

TAX CODE

TITLE 1. PROPERTY TAX CODE

SUBTITLE E. COLLECTIONS AND DELINQUENCY

CHAPTER 34. TAX SALES AND REDEMPTION

SUBCHAPTER A. TAX SALES

Sec. 34.06. DISTRIBUTION OF PROCEEDS OF RESALE. (a) The proceeds of a resale of property purchased by a taxing unit at a tax foreclosure sale shall be paid to the purchasing taxing unit.

(b) The proceeds of the resale shall be distributed as required by Subsections (c)-(e).

(c) The purchasing taxing unit shall first retain an amount from the proceeds to reimburse the unit for reasonable costs, as defined by Section 34.21, incurred by the unit for:

(1) maintaining, preserving, and safekeeping the property;

(2) marketing the property for resale; and

(3) costs described by Subsection (f).

(d) After retaining the amount authorized by Subsection (c), the purchasing taxing unit shall then pay all costs of the suit and the sale of the property in the same manner and in the same order of priority as provided by Sections 34.02(b)(1)-(5).

(e) After making the distribution under Subsection (d), any remaining balance of the proceeds shall be paid to each taxing unit participating in the sale in an amount equal to the proportion each participant's taxes, penalties, and interest bear to the total amount of taxes, penalties, and interest adjudged to be due all participants in the sale.

(f) The purchasing taxing unit is entitled to recover from the proceeds of a resale of the property any cost incurred by the taxing unit in inspecting the property to determine whether there is a release or threatened release of solid waste from the property in violation of Chapter 361, Health and Safety Code, or a rule adopted or permit or order issued by the Texas Natural

TAX CODE

TITLE 1. PROPERTY TAX CODE

SUBTITLE E. COLLECTIONS AND DELINQUENCY

CHAPTER 34. TAX SALES AND REDEMPTION

SUBCHAPTER A. TAX SALES

Resource Conservation Commission under that chapter, or a discharge or threatened discharge of waste or a pollutant into or adjacent to water in this state from a point of discharge on the property in violation of Chapter 26, Water Code, or a rule adopted or permit or order issued by the commission under that chapter, and in taking action to remove or remediate the release or threatened release or discharge or threatened discharge regardless of whether the taxing unit:

- (1) was required by law to incur the cost; or
- (2) obtained the consent of each taxing unit entitled to receive proceeds of the sale under the judgment of foreclosure to incur the cost.

Acts 1979, 66th Leg., p. 2299, ch. 841, Sec. 1, eff. Jan. 1, 1982. Amended by Acts 1997, 75th Leg., ch. 38, Sec. 1, eff. May 5, 1997; Acts 1997, 75th Leg., ch. 906, Sec. 10, eff. Jan. 1, 1998; Acts 1997, 75th Leg., ch. 914, Sec. 3, eff. Sept. 1, 1997; Acts 1999, 76th Leg., ch. 1481, Sec. 30, eff. Sept. 1, 1999; Acts 2003, 78th Leg., ch. 319, Sec. 11, eff. June 18, 2003.