

offered at a sale held under this chapter or otherwise acquire an interest in real property sold under this chapter.

"(B) A potential purchaser, including a natural person or business entity, shall certify under oath, subject to the penalties of perjury, that the potential purchaser is not more than one year in arrears in any jurisdiction in payment of in rem taxes not being contested in good faith and has not been convicted in any jurisdiction of a felony involving fraud, deceit, moral turpitude, or anti-competitive behavior.

"(C) A certificate of sale held by a purchaser that willfully and materially violates the provisions of this paragraph shall be voidable at the discretion of the Mayor; provided, that after the issuance of a final order by the Superior Court of the District of Columbia foreclosing the right of redemption, the certificate is no longer voidable. A certificate that is voided by the Mayor pursuant to this subparagraph shall be subject to the provisions of § 47-1355(b).

"(D) The intent of this paragraph shall not be circumvented by a purchaser through the use of one or more business entities to avoid its intended application.

"(E) For the purposes of this paragraph, a potential purchaser shall include a person owning a 10% or more equity interest in, or an officer of, an entity that owns a 10% or more equity interest in real property on which taxes are delinquent."

"(12) Section 47-1348 is amended as follows:

**Note,
§ 47-1348**

"(A) Subsection (a) is amended as follows:

"(i) Paragraph (3) is amended by striking the phrase "date of the original public tax sale" and inserting the phrase "date of the tax sale" in its place.

"(ii) Paragraph (4) is amended by striking the phrase "purchaser;" and inserting the phrase "purchaser, which shall be the same date as in paragraph (3) of this subsection, if the purchaser purchased the real property at the tax sale held under § 47-1346;" in its place.

"(iii) Paragraph (10) is amended to read as follows:

"(10)(A) A statement that the rate of simple interest, upon redemption, shall be 1% per month or portion thereof on the amount paid for the real property, excluding surplus, beginning on the first day of the month immediately following the date of the tax sale or the date when the certificate of sale was assigned by the Mayor.

"(B) This paragraph shall apply upon its fiscal effect being included in an approved budget and financial plan, as certified by the Chief Financial Officer to the Budget Director of the Council in a certification published by the Council in the District of Columbia Register."

"(B) Subsection (b) is repealed.

"(C) Subsection (c) is amended as follows:

"(i) Strike the phrase "telephone number." and insert the phrase "telephone number. If notice is not provided within 30 days of the assignment, the certificate shall be voidable at the discretion of the Mayor." in its place.

"(ii) Strike the phrase "On redemption, the purchaser will be refunded the sums paid on account of the purchase price, together with interest thereon at the rate of

18% per annum from the date the real property was sold to the date of redemption; provided, that the purchaser shall not receive interest on any surplus." and insert the phrase "Upon payment to the Mayor as specified in § 47-1361(a) or, if payment to the Mayor is made by another purchaser under § 47-1382(c), the purchaser shall be refunded the sums paid on account of the purchase price, together with simple interest thereon at the rate of 1% per month or portion thereof on the amount paid for the real property, excluding surplus, beginning on the first day of the month immediately following the date of the tax sale or the date when the certificate of sale was assigned by the Mayor until the payment to the Mayor is made as required under § 47-1361(a) or § 47-1382(c); provided, that the purchaser shall not receive interest on any surplus." in its place.

“(13) Section 47-1349(c) is amended by adding a new sentence at the end to read as follows:

Note,
§ 47-1349

"If notice is not provided within 30 days of the assignment, the certificate shall be voidable at the discretion of the Mayor; provided, that after the issuance of a final order by the Superior Court of the District of Columbia foreclosing the right of redemption, the certificate shall no longer be voidable. A certificate that is voided by the Mayor pursuant to this subsection shall be subject to the provisions of § 47-1355(b)."

“(14) Section 47-1352(a) is amended by striking the phrase "from the date the real property was bid off," and inserting the phrase "thereon accruing from the first day of the month following the date of the tax sale where the real property was bid off," in its place.

