

# HOW TO BUY TAX DELINQUENT LAND

FROM THE  
STATE OF ARKANSAS

MARK WILCOX  
COMMISSIONER OF STATE LANDS



## From the Commissioner's Office

The State Land Office receives questions daily concerning the laws and the rules and regulations that affect the landowners in Arkansas. This brochure is not only a response to that request, but will also give you pertinent information as to the duties and responsibilities of this office.

The land laws protect the legitimate interests of Arkansas landowners by returning tax delinquent lands to private ownership in a fair and equitable manner. The laws regarding these sales have continued to change since the passage of Act 626 of 1983. My office is responsible for conducting all sales of tax delinquent real property in Arkansas.



We routinely publish a quarterly catalog of forfeited lands that are scheduled for sale. If you would like to receive this free publication, contact my office.

If you have any questions about tax sales or any of the other functions of the Commissioner of State Lands office, please call us. Your comments and suggestions are always welcomed.

*Mark Wilcox*

Commissioner of State Lands

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## Historically Speaking....

The 34 million acres that constitute the State of Arkansas were bought from France in the Louisiana Purchase of 1803. Arkansas accumulated enough citizens to become a state in 1836, and land, of course, became the primary issue for the citizens of the newly created state.

Constitutional Amendment 37, approved by the voters in 1946, established the Commissioner of State Lands as one of Arkansas's seven popularly elected constitutional officers. Today, the office remains dedicated to protecting the legitimate interests of the landowners of Arkansas and to returning delinquent lands to private ownership in a fair and equitable manner.

It also continues to serve as a central repository for important historical state records relating to the early settlement of the state and private land ownership. Your Commissioner, Mark Wilcox, remains directly accessible and responsible to the citizens of Arkansas.



## Frequently Asked Questions About Land Sales

**Q: What kind of sales do you hold?**

A: We conduct public auctions of lands that were forfeited to the state for non-payment of real property taxes. They are held once a year in the county where the property is located.

**Q: How do I know which properties will be available for sale?**

A: The Commissioner of State Lands publishes a legal notice in the county newspaper prior to the sale. His office also publishes a free quarterly catalog of available land. To receive this free catalog, submit a request form found in a current catalog, call the Commissioner of State Lands office, or visit our website.

**Q: How can I get more information on a particular piece of property (e.g. location, structures, etc.)?**

A: You should contact the county assessor.

**Q: How is the “minimum bid” determined?**

A: Arkansas law requires that the minimum bid equal the assessed value of the property, as determined by the county assessor.

**Q: Who is entitled to redeem property from the Commissioner of State Lands office?**

A: Record owners, heirs, assigns and agents of record owners are entitled to redeem property. Also, persons or entities with recorded interests, such as lien holders, may also be entitled to redeem.

**Q: What kind of title do I get if I purchase land at one of the auctions?**

A: The state executes a **Limited Warranty Deed**, which conveys whatever interest the state has in the property to the purchaser. Generally, title insurance will not be issued on the strength of a Limited Warranty Deed alone.

**Q: When will I receive my Limited Warranty Deed?**

A: Deeds cannot be issued until after the 30-day redemption period has expired and all checks have cleared.

**Q: How does a successful bidder pay for the property?**

A: The full purchase price (amount of the successful bid plus tax due as stated in the catalog) must be paid the day of the auction. The first \$100 of **EACH PARCEL PURCHASED** must be paid in cash, cashier's check or money order. The remainder may be paid by a personal or corporate check.

**Q: Should I make improvements to property I purchase at tax sales?**

A: It is recommended that no significant improvements be made to the property prior to the expiration of the two (2) year litigation period.

**Q: What happens if the sale is set aside, or the Commissioner or judge declares the deed void?**

A: In the event a sale or deed is canceled by the Commissioner or a judge, the purchaser is entitled to a full refund (no interest accruing) of all monies paid to the state for the purchase of the property. In addition, all taxes, penalties, interest and costs due on the property must be paid by the party challenging the tax sale or deed.

**Q: Can I redeem or purchase delinquent mineral rights from the Commissioner of State Lands office?**

A: Tax delinquent mineral interests may be redeemed at any time. In some limited situations, the mineral rights may be purchased from the Commissioner of State Lands. For further information, please refer to the statutes printed in the back of this booklet or contact our office.

**Q: What happens to property that is offered for sale at public auction, but does not sell?**

A: Such property is available for sale no less than 90 days after the date of the auction where it was offered. The purchaser obtains and completes an "Offer to Purchase" form provided by the Commissioner of State Lands making an offer on the property.

