§ 1190. Contracts for the sale of delinquent tax liens. 1. (a) Notwithstanding any general or special law to the contrary, a tax district may enter into a contract to sell some or all of the delinquent tax liens held by it to the state of New York municipal bond bank agency created pursuant to section twenty-four hundred thirty-three of the public authorities law, hereinafter referred to as the "bond bank", or to one or more tax lien entities created by the bond bank pursuant to section twenty-four hundred thirty-five-b of the public authorities law. A tax district may enter into such a contract whether or not it is otherwise subject to the provisions of this article; provided, however, that any county, city or town that is not subject to the provisions of this article pursuant to subdivision two of section eleven hundred four of this article may continue to enforce the collection of delinquent taxes, including through the sale of tax liens, pursuant to a county charter, city charter, administrative code or special law.

(b) The interest rate applicable to all delinquent tax liens sold pursuant to this section shall be as prescribed by section nine hundred twenty-four-a of this chapter or such higher rate as is applicable to such delinquent tax liens in the tax district which is selling its held delinquent tax liens to the bond bank, as of the date of the tax lien sale. Such rate shall be applied to the total amount due as of the date of the tax lien sale, including interest, penalties, and charges.

2. (a) At least thirty days prior to the date on which a sale of delinquent tax liens is scheduled to occur, the enforcing officer shall cause a notice to be mailed, by either ordinary first class mail or certified mail, to: (i) the owner or owners of each affected parcel as appearing on the tax roll, or, if a parcel has been transferred after the applicable taxable status date, to the new owner or owners as reported pursuant to section five hundred seventy-four of this chapter or a comparable law; and (ii) to any other person who has filed a declaration of interest pursuant to section eleven hundred twenty-six of this article, or a comparable instrument pursuant to a comparable law, which has not expired. Failure to provide notice, or failure of the addressee to receive notice pursuant to this subdivision shall not in any way affect the validity of any sale of a tax lien or tax liens pursuant to this chapter, the validity of the taxes or interest

prescribed by law with respect thereto.

(b) Such notice shall identify the affected parcel and be in substantially the following form:

"The real property identified in this notice is subject to a delinquent tax lien held by _____ (enter name of tax district) for _____ (identify fiscal year). According to our records, you own or have an interest in that property. You are hereby advised that on or after _____ (enter expected date of sale), the delinquent tax lien on this property will be sold to _____ (enter name of purchaser). To pay the delinquent taxes prior to the sale, contact _____ (enter the name, title, business address and telephone number of enforcing officer of the tax district)."

(c) Where appropriate, the notice may also include language substantially as follows: "Following the sale, the purchaser of the lien will have the right to collect and enforce the delinquent taxes against your property, and, if necessary, to hire a private collection agency to assist it in securing payment of the amount due. To pay the delinquent taxes on or after the sale, you will have to contact _____ (enter name of tax lien purchaser or its tax collection agent) directly."

(d) Where the property in question is subject to an installment agreement executed pursuant to section eleven hundred eighty-four of this article, the notice shall further include language substantially as follows: "The sale of the tax liens on your property will not affect your right to continue making installment payments in the amounts and at the times called for by your agreement with _____ (enter name of tax district). However, following the sale, the tax lien purchaser will assume the rights of the tax district under the agreement, and future installment payments should be made to _____ (enter name of tax lien purchaser or its tax collection agent) directly."

3. Upon a sale of delinquent tax liens pursuant to this section, the enforcing officer shall issue and deliver to the purchaser one or more certificates identifying the affected parcels and the total amount due on each as of the date of the sale, including interest, penalties, and charges. The enforcing officer shall retain a copy of each such

certificate in his or her office, and shall maintain records that will enable interested parties to determine which liens have been sold, to whom, and the total amount due on such liens when they were sold. When the enforcing officer is duly notified by the tax lien purchaser or its successor in interest that a lien has been redeemed, he or she shall update those records to reflect such redemption. The purchaser of such tax lien may record the certificates evidencing the purchase and sale of the liens in the office of the county recording officer for the tax district. The tax district shall have no further rights or responsibilities relative to delinquent tax liens which have been sold pursuant to this section, except as may otherwise be provided in the contract for the sale of delinquent tax liens.

4. The bond bank or its tax lien entity may, at its discretion, accept partial payments and may enter into installment agreements with owners on such terms and conditions as the tax lien purchaser shall deem advisable, without regard to any restrictions that might be applicable if such purchaser were a tax district. Where a property is subject to more than one delinquent tax lien, the liens shall be redeemed in the manner set forth in section eleven hundred twelve of this article, provided, however, that payments made on a tax lien shall be applied first to pay any reasonable costs incurred in the collection of the tax lien including reasonable attorneys' fees, legal costs, allowances and disbursements, next to pay accrued interest due on the tax lien, and finally to pay the principal of the tax lien, until the entire amount of the lien has been paid.