Note,
§ 47-1352

“(15) Section 47-1353 is amended as follows:

Note,
§ 47-1353

“(A) Subsection (a)(1)(B) is amended by striking the word "May" both times it appears and inserting the word "Mayor" in its place.

“(B) Subsection (b)(1)(G) is amended by striking the phrase "by square," and inserting the phrase "by premises address, taxation square," in its place.

“(C) Subsection (c)(2) is amended by striking the phrase "date of the original tax sale" and inserting the phrase "applicable date of the tax sale" in its place.

“(D) Subsection (d) is amended to read as follows:

"(d) Upon payment to the Mayor as specified in § 47-1361(a) or if payment to the Mayor is made by another purchaser as specified in § 47-1382(c), the purchaser shall be refunded the sums paid on account of the purchase price, together with simple interest thereon at the rate of 1% per month or portion thereof on the amount paid for the real property, excluding surplus, beginning on the first day of the month immediately following the day of the tax sale to the purchaser or the date when the certificate of sale was assigned by the Mayor until the payment to the Mayor is made as required under § 47-1361(a) or § 47-1382(c); provided, that the purchaser shall not receive interest on any surplus."

“(16) A new section 47-1353.01 is added to read as follows:

Note,
§ 47-1353.01

"§ 47-1353.01. Post-sale notice.

"(a) Within 30 days after the date of the tax sale, the Mayor shall send notice of the sale by first class mail, postage prepaid, bearing a postmark from the United States Postal Service to the last known address of the owner. If the premises address is different from the address of record of the

owner, the Mayor shall send a duplicate copy of the notice to the premises address, addressed to "Property Owner."

"(b) The notice required pursuant to subsection (a) of this section shall be in substantively the following form:

“[Date]

"ATTENTION: YOUR PROPERTY WAS SOLD AT TAX SALE

"Subject Property: [Identify by taxation square, suffix, and lot number, or parcel and lot number, and by premises address]

"Tax Sale Date: [July __, 20__]

“If you do not pay all amounts due, the purchaser will have the right to file a lawsuit to foreclose on the property and you may lose title.

"According to the Mayor's tax roll, you own or may have an interest in the real property listed above. Please follow the below instructions to redeem your property from tax sale and prevent a foreclosure lawsuit.

- "To redeem your property from the tax sale, you must pay all taxes owed, as well as any legal fees and expenses that may become due.

- "A tax bill is mailed to you during the month of August. You should pay the bill in full and on time.

- "If you are receiving this notice after October 31, 20__, or if you have not already paid your tax bill in full, you should contact the Office of Tax and Revenue ("OTR") at for a current tax bill and up-to-date payoff amount.

- "After you have paid your taxes, you should call OTR to confirm that you have redeemed your property. Keep a copy of your proof of payment in case there is a later dispute about the payment.

- "If you have not paid all taxes within four months after the Tax Sale Date stated above, an additional \$381.50 may be added to reimburse the purchaser for some costs.

- "If you do not redeem the property within six months of the Tax Sale Date stated above, the tax sale purchaser may file a lawsuit against you to obtain title to the property.

- "If the purchaser files a foreclosure lawsuit, you will be responsible for legal fees and expenses that may total thousands of dollars. You may also lose title to the property.

- "For further information on how to redeem, please read our Real Property Owner's Guide to the Tax Sale Redemption Process, available on our Web site at www.taxpayerservicecenter.com by clicking on "Real Property." You may also request a copy by visiting or writing to our Customer Service Center at 1101 4th Street, SW, Suite 270W, Washington, DC 20024.

"YOU MAY BE ELIGIBLE FOR FREE LEGAL SERVICES OR OTHER ASSISTANCE. SEE THE NEXT PAGE FOR MORE INFORMATION.

"Should you have additional questions, please call OTR's Customer Service Center at (202) 727-4TAX (4829).