**Contact the Sales Division at 501-324-9422 for procedures and further information.**

## **Tax Delinquent Lands: What you need to know.....**

The primary responsibility of the Commissioner of State Lands is to return to private ownership lands that have been certified to the state of Arkansas for the non-payment of ad valorem real estate taxes. Their owners may redeem these forfeited lands or the Commissioner of State Lands may sell them at a public land sale.

Diligent efforts are made by the Commissioner through certified mail to make the owner aware that his taxes are delinquent, and that sale of the property is the consequence of failing to pay the taxes. Whether the property is redeemed or sold, the total amount of tax money and interest collected on delinquent property is returned to the county where the property is located.

### **How to Redeem Delinquent Property**

Property taxes are due and payable between the third Monday in February and October 10th of each year. After October 10th these taxes become delinquent and a penalty and interest are added. The property can be redeemed for one year at the County Collector's office by paying the taxes, plus the added penalty and interest. After one year, delinquent property is certified to the State Land Office and can be redeemed through a petitioning process for an additional two years.

If the property is not redeemed during the two-year period, a public sale will be held and the property will be sold to the highest responsible bidder. It is very important to pay taxes on time and avoid the additional costs applied to tax delinquent property.

To redeem delinquent property that has been certified to the state, the owner must contact the Commissioner of State Lands office and provide the parcel number or a legal description of the forfeited land and request a petition to redeem. This information is needed to locate the property in the records of the office. This petition will indicate the amount that is owed on the property and in-

structions on completing the document. The record owner must then return the completed petition along with proper payment to the Commissioner of State Lands office. Upon receipt of the notarized petition and proper payment, the Commissioner of State Lands office will issue a redemption deed. The deed is recorded at the Circuit Clerk's office in the county in which the property is located and then forwarded to the petitioner.

## **Purchasing Tax Delinquent Lands**

Legislation passed in 1983 requires the Commissioner of State Lands to send certified notice of sale to owners of tax delinquent land. The public sales are held in the county in which the land is located. Any person, corporation or association or agent thereof may bid on the properties offered by submitting a bid – either orally or by mail.

Notices for all sales will appear in newspapers with general circulation within the county where the property is located. In addition, anyone may request to be placed on the Commissioner of State Lands' mailing list and will receive a free catalog of the parcels that will be offered. The catalog is also on our website.

Minimum bid amounts, which are equal to the assessed value of the land, are listed in the catalog along with the total amount of tax, penalty, interest and cost due on each parcel. Bidding begins at the minimum dollar amount listed for each parcel with the full purchase price including the highest amount bid plus the total tax due as listed in the catalog. Each sale will be made to the highest responsible bidder for not less than the minimum bid. Successful bidders, whether bidding by mail or at the auction, will receive receipts for payments made. Mail-in bids, which must be received by the Commissioner of State Lands seven (7) days prior to the sale date, will be announced immediately preceding the oral auction. Unsuccessful bids will be refunded.

Properties that are offered for sale at public auction and do not sell are available for sale ninety (90) days

after the date the public auction is held. Basically, these properties fall into three categories:

## **S-2 Sales**

S-2 Sales are those which occur within the first year after the property is offered at public sale. For these sales, the minimum amount which will be accepted is the minimum bid as stated in the catalog, plus all taxes, penalties and interest due. To make certain that the amount received for the property is in line with the potential value of the property, the State Land Office may do additional research. When more than one bid is received on such properties, the bid that is in the best interest of the state will be determined and accepted.

## **S-3 Sales**

S-3 Sales are those which occur when more than one year has elapsed from the date the property was originally offered at public sale. To make certain that the amount received for the property is in line with the potential value of the property, the State Land Office may do additional research. Otherwise, the minimum bid acceptable is the amount of taxes, penalties, interest and costs due. When more than one bid is received on such properties, the bid which is in the best interest of the state will be determined and accepted.

## **S-4 Sales**

S-4 Sales are those which occur when more than two years have elapsed from the date the property was originally offered at public sale. To make certain that the amount received for the property is in line with the potential value of the property, the State Land Office may do additional research. In these sales, the Commissioner may accept offers that more accurately reflect the actual value of the property.

## **Donated Lands**

The Commissioner may donate tax delinquent properties to state agencies, Arkansas-supported colleges and universities and local governmental units for public use, such as parks, fire stations, etc., when the donation of such properties is in the best interest of the state. The governmental unit must make application for such donation, specifying the proposed use of the land and the anticipated duration for that usage.

