

REFERENCE TITLE: tax deed; sale; affordable housing

State of Arizona
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2026

HB 2714

Introduced by
Representatives Villegas: Abeytia, Aguilar, Austin, Cavero, Connolly,
Contreras P, Crews, De Los Santos, Garcia, Gutierrez, Liguori, Luna-
Nájera, Márquez, Mathis, Peshlakai, Sandoval, Simacek, Stahl Hamilton,
Travers

AN ACT

AMENDING SECTION 42-18303, ARIZONA REVISED STATUTES; RELATING TO TAX
DEEDS.

(TEXT OF BILL BEGINS ON NEXT PAGE)

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

2 Section 1. Section 42-18303, Arizona Revised Statutes, is amended
3 to read:

4 42-18303. Auction and sale of land held by state under tax
5 deed; disposition of proceeds

6 A. After advertisement, pursuant to section 42-18302, the board of
7 supervisors may sell the real property in the county held by the state by
8 tax deed to the highest bidder for cash except as provided in subsections
9 E, F and G of this section. The property may also be posted on the
10 treasurer's website. The sale may include a live auction or an online
11 bidding process in which the board receives bids electronically over the
12 internet in a real-time, competitive bidding event.

13 B. On selling the property, the board of supervisors shall execute
14 and deliver to the purchaser, at the purchaser's cost, a deed conveying
15 the title of the state in and to the parcel purchased. The deed shall be
16 acknowledged by the chairman and clerk of the board.

17 C. The purchase money shall be paid to the county treasurer. After
18 deducting and distributing interest, penalties, fees and costs charged
19 against the parcel, the treasurer shall apportion monies to the funds of
20 the various taxing authorities in proportion to their current share of the
21 taxes charged against real property. Any balance remaining with the
22 treasurer after payment of the taxes, interest, penalties, fees and costs
23 shall be paid to the owner of the property who was dispossessed by the
24 sale.

25 D. If the property is not sold before the time for the next
26 succeeding notice of sale, the board of supervisors may omit it from the
27 notice.

28 E. The board of supervisors may accept an offer from, and sell real
29 property held by this state by tax deed to, the county or a city, town or
30 special taxing district in the county for a public purpose related to
31 AFFORDABLE HOUSING FOR LOW-INCOME PERSONS AND FAMILIES AS DETERMINED
32 BY THE UNITED STATES DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT,
33 transportation or flood control. The board of supervisors shall convey
34 the deed and apportion the monies received in the transaction in the
35 manner prescribed by this section. IF A COUNTY, CITY, TOWN OR SPECIAL
36 TAXING DISTRICT ACQUIRES REAL PROPERTY PURSUANT TO THIS SUBSECTION FOR
37 PURPOSES RELATED TO AFFORDABLE HOUSING FOR LOW-INCOME PERSONS AND FAMILIES
38 AS DETERMINED BY THE UNITED STATES DEPARTMENT OF HOUSING AND URBAN
39 DEVELOPMENT AND DETERMINES THAT USE IS IN THE COUNTY'S, CITY'S, TOWN'S OR
40 SPECIAL TAXING DISTRICT'S BEST INTEREST, THE COUNTY, CITY, TOWN OR SPECIAL
41 TAXING DISTRICT MAY SELL, LEASE, EXCHANGE, QUITCLAIM, CONVEY OR OTHERWISE
42 DISPOSE OF THE REAL PROPERTY OR INTEREST IN THE REAL PROPERTY FOR LESS
43 THAN FAIR MARKET VALUE AND WITHOUT HOLDING A PUBLIC AUCTION TO PROVIDE THE
44 AFFORDABLE HOUSING IF A REGULATORY AGREEMENT IS RECORDED IN THE OFFICE OF
45 THE COUNTY RECORDER IN WHICH THE AFFORDABLE HOUSING IS LOCATED THAT

1 CONTAINS COVENANTS AND CONDITIONS THAT REQUIRE THE DWELLING UNITS PROVIDED
2 FOR LOW-INCOME PERSONS AND FAMILIES UNDER THIS SUBSECTION TO REMAIN
3 CONTINUALLY AFFORDABLE TO LOW-INCOME PERSONS AND FAMILIES FOR THE LONGEST
4 FEASIBLE TIME, BUT NOT LESS THAN THIRTY YEARS.

5 F. The board of supervisors may sell real property in the county
6 held by the state by tax deed to the owner of contiguous real property
7 that is used for commercial, agricultural or residential purposes, and the
8 board may accept an offer by the contiguous owner to purchase the
9 property, if all of the following conditions apply:

10 1. Both the property offered for sale and the contiguous property
11 were at one time under common ownership. If there is more than one
12 contiguous property owner offering to purchase the property, the board
13 shall accept the offer from the contiguous property owner that
14 demonstrates that the owner's contiguous property was most recently under
15 common ownership with the property offered for sale.

16 2. The property offered for sale cannot be separately used for
17 commercial, agricultural or residential purposes, as applicable, pursuant
18 to applicable building codes and ordinances of the jurisdiction in which
19 the property is located due to its size or configuration.

20 3. The contiguous property owner agrees to submit a request to the
21 county assessor to jointly assess the contiguous properties pursuant to
22 section 42-15058.

23 G. The board of supervisors may sell real property in the county
24 held by the state by tax deed to a homeowners' association if the real
25 property is part of a common area maintained by the homeowners'
26 association as determined by the county assessor.

27 H. If an offer under subsection E, F or G of this section is
28 pending at the time of the auction under this section, the board of
29 supervisors shall remove the property from the auction.

30 I. The board of supervisors may establish procedures for accepting
31 monetary offers and sell real property in the county held by the state by
32 tax deed over the counter if the real property is not eligible for sale
33 under subsection E, F or G of this section and was offered for sale and
34 not sold at the auction held pursuant to subsection a of this section.

35 J. The board of supervisors may establish procedures for accepting
36 monetary offers under subsection f of this section.