STATE OF NEW YORK

4763

2017-2018 Regular Sessions

IN ASSEMBLY

February 3, 2017

Introduced by M. of A. KEARNS -- read once and referred to the Committee on Judiciary

AN ACT to amend the real property actions and proceedings law, in relation to notifying homeowners whose property netted a surplus at a tax foreclosure auction

The People of the State of New York, represented in Senate and Assembly, do enact as follows:

Section 1. Section 1303 of the real property actions and proceedings law is amended by adding a new subdivision 8 to read as follows:

8. (a) A municipality shall notify a property owner when the owner's property netted a surplus at a tax foreclosure auction that was held on or after January first, two thousand nine. The notification shall state the possible existence of a surplus, how to obtain the surplus and contact information for free legal services if available and the steps the homeowner must take to obtain the surplus. In this section, surplus shall mean the amount that is left after the property has been auctioned and all outstanding taxes, issues payments for county tax and utility liens and administrative and other fees have been paid.

(b) Municipalities shall make a reasonable effort to notify property owners by the use of mail, telephone or electronic mail within a reasonable time of the tax foreclosure auction.

(c) Municipalities may charge property owners a reasonable fee to cover the notification expenses. Municipalities shall not charge a fee of more than five percent of the total surplus in cases where a homeowner nets a surplus in excess of one thousand dollars.

§ 2. This act shall take effect immediately.

EXPLANATION--Matter in *italics* (underscored) is new; matter in brackets [-] is old law to be omitted.

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