

HOUSE BILL 2430

By Matheny

AN ACT to amend Tennessee Code Annotated, Title 67, Chapter 5, Part 24 and Title 67, Chapter 5, Part 25, to protect governmental entities from liability for certain fees after acquiring real property.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Title 67, Chapter 5, Part 25, is amended by adding the following as a new section:

**67-5-2516.**

(a) A municipality, county, this state or any political subdivision thereof that acquires property by exercising its lien for delinquent taxes granted by § 67-5-2101 shall not be liable for the payment of any fees or assessments claimed or accrued by any non-governmental entity and shall not be subject to any restrictive covenants of record after the county, municipality, this state or other political subdivision of state government acquires the property.

(b) All property owner association fees or assessments shall be suspended while the property is titled in the name of a municipality, county, this state or any political subdivision thereof that has taken title to the property as a consequence of exercising its lien for real property taxes.

SECTION 2. Tennessee Code Annotated, Section 67-5-2415, is amended by deleting the language "return receipt requested." in subsection (e) and by substituting instead the language "return receipt requested, or any alternative delivery service as authorized by § 7502 of the Internal Revenue Code, codified in 26 U.S.C. § 7502."

SECTION 3. If any provision of this act or the application thereof to any person or circumstance is held invalid, the invalidity shall not affect other provisions of the act which can

be upheld without the invalid provision, and to that end the provisions of this act are declared to be severable

SECTION 4. This act shall take effect upon becoming a law, the public welfare requiring it, and shall apply to all fees and assessments or other entitlements or obligations that have not been collected on and after such date.