§ 968. Tax sale provisions. 1. Notwithstanding the issuance of a conditional tax receipt as herein provided, the procedure provided by a law for the sale of tax liens or properties for non-payment of taxes shall in all cases remain unchanged as if the conditional tax receipt had not been issued; provided, however, that such sale shall not be held before the expiration of one year from the date of the issuance of any conditional tax receipt, but must be held within three years from such date, notwithstanding the provision of any general or special law or charter provision to the contrary.

2. Prior to a sale, the loan corporation shall be required to exhibit to the municipal officer having jurisdiction over the sale of tax liens or properties, the conditional tax receipt showing payments made on the loan contract, if any, which payments shall be credited, as of the date of issuance of the conditional tax receipt against the amount of taxes due against the property to be sold. The municipal corporation receiving the proceeds of the tax sale shall, upon surrender of the conditional tax receipt, pay from such proceeds the amount due the loan corporation on the loan contract in connection with which the conditional tax receipt was issued.

3. Until payment from the proceeds of the sale has been made to the loan corporation, or a receipted tax bill has been issued in exchange for the conditional tax receipt, the loan corporation shall have an interest in and lien upon the tax lien or properties to the extent of the unliquidated portion of its loan and the municipal corporation shall hold such interest and lien for the account of the loan corporation, subject to the provisions of this title.