"RESOURCES FOR REAL PROPERTY TAXPAYERS
IN THE DISTRICT OF COLUMBIA

"Real Property Tax Ombudsman. Homeowners and other interested parties may be eligible for assistance from the Real Property Tax Ombudsman. If you need assistance with a tax sale or related property tax matters, contact the Real Property Tax Ombudsman at

"Classification Disputes. If your real property is classified as vacant or blighted and you believe this classification is incorrect, contact the Vacant Building Enforcement Unit of the Department of Consumer and Regulatory Affairs at for information on how to appeal the property classification.

"Hardship Forbearance. You may be eligible to defer, or postpone, payment of the past due amount. For information on how to apply for this deferral, please contact the Office of Tax and Revenue at.....

"Senior Citizen and Low-Income Tax Relief. Senior citizens and low-income households may have additional rights to defer property taxes. If think you may be eligible for this tax relief, please contact the Office of Tax and Revenue at..... for more information.

"Tax Sale Resource Center. Resource Center attorneys provide legal information to taxpayers and interested parties who do not have their own lawyers on Wednesday mornings from 10:00am to 12:00pm when court is in session. The Resource Center is located in the Moultrie Courthouse at 500 Indiana Ave., NW.

"Additional Legal Services. Free and reduced-cost legal services may be available to low- and moderate-income households. You can get a list of service providers from the Real Property Tax Ombudsman (above).

"Housing Counseling Services. The U.S Department of Housing and Urban Development ("HUD") sponsors housing counseling agencies throughout the country that can provide advice on buying a home, renting, defaults, foreclosures, and credit issues. You can get a list of HUD-approved housing counseling agencies from the Real Property Tax Ombudsman (above).

"(c) The tax sale purchaser shall cause a copy of the notice referred to in subsection (b) of this section to be posted on a place on the premises of the real property where it may be conveniently read. The copy of the notice shall be posted no sooner than 4 months after the date of the tax sale but at least 45 days before the filing of a complaint under § 47-1370.

"(d) Subject to the Mayor's authority to cancel the sale under § 47-1366(b)(3)(A) and (B), the failure of the Mayor to mail the notice as provided in subsections (a) and (b) of this section, or to include any tax amounts in the notice, shall not:

"(1) Invalidate or otherwise affect a tax;

"(2) Invalidate or otherwise affect a sale made under this chapter to enforce payment of taxes;

"(3) Prevent or stay any proceedings under this chapter; or

"(4) Affect the title of a purchaser.

"(e) Action taken under § 47-1336, relating to energy efficient loans, shall be exempt from the notice requirements of this section."

"(17) Section 47-1354(b) is amended to read as follows:

"(b) Upon payment as specified in § 47-1361(a) or by another purchaser under § 47-1382(c), the purchaser shall receive a refund of its payment made under this section, with interest as required

to be paid by the redeemer or such other purchaser. The purchaser shall receive interest only on the principal tax amount paid and not on the interest or penalties paid. The purchaser is entitled to the refund only if the purchaser's certificate of sale is not void and the purchaser provides proof satisfactory to the Mayor that the purchaser made the payment.”.

“(18) Section 47-1355(a)(2) is repealed.

Note,
§ 47-1355
Note,
§ 47-1361

“(19) Section 47-1361 is amended as follows:

“(A) Subsection (a) is amended as follows:

(i) The lead-in text is amended by striking the phrase "the Mayor, for deposit" and inserting the phrase "the Mayor, except as set forth in paragraph (6A) of this subsection, for deposit" in its place.

“(ii) Paragraphs (2) and (3) are amended to read as follows:

"(2) If the real property was bid off to the District, the sale amount with interest thereon beginning on the first day of the month following the date of the tax sale where the real property was bid off;

"(3) If the real property was bid off to the District and subsequently sold or the certificate of sale assigned to a purchaser:

"(A) The original sale amount with interest thereon beginning on the first day of the month following the date of the tax sale where the real property was bid off; plus

"(B) Interest accruing thereafter on the sale amount in subparagraph (A) of this paragraph from the first day of the month following the date the real property was subsequently sold or the certificate of sale assigned to the purchaser;".

