

REFERENCE TITLE: right to redeem; foreclosure; prohibition

State of Arizona
House of Representatives
Fifty-seventh Legislature
First Regular Session
2025

HB 2107

Introduced by
Representatives Biasiucci: Willoughby

AN ACT

AMENDING SECTION 42-18201, ARIZONA REVISED STATUTES; RELATING TO PROPERTY TAX.

(TEXT OF BILL BEGINS ON NEXT PAGE)

1 Be it enacted by the Legislature of the State of Arizona:

2 Section 1. Section 42-18201, Arizona Revised Statutes, is amended
3 to read:

4 42-18201. Action to foreclose right to redeem; subsequent
5 certificates of purchase by assignment;
6 prohibition

7 A. Except as provided in subsection B ~~OR C~~ of this section, at any
8 time beginning three years after the sale of a tax lien but not later than
9 ten years after the last day of the month in which the lien was acquired
10 pursuant to section 42-18114, if the lien is not redeemed, the ~~purchaser~~
11 ~~CERTIFICATE OF PURCHASE HOLDER~~ or the ~~purchaser's~~ ~~CERTIFICATE OF PURCHASE~~
12 ~~HOLDER'S~~ heirs or assigns, or the state if it is the assignee, may bring
13 an action to foreclose the right to redeem. The action to foreclose the
14 right to redeem shall be filed in the superior court in the county in
15 which the real property is located and shall name the county treasurer as
16 a party to the action. If any applicable law or court order prohibits
17 bringing an action to foreclose the right to redeem, the limitation
18 provided ~~herein shall be~~ ~~IN THIS SUBSECTION IS~~ extended twelve months
19 following the termination of such prohibition.

20 B. ~~SUBJECT TO SUBSECTION C OF THIS SECTION~~, for a subsequent year
21 certificate of purchase by assignment issued under section 42-18121,
22 subsection B, at any time beginning three years after the date the
23 subsequent year certificate of purchase was assigned but not later than
24 ten years after the last day of the month in which the tax lien was
25 assigned under section 42-18121, if the lien is not redeemed, the
26 ~~purchaser~~ ~~CERTIFICATE OF PURCHASE HOLDER~~ or the ~~purchaser's~~ ~~CERTIFICATE OF~~
27 ~~PURCHASE HOLDER'S~~ heirs or assigns, or the state if it is the assignee,
28 may bring an action to foreclose the right to redeem the lien represented
29 by certificates of purchase acquired by assignment and held by the party
30 that filed the action to foreclose. All certificates of purchase held by
31 other parties remain in place. The action to foreclose the right to
32 redeem shall be filed in the superior court in the county in which the
33 real property is located and shall name the county treasurer as a party to
34 the action. If any applicable law or court order prohibits bringing an
35 action to foreclose the right to redeem, the limitation provided in this
36 subsection ~~shall be~~ ~~IS~~ extended twelve months following the termination of
37 the prohibition.

38 C. A CERTIFICATE OF PURCHASE HOLDER OR THE CERTIFICATE OF PURCHASE
39 HOLDER'S HEIRS OR ASSIGNS, OR THE STATE IF IT IS THE ASSIGNEE, MAY NOT
40 BRING AN ACTION TO FORECLOSE THE RIGHT TO REDEEM IF THE REAL PROPERTY IS
41 THE PROPERTY OWNER'S PRIMARY RESIDENCE AS DESCRIBED IN SECTION 42-12053.
42 THE COUNTY TREASURER MAY, OR ON REQUEST OF THE CERTIFICATE OF PURCHASE
43 HOLDER OR THE CERTIFICATE OF PURCHASE HOLDER'S HEIRS OR ASSIGNS, OR OF THE
44 STATE IF IT IS THE ASSIGNEE, SHALL, RECOVER THE AMOUNT REQUIRED FOR
45 REDEMPTION UNDER SECTION 42-18153 BY ANY OF THE FOLLOWING METHODS:

1 1. REQUESTING A SETOFF FOR DEBTS PURSUANT TO SECTION 42-1122.
2 2. GARNISHING EARNINGS PURSUANT TO TITLE 12, CHAPTER 9,
3 ARTICLE 4.1.
4 3. ENTERING INTO A PAYMENT PLAN AGREEMENT WITH THE PROPERTY OWNER.
5 4. ANY OTHER METHOD PRESCRIBED BY LAW.
6 Sec. 2. Applicability
7 This act applies to tax liens sold from and after the effective date
8 of this act.