

Memorandum



Date: March 3, 2022

Agenda Item No. 2(B)(1)
May 3, 2022

To: Honorable Chairman Jose “Pepe” Diaz
and Members, Board of County Commissioners

From: Daniella Levine Cava
Mayor

A handwritten signature in blue ink that reads "Daniella Levine Cava".

Subject: Report on Tax Deed Process Improvements/Additional Notice – Directive No. 211662

Summary

This report is being presented in response to Resolution No. R-1053-21 sponsored by Commissioner Rene Garcia and adopted by the Board of County Commissioners (Board) on November 2, 2021, directing the County Mayor or Mayor’s designee, to study the tax deed process and compile a list of recommendations to improve the tax deed process including, but not limited to, requiring notice to parties with a reversionary interest in real property.

After a thorough review of the current tax deed process, which underwent several legislative and procedural changes in 2018, stakeholders are pleased with results observed from 2018 changes and recommend no additional changes at this time. Furthermore, it was determined that state statute defines all required parties to be notified of a tax deed sale. Parties with a reversionary interest are currently not included; however, the consensus was state statutes would need to be amended to include them or other parties with unspecified interest in a property.

Background

Tax collections, including the sale of tax certificates, tax deed applications, and tax deed sales are governed by Florida Statutes, Sections 197.502 – 197.582. A significant re-write of statutes was conducted during the 2018 Legislative Session that addressed several items, including parties entitled to notice of a tax deed sale.

Members of the Finance Department Tax Collector Division and Clerk of Court had a number of discussions in the weeks following the resolution, and on January 12, 2022, held a final meeting. In attendance were the following:

Finance Department Tax Collector Division

- Assistant Tax Collector
- Finance Section Manager, Ad Valorem Taxes
- Delinquent Section Supervisor

Clerk of Courts

- Court Civil Division Director
- Tax Deed Manager
- Court Records Supervisor II
- Chief General Counsel for the Clerk

County Attorney’s Office

- Assistant County Attorney Tax Section,

National Title Company was not included in the meeting as the duty as set forth in Florida statutes belongs to the tax collector.

Among the topics discussed was the current state of the tax deed process as revised by 2018 legislation and procedural changes and improvements implemented as a result of that legislation. Both the Finance Department Tax Collector Division and Clerk of Court agreed that we are seeing improvements to the tax deed process as tax deed applications filed after the effective date of the legislation are making their way to tax deed sale.

The second question addressed parties entitled to notice of a tax deed sale, including parties with a reversionary interest. Section 197.502(4), Florida Statutes, provides that the tax collector shall deliver to the clerk of the circuit court a statement stating that the following persons are to be notified prior to the sale of the property. Those listed include:

- (a) A legal titleholder of record
- (b) Any lienholder of record
- (c) Any mortgagee of record
- (d) Any vendee of a recorded contract for deed
- (e) Any other lienholder who has applied to the tax collector to receive notice if an address is supplied to the tax collector
- (f) Any person to whom the property was assessed on the tax roll for the year in which the property was last assessed
- (g) Any lienholder of record who has a recorded lien upon a mobile home located on the property described in the tax certificate
- (h) Any legal titleholder of record of the property that is contiguous to the property described in the tax certificate, if the property described is submerged land or common elements of a subdivision

A party holding a reversionary interest is not included in the statutory list of those to be notified and therefore not entitled to notice. The consensus was that state statutes would need to be amended to include parties holding a reversionary or other unspecified interest in a property.

Conclusion

The Finance Department Tax Collector Division and Clerk of Courts welcomed the opportunity to study and discuss the tax deed process, all agreed that periodic evaluation and discussion is good and recommend continued monitoring of the process and the effects of 2018 changes for the time being. Furthermore, it is recommended that, should the Board of County Commissioners wish to expand the list of those entitled to notice of tax deed sale, a request should be made of the Miami-Dade Delegation to sponsor appropriate legislation effectuating such change, followed by an urging in support of the legislation filed.

Honorable Chairman Jose “Pepe” Diaz
and Members, Board of County Commissioners
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Pursuant to Ordinance No. 14-65, this report will be placed on the next available Board Meeting agenda. Should you have any questions, please contact Tax Collector Peter Cam at 305-375-5448 or Chief Financial Officer/Finance Director Edward Marquez at (305) 375-1451.

- c: Honorable Harvey Ruvlin, Clerk of the Courts
- Geri Bonzon-Keenan, County Attorney
- Gerald K. Sanchez, First Assistant County Attorney
- Jess M. McCarty, Executive Assistant County Attorney
- Office of Mayor Senior Staff
- Department Directors
- Jennifer Moon, Chief, Office of Policy and Budgetary Affairs
- Yinka Majekodunmi, County Commission Auditor
- Basia Pruna, Director, Clerk of the Board
- Eugene Love, Agenda Coordinator