“(iii) Paragraph (4) is amended by striking the phrase "taxes provided, that the certificate of sale of the purchaser is not void;" and inserting the phrase "taxes;" in its place.

“(iv) Paragraph (5) is amended to read as follows:

"(5) All other real property taxes, business improvement district taxes, and vault rents to bring the real property current; provided, that any such amounts that become due and owing after receipt of the payment that permits a refund to issue to the purchaser under subsection (e) of this section shall not be required to be paid to redeem the real property;".

“(v) A new paragraph (5A) is added to read as follows:

"(5A) Any delinquent special assessment owed pursuant to an energy efficiency loan agreement under Subchapter IX of Chapter 8 of Title 47; provided, that any such assessment that becomes due and owing after receipt of the payment that permits a refund to issue to the purchaser under subsection (e) of this section shall not be required to be paid to redeem the real property;".

“(vi) Paragraph (6) is amended to read as follows:

"(6) All expenses for which each purchaser is entitled to reimbursement under § 47-1377(a)(1)(A); and".

“(vii) A new paragraph (6A) is added to read as follows:

"(6A) Where an action to foreclose the right of redemption has been properly filed, the person redeeming shall pay directly to the applicable purchaser all expenses to which the purchaser is entitled to reimbursement under § 47-1377(a)(1)(B); and".

“(viii) Paragraph (7) is repealed.

“(B) New subsections (b-1) and (b-2) are added to read as follows:

“(b-1) The redeeming party shall not be required to pay any tax that is required to be certified by § 47-1340 unless the tax has been certified by a taxing agency and sold as a lien at a tax sale.

“(b-2) Notwithstanding subsection (a) of this section, the remaining amounts that are payable to the Mayor, including tax, interest, penalties, and expenses, for the real property shall be deemed to have been brought current for purposes of redemption if, at any time, the balance falls below \$100; provided, that the remaining balance shall remain due and owing and any remaining expense shall be thereafter deemed a real property tax.”.

“(C) Subsection (c) is amended by striking the second sentence.

“(D) Subsection (d) is amended to read as follows:

“(d)(1) Subject to the liability threshold set forth in subsection (b-2) of this section, after receipt of the payment set forth in subsection (a)(1) through (6) of this section, the Mayor shall notify the purchaser of the payment. The purchaser shall receive from the Mayor the refund to which the purchaser is entitled, subject to the purchaser's compliance with all procedures for issuance of the refund, as may be established by the Mayor.

“(2) If a complaint under § 47-1370 has been properly filed, a purchaser may continue to prosecute the complaint until receipt of the expenses owed to the purchaser and payable to the purchaser by the redeeming party as set forth in subsection (a)(6A) of this section, but shall dismiss the complaint upon receipt thereof.

“(3) A complaint to foreclose the right of redemption shall not be maintained solely to await the administrative refund under this subsection.

“(4) Notification by the Mayor under this subsection may be accomplished by making the information publicly available through an electronic medium, including by posting on a website.”.

“(E) Subsection (e) is amended as follows:

“(i) Strike the phrase "Upon request and subject to the payment of a fee," and insert the phrase "Upon request, within 60 days of the request," in its place.

“(ii) Add a new sentence at the end to read as follows:

“The Recorder of Deeds shall waive all fees relating to the recordation of a certificate of redemption.”.

“(F) A new subsection (f) is added to read as follows:

“(f) The Mayor may abate interest or penalties or compromise taxes, whether arising before or after the tax sale, in the same manner as set forth in § 47-811.04; provided, that the abatement or compromise shall not affect the refund due to the purchaser.”.

“(20) Section 47-1362 is amended as follows:

“(A) Subsection (a) is amended by striking the phrase "If the real property is redeemed after an action to foreclose the right of redemption is filed and there is a dispute regarding redemption, the" and inserting the phrase "If there is a dispute regarding redemption after an action to foreclose the right of redemption is filed, the" in its place.

