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summary

THE STATE OF SOUTH CAROLINA
OFFICE OF THE ATTORNEY GENERAL
COLUMBIA

OPINION NO. 85-16 p 62 February 22, 1985.

SUBJECT: Taxation & Revenue - Payment required to redeem from tax sale.

SYLLABUS: A person who redeems property from a tax sale must pay the taxes, penalties, costs and expenses of the sale, interest at the rate provided by statute on the whole purchase price and all amounts paid by the bidder as taxes on the property.

TO: Honorable J. Nathan Morgan
Greenville County Tax Collector

FROM: Joe L. Allen, Jr. *JLA*
Chief Deputy Attorney General

QUESTION: What is the amount required to be paid for the redemption of property sold for nonpayment of taxes?

APPLICABLE LAW: § 12-49-520 and § 12-51-90, South Carolina Code of Laws, 1976.

DISCUSSION:

The City of Greenville in the fall of 1982 sold a lot situate within the city for nonpayment of taxes. In June of 1983, your office sold the same lot for nonpayment of taxes due the county. The bid price for the lot was in an amount sufficient to satisfy taxes due the county on two other lots. After the county sale, the city conveyed the property to its successful bidder. That person redeemed the lot from the county sale, however, now contends that he should not have been required to pay the taxes satisfied by the county sale. This opinion addresses the issue of the amount of the payment for the redemption.

Section 12-49-520 provides in part that:

"The owner, any grantee from the owner *
* * may * * * redeem such property by
paying * * * the taxes, penalties, costs
and expenses of such sale, together with
seven percent interest on the whole
amount of the purchase price of the land

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so sold and also any and all amounts paid by the bidder as taxes on the property * * *. Thereupon the sheriff shall pay back and refund to the purchaser the amount paid on his bid, with interest as above stated, and all taxes paid by the bidder and the bid by the purchaser shall be then cancelled and revoked, the owner or his grantee remaining in possession of such land. * * *."

The above sets forth the amount to be paid and that payment is a condition for the redemption.¹

"The amount required to redeem land sold for delinquent taxes is generally governed by statute, and redemption can be effected only by payment of the full amount prescribed." 85 C.J.S., Taxation, § 872.

The purpose of the statute is to permit an owner an additional time period in which to pay the tax and prevent the forfeiture of the land.

"The owners or others interested in the property are generally given the right to redeem the property from a tax sale. Redemption is favored and forfeiture is not; and it has been said to be the policy of the law to give the taxpayer every reasonable opportunity to redeem his property compatible with the rights of the state. * * *." 85 C.J.S., Taxation, § 841.

Here the state has a right for the payment of the taxes and for the costs and expenses of the sale. Likewise, the purchaser has a right upon redemption to the repayment of

¹If the property is sold under the provisions of Chapter 51 of Title 12, § 12-51-90, a different rate of interest is prescribed. The redemption period is eighteen months. If the redemption is within the first twelve months, the interest is eight percent. An additional four percent is added if the redemption is in the last six months.

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the purchase price and interest as prescribed by law. Such can only be done by payment of the taxes paid by reason of the sale, the costs and expenses of the sale and the prescribed interest.²

CONCLUSION:

A person who redeems property from a tax sale must pay the taxes, penalties, costs and expenses of the sale, interest at the rate provided by statute on the whole purchase price and all amounts paid by the bidder as taxes on the property.

²The successful purchaser at the city sale could have protected himself against repayment of all the taxes by the payment of the taxes due upon the lot prior to the sale or under the provisions of § 12-49-500. A failure to pursue the remedy under § 12-49-500 constitutes a waiver of objections to the sale.

JLAJr:wcg