROFESSIONALS

**2022 Annual Meeting**  
**August 12-13**  
**Murfreesboro, TN**



# TENNESSEE ASSOCIATION OF PROPERTY TAX PROFESSIONALS

## Website Committee

[www.TNPropertyTaxPros.org](http://www.TNPropertyTaxPros.org)

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# Surplus Property Sale Process

## DISCLAIMER:

**This is a new process for our County as previously,  
properties are usually sold  
at the delinquent tax sales.**

# Surplus Property Sale

Tennessee Code § 67-5-2507 (2020) - Sale of  
Land — County as Purchaser — Deferred Sale  
:: 2020 Tennessee Code :: US Codes and  
Statutes :: US Law :: Justia

# **Surplus Property Sale**

**2020 Tennessee Code  
Title 67 - Taxes and Licenses  
Chapter 5 - Property Taxes  
Part 25 - Tax Lien — Sale of Property  
§ 67-5-2507. Sale of Land — County as Purchaser  
— Deferred Sale**

# Surplus Property Sale

**1.It is the duty of the county mayor of each county to take charge of all the lands bought in by the county at such delinquent tax sales.**

**2.During the period when redemption of any such tract of land can be made, the land shall be:**

**A. Held and put only to a use that will not result in a waste of the land; or**

**B. Sold to a third party, in accordance with subsection (b), subject to the right of redemption. If any parcel is sold subject to redemption, it may be redeemed in accordance with § 67-5-2701.**

# Surplus Property-Should We Keep It?

**3. After the period of redemption has elapsed, it shall be the duty of the county mayor to arrange for the disposition of every tract of such land as expeditiously and advantageously as possible unless parcels acquired by the county are identified by the county mayor, or the mayor's designee, as being in an area or zoning classification that would make the accumulation of larger areas advantageous to the parcels' reuse and redevelopment.**

**In such cases, the mayor may hold those properties until a sufficient number of parcels or area has been acquired to improve the parcels' marketability and redevelopment profile. In no event shall this accumulation result in property being held without being marketed for more than five (5) years.**

# Delinquent Tax Committee

**B. A committee of four (4) members shall be elected by the county legislative body, from the county legislative body, who, together with the county mayor, shall place a fair price on each tract of land, for which price the land shall be sold.**

**In counties having adopted the County Financial Management System of 1981, compiled in title 5, chapter 21, the financial management committee created by § 5-21-104 may serve as this committee, instead of the committee as established in this subdivision (b)(1).**



# **Delinquent Tax Committee**

**-Such committee may authorize the sale of any tract of land upon such terms as will secure the highest and best sale price, but the credit extended shall not exceed three (3) years and a lien shall be retained to secure purchase price.**

**Mayor, Trustee, County Attorney, Purchasing Agent, Clerk & Master, Delinquent Tax Attorney**

# Minimum Bid

**-No tract of land shall be sold for an amount less than the total amount of the taxes, penalty, cost and interest, unless the legislative body, upon application, determines that it is impossible to sell the tract of land for this amount, and grants permission to offer the land for sale at some amount to be fixed by such legislative body.**

**\*Unsolicited Bids**

# Surplus Property Sale Process

- **After property acquired at tax lien sale and the period of redemption has passed; the county mayor and legislative body approve sale of property.**

# Surplus Property Sale Process

## **RESOLUTION TO SELL MONTGOMERY COUNTY'S SURPLUS PROPERTY AND DELINQUENT TAX PROPERTY AND AUTHORIZE EXECUTION OF AN INTERLOCAL AGREEMENT WITH THE CITY OF CLARKSVILLE TO LIQUIDATE THE PROPERTY IN FAVOR OF CITY TAXES OWED AND/OR MONTGOMERY COUNTY TAXES OWED**

**WHEREAS**, Montgomery County owns property by virtue of obtaining the same at a Delinquent Tax Sale and/or as surplus property which was obtained by any other purpose; and

**WHEREAS**, Montgomery County owns certain delinquent tax property, and the City of Clarksville owns certain delinquent tax property, purchased at previous tax sales for which there still exists past due taxes in favor of Montgomery County on city owned property and the City of Clarksville on city owned property which was not liquidated by the Tax Sale, which may be deposited of and liquidated by sale based upon an Interlocal Agreement with all proceeds going to pay off back taxes first by Interlocal Agreement between the City of Clarksville and Montgomery County, Tennessee; and

**WHEREAS**, these properties owned by Montgomery County which were purchased at a Delinquent Tax Sale, for which no lien exists the Delinquent Tax Committee has examined the same and wishes to conduct a sale to convey the property.

**NOW, THEREFORE, BE IT RESOLVED** by the Montgomery County Board of Commissioners sitting on this 8<sup>th</sup> day of November 2021, that Montgomery County and the City

# Surplus Property Sale Process

- **Property listed in newspaper, in the county of notice of proposed sale. Sale shall not become final until ten (10) days after the publication, the name of the purchaser, condition and price.**

**Property shall be only described in the notice only by number, which refers to description on file with committee.**

# Surplus Property Sale Process

- If higher bid offered within the ten (10) days by 10% or more, the party making the first offer is notified and a day fixed for both parties to appear and make offers.

**The property then sold to highest offer.**

# Surplus Property Sale Process

- **Conveyances are made without warranties awaiting final approval by the county commission.**

**Deeds executed by the Mayor or other Chief Fiscal Officer of the county.**

# Surplus Property Sale Process

- The deed prepared by the back-tax attorney as part of the duties for which the attorney is compensated.

**\*All Register of Deed & fees, etc. are paid by the buyer to the individual or office assessing the fees.\***



# Surplus Property Date of Sale

- **Auction**
- **Trustee's Office-Miscellaneous Receipt**
- **Accounts & Budgets to Reconcile**

# Surplus Property

**Date of Sale & Beyond**  
**.....TO BE CONTINUED**