“(B) Subsection (c) is repealed.

“(21) Section 47-1363(a) is amended by striking the phrase "date of the sale" and inserting the phrase "date of the tax sale" in its place.

**Note,
§ 47-1363**

“(22) Section 47-1366 is amended to read as follows:

**Note,
§ 47-1366**

“§ 47-1366. Cancellation of sale by Mayor.

“(a) The Mayor, in the Mayor's discretion, may cancel a sale before the issuance of a final order by the Superior Court of the District of Columbia foreclosing the right of redemption to prevent an injustice to the owner or person with an interest in the real property.

“(b) The Mayor shall cancel a sale before the issuance of a final order by the Superior Court of the District of Columbia foreclosing the right of redemption where:

“(1) The record owner or other interested party timely pays the amount set forth in the notice of delinquency to avoid the tax sale as required under § 47-1341(a) or otherwise pays the outstanding taxes before the tax sale;

“(2) The real property meets the qualifications to be exempt from sale under § 47-1332(c);

“(3) In a sale involving Class 1 property with 5 or fewer units that a record owner (or a person with an interest in the property as heir or beneficiary of the record owner, if the record owner is deceased) occupies as his or her principal residence, the record owner or other interested person proves:

“(A) A failure of the Mayor to mail any of the notices required by §§ 47-1341(a), 47-1341(b), or 47-1353.01; or

“(B) That the mailing address of the person who last appears as the record owner of the real property on the tax roll, as properly updated by the record owner by the filing of a change of address with the Office of Tax and Revenue in accordance with § 42-405, was not correctly or substantively updated by the Office of Tax and Revenue notwithstanding proper filing; or

“(4) A properly filed application for a forbearance authorization was filed at least 30 days before the sale and was approved within 60 days after the sale.

“(c) Subject to the limitations set forth in § 47-1377(b), (c), (d), and (e), if the Mayor cancels a sale pursuant to this section, the Mayor shall pay to the purchaser the amount that the purchaser would have received if the real property had been redeemed, but no part of the amount shall be considered a payment of tax on behalf of the real property. A certificate of redemption, if necessary, shall be executed and filed by the Mayor with the Recorder of Deeds for no fee.”.

“(23) Section 47-1370 is amended as follows:

**Note,
§ 47-1370**

“(A) Subsection (a) is amended by striking the phrase "date of sale" and inserting the phrase "date of the tax sale" in its place.

“(B) Subsection (c) is amended by adding a new paragraph (4) to read as follows:

“(4) Proof of the posting required under § 47-1353.01 shall be attached to and made part of the complaint. The posting shall be held to the same standard as the proof of posting required under § 47-1372(f).”.

“(C) A new subsection (e) is added to read as follows:

“(e) The purchaser shall immediately notify the Chief Financial Officer and the Real Property Tax Ombudsman, established by § 47-805, upon the filing of a complaint under this section.”.

“(24) Section 47-1371(b) is amended by adding a new paragraph (2A) to read as follows:

**Note,
§ 47-1371**

“(2A) The plaintiff shall certify to the Superior Court of the District of Columbia, under penalties of perjury, that a search was conducted for the record owner in bankruptcy records.”.

“(25) Section 47-1372(a)(1)(C) is amended by striking the phrase "date of sale" and inserting the phrase "date of the tax sale" in its place.

**Note,
§ 47-1372**

“(26) Section 47-1374 is amended as follows:

**Note,
§ 47-1374**

“(A) Subsection (c) is amended to read as follows:

“(c) This subsection applies only if a last known address for a defendant is obtained as provided under subsections (a) and (b) of this section. The plaintiff shall cause a copy of the order of publication to be mailed by first class, certified mail, postage prepaid, to each defendant’s address as determined by the provisions of subsections (a) and (b) of this section.”.

“(B) Subsection (e) is amended to read as follows:

“(e)(1) A final judgment may not be entered earlier than the later of:

“(A) One year following the initial scheduling conference in the foreclosure action; or

“(B) Four months following the completion of service on the owner and all parties identified as defendants in § 47-1371.

“(2) Paragraph (1) of this subsection shall not apply to any final judgment in which all interested parties have disclaimed any interest in the property subject to the judgment or in a case where a real property was sold under § 47-1353(a)(3) or (b).”.

“(27) Section 47-1377 is amended to read as follows:

**Note,
§ 47-1377**

“§ 47-1377. Purchaser reimbursed by redeeming party for expenses.

“(a)(1) Except as provided in subsection (b) of this section, upon redemption, a purchaser is entitled to be reimbursed by the redeeming person for the following expenses incurred in an action, or in preparation for an action, to foreclose the right of redemption:

“(A) If an action to foreclose the right of redemption has not been filed and the property is redeemed more than 4 months after the applicable tax sale's tax sale date, the purchaser may be reimbursed for the following pre-complaint legal expenses:

“(i) The cost of \$50 for any posting required by § 47-1353.01;

“(ii) Costs for recording the certificate of sale; and

“(iii) The cost of a title search, not to exceed \$300.

“(B) If an action to foreclose the right of redemption has been filed, the purchaser may also be reimbursed for:

“(i) Reasonable attorneys' fees as follows:

"(I) In a case in which the property is redeemed before the 5th status hearing, reasonable attorneys' fees not to exceed \$1,500;

"(II) In a case requiring 5 or more status hearings, reasonable attorneys' fees not to exceed \$1,500, plus \$75 for the 5th status hearing and each additional status hearing thereafter; and

"(III) In a case in which a motion for judgment is filed with the court, additional attorneys' fees in the amount of \$300;

"(ii) Notwithstanding sub-subparagraph (i) of this subparagraph, in cases requiring prolonged or complex representation not typically necessary to resolve an action filed under this chapter, including cases in which the purchaser incurs attorneys' fees and expenses under § 47-1382.01(a), other reasonable attorneys' fees incurred and specifically requested by the purchaser and approved by the court, on a case-by-case basis; provided, that additional attorneys' fees shall not be awarded if a tax sale is cancelled by the Mayor under § 47-1366, or where a purchaser is required to show good cause under subsection (c) of this section; and

"(iii) Expenses actually incurred as follows:

"(I) Filing fee charged by the Superior Court of the District of Columbia;

"(II) Service of process fee, including fees incurred attempting to serve process;

"(III) If a 2nd title search is conducted more than 6 months after the initial title search, a title search update fee, not to exceed \$75;

"(IV) Publication fee charged by a newspaper of general circulation in the District;

"(V) Posting fees;

"(VI) Postage and certified mail costs;

"(VII) Substantial repair order fee, not to exceed the fee charged by the government agency issuing the certificate of substantial repair; and

"(VIII) Any court approved expense for stabilization or conversion of, or to make safe and compliant with Chapter 31A of Title 42, the property under § 47-1363 or to comply with an action taken against the property by the Mayor in accordance with the applicable building, fire, health, or safety code.

"(2)(A) In calculating the number of hearings in a case for the purposes of paragraph (1)(B)(i) of this subsection, any status hearing held before the redeeming party was served shall be excluded from the calculation.

"(B) For purposes of paragraph (1)(B)(i) of this subsection, an initial scheduling conference shall be deemed a status hearing.

"(C) Nothing in paragraph (1) of this subsection shall be construed as prohibiting the purchaser from settling attorneys' fees in a lesser amount than the purchaser may be eligible for under this section.

"(b) No purchaser of a certificate of sale shall be reimbursed for expenses incurred within 4 months after the date of the tax sale. A purchaser other than the District shall not be reimbursed for any expenses if the certificate becomes void under this chapter.

"(c) The purchaser shall not be entitled to be reimbursed for any expenses or attorney's fees not included in this section. Expenses or attorneys' fees incurred by a purchaser who appeals the assessment or the vacant status of the property are not reimbursable.

"(d) If the purchaser fails to satisfy the requirements for posting under § 47-1353.01 or fails to provide proof of posting required under § 47-1370(c)(4), the purchaser shall not be entitled to collect the legal expenses set forth in subsection (a) of this section; provided, that upon a showing to the Superior Court of the District of Columbia of good cause for the failure to meet the posting requirements of § 47-1353.01 or § 47-1370(c)(4), the purchaser shall be entitled to collect those expenses, not to exceed the amounts set forth in subsection (a) of this section, that the Superior Court of the District of Columbia considers reasonable.

"(e) Notwithstanding subsection (d) of this section, if the tax sale is cancelled by the Mayor under § 47-1366, the purchaser shall not be entitled to reimbursement of the expenses permitted under subsection (a)(1)(B) of this section if the purchaser fails to specifically disclose to the Mayor, at least 45 days before the filing of a complaint to foreclose the right of redemption, information that is obtained or should have been obtained from the pre-complaint investigation, including the title examination and review of bankruptcy records under § 47-1371(b)(2) and § 47-1371(b)(2A), that evidences a violation of § 47-1332(c), a violation of a bankruptcy stay, or errors, as prescribed by the Mayor through regulation."

"(28) Section 47-1380(d) is amended by striking the phrase "the sale." and inserting the phrase "the sale and the purchaser shall not receive any amounts otherwise due under this chapter." in its place.

**Note,
§ 47-1380**

"(29) Section 47-1382(a) is amended as follows:

**Note,
§ 47-1382**

"(A) The lead-in text is amended by striking the phrase "A final" and inserting the phrase "Except as provided in § 47-1382.01, a final" in its place.

"(B) Paragraph (1) is amended to read as follows:

"(1) A taxing agency lien that is recorded in the Office of the Recorder of Deeds;"

"(C) Paragraph 4 is amended by striking the word "and".

"(D) Paragraph (5) is amended by striking the period and inserting the phrase "; and" in its place.

"(E) A new paragraph (6) is added to read as follows:

"(6) A ground lease described in § 47-1345(b), any recorded covenant, agreement, or other instrument, and any other document incorporated by reference into a recorded covenant, agreement, or other instrument, to which a ground lessor as described in § 47-1345(b) is a party or beneficiary."

"(30) A new section 47-1382.01 is added to read as follows:

**Note,
§ 47-1382.01**

"§ 47-1382.01. Equity distribution post-judgment – owner-occupant properties.

"(a) This section shall apply to any Class 1 property with 5 or fewer units in which a record owner (or a person with an interest in the property as heir or beneficiary of the record owner, if

deceased), was occupying as his or her principal residence when the complaint to foreclose the right of redemption was filed. The purchaser shall bear the burden of establishing that this section is not applicable to the real property.

"(b) Upon issuing a final judgment foreclosing the right of redemption, the Superior Court of the District of Columbia shall appoint a trustee and shall order that the trustee sell the property pursuant to Rule 308 of the Superior Court of the District of Columbia Rules of Civil Procedure, or its equivalent.

"(c) The trustee shall sell a fee simple interest in the property, subject to the encumbrances set forth in § 47-1382(a).

"(d) The court shall order the trustee to distribute the proceeds of the sale in priority order as follows:

"(1) Reasonable compensation and reasonable expenses due to the trustee or to any other person (including an auctioneer) who provided services relating to the sale of the property, and all other payments the court deems to have been necessary to effect the sale of the real property, including recordation and transfer taxes;

"(2) Payment to the Mayor of:

"(A) All amounts payable to the Mayor for deposit into the General Fund of the District of Columbia under § 47-1361 as of the date of the court's order regarding distribution;

"(B) Any promissory note executed pursuant to § 47-1353(a)(3); and

"(C) Any lien certified under § 47-1340;

"(3) Payment to the purchaser of all amounts provided for in § 47-1377, as fixed by the court; and

"(4) Any remaining amounts as follows:

"(A) Ten percent or \$20,000, whichever is less, to the purchaser; and

"(B) The remainder to the person or persons (including, when appropriate, a decedent's estate) entitled to the balance, in proper proportion as determined by the trustee, or, when necessary, a court.

"(e)(1) The trustee shall notify the purchaser once payment is made to the Mayor pursuant to subsection (d)(2) of this section, at which time the purchaser shall surrender the certificate of sale and receive from the Mayor the amount to which the purchaser would have been entitled had redemption occurred in accordance with § 47-1361.

"(2) For purposes of calculating the refund due to the purchaser, the date of the court's order providing for distribution or the sale proceeds in accordance with subsection (d) of this section shall be deemed the date of redemption.

"(f)(1) If the trustee in the trustee's best judgment determines that a sale of the real property will not generate proceeds sufficient to fund the distributions required under subsection (d)(1) and (2) of this section, the trustee shall timely inform the court of that determination.

"(2) Upon receipt of the trustee's determination as described in paragraph (1) of this subsection, the court shall:

"(A) Rescind the trustee's appointment and the order to sell the real property;

"(B) Issue a final judgment foreclosing the right of redemption in accordance with the provisions of § 47-1382; and

"(C) Require the purchaser to pay such fees and expenses of the trustee as the court determines appropriate."

"(31) Section 47-1384 is amended by striking the phrase "Notwithstanding any other law, the provisions of this chapter" and inserting the phrase "Notwithstanding any other law, if a court determines that any provision of this chapter is ambiguous, the provision" in its place."

Note,
§ 47-1384

(n) Section 7103(d) is amended to read as follows:

"(d) The District of Columbia Deed Recordation Tax Act, approved March 2, 1962 (76 Stat. 11; D.C. Official Code § 42-1101 *et seq.*), is amended as follows:

"(1) Section 302 (D.C. Official Code § 42-1102) is amended by adding a new paragraph (34) to read as follows:

Note,
§ 42-1102

"(34) Deeds to property transferred to a named beneficiary of a revocable transfer on death deed under the Uniform Real Property Transfer of Death Act of 2012, effective March 19, 2013 (D.C. Law 19-230; D.C. Official Code § 19-604.01 *et seq.*), by reason of the death of the grantor of the revocable transfer on death deed."

"(2) Section 303(a-4) (D.C. Official Code § 42-1103(a-4)) is amended by striking the word "transferred" and inserting the phrase "transferred by deed of title" in its place."

Note,
§ 42-1103

(o) A new section 7173 is added to read as follows:

"Sec. 7173. Applicability.

Note,
§ 47-1817.01

"This subtitle shall be applicable for tax years beginning after December 31, 2014."

(p) A new section 7185 is added to read as follows:

"Sec. 7185. The grant program established by this subtitle shall be funded by the savings realized from section 7184."

Note,
§ 2-1210.32

(q) Section 8032(a) is amended by striking the phrase "Regional Transportation Improvement Program" and inserting the phrase "region's Transportation Improvement Program" in its place.

NA

Sec. 3. Applicability.

This act shall apply as of October 1, 2014.

Sec. 4. Fiscal impact statement.

The Council adopts the fiscal impact statement of the Budget Director as the fiscal impact statement required by section 602(c)(3) of the District of Columbia Home Rule Act, approved December 24, 1973 (87 Stat. 813; D.C. Official Code § 1-206.02(c)(3)).

Sec. 5. Effective date.

This act shall take effect following approval by the Mayor (or in the event of veto by the Mayor, action by the Council to override the veto), and shall remain in effect for no longer than 90 days, as provided for emergency acts of the Council of the District of Columbia in section

COUNCIL OF THE DISTRICT OF COLUMBIA

20 DCSTAT 4397

D.C. Act 20-461, effective November 6, 2014 (Expiration date December 30, 2014)

412(a) of the District of Columbia Home Rule Act, approved December 24, 1973 (87 Stat. 788;
D.C. Official Code § 1-204.12(a)).