## **Urban Homestead Program**

This program allows the Commissioner to donate tax delinquent lots that have been offered but did not sell at public auction to the cities and towns where they are located. These lots can then be developed by local organizations such as housing authorities or Habitat for Humanity into housing for low-income families to purchase. The program provides cities a viable means of cleaning up dilapidated housing while helping to regenerate existing neighborhoods.

## **Natural Resources Minerals Division**

The state of Arkansas owns the beds of all the navigable rivers, streams and lakes located in the state, in addition to the various properties owned by the state agencies, boards and commissions. Any minerals which are removed from those lands are the property of the state. The Commissioner is responsible for the competitive bidding and leasing of all mineral interests on state-owned lands as well as sand and gravel permits on navigable waterways.

## **State-Owned Lands**

The Commissioner also maintains the deeds for all property owned by the state and its agencies and institutions, with the exception of the Arkansas Highway and

Transportation Department. Periodically, a report on the state-owned lands is updated and published for distribution to any interested parties.

## **Genealogical Research**

The Commissioner of State Lands office houses the original patent records of the state, which are the records showing the original disposition of tracts of land from the United States and the means by which the land was granted. Copies of General Land Office (GLO) plats of the state are maintained in the Commissioner's office, along with the corresponding field survey notes.

The office retains records of original homestead, swampland, and school land patents. The records, dating back to the 1820s, indicate the original owner of a piece of property and information on patent numbers, land transactions, property locations and purchase dates.

The office can also provide copies of original survey maps (GLO Plats) and field notes on request. These documents may indicate various improvements made on the land when the survey was made. The first surveys were started in 1815. However, most of the surveying was completed in the 1840s and 1850s. Copies of any of these documents can be obtained for a nominal charge. We also have this information on a 13/CD-ROM set for \$25.00/set.

## **Division of Land Survey**

This office maintains original survey markers and survey record documentation. It also establishes uniform professional surveying and mapping methods and standards within the state.

Questions for this division should be directed to  
501-324-9168, or via email at:  
[landsurvey@aristotle.net](mailto:landsurvey@aristotle.net).



# Laws Governing the Redemption and Sale of Tax Delinquent Land

## §26-37-101. Transfer of tax-delinquent lands.

(a) (1) All lands upon which the taxes have not been paid for one (1) year following the date the taxes were due, October 10, shall be forfeited to the State of Arkansas and transmitted by certification to the Commissioner of State Lands for collection or sale.

(2) No tax-delinquent lands shall be sold at the county level.

(b) The county collector shall hold all tax delinquent lands in the county for one (1) year after the date of delinquency, and if not redeemed by the certification date, which shall be no later than July 1 of the following year, the collector shall transmit it to the state after notice as provided in this chapter indicating all taxes, penalties, interest, and costs due and the name and last known address of the owner of record of the tax-delinquent land.

(c) Upon receipt of the certification, title to the tax delinquent lands shall vest in the State of Arkansas in care of the Commissioner of State Lands.

*History. Acts 1983, No. 626, § 1, A.S.A. 1947, § 84-1126; Acts 1987, No. 814, § 5; 1993, No. 791, § 2; 1995, No. 660 § 1.*

*A.C.R.C. Notes. Acts 1983, No. 626, § 7, as amended by Acts 1985, No. 179 § 5, Act 1987, No. 814 § 6, Act 1991, No 1080, § 1, and Acts 1993, No. 791 § 3, provided: “(a) except as provided in subsection (b) of this section [Acts 1987, No. 814, § 6(b)] all tax delinquent land then held by the Commissioner of State Lands should be disposed of according to the provisions of Act 626 of 1983, as amended. For the purposes of Act 626 of 1983, as amended, the word ‘taxes’ should mean ad valorem taxes on real estate and the annual installments of the assessments of benefits levied by municipal improvement districts formed in second class cities under Act 84 of 1881, as amended, § 14-88-101 et seq., or Act 64 of 1929, as amended, § 14-88-203 et seq., for the sole purpose of acquiring, constructing, operating, or maintaining a recreational facility. The term ‘tax delinquent land’ when used in Act 626 of 1983, as amended, should mean all land upon which the ad valorem property taxes have*

*not been paid and the term should also include land subject to a lien for nonpayment of annual installments of the assessments of benefits levied by municipal recreation improvement districts created pursuant to § 14-88-101 et seq., or § 14-88-203 et seq.*

*“(b) All tax delinquent land which has been or will be forfeited to the State and conveyed to the Commissioner of State Lands by certification but which remains neither sold nor redeemed two (2) years from the date of the applicable public auction conducted in accordance with the provisions of Act 626 of 1983, as amended, may not be subject to the provisions of Act 626 of 1983, as amended, or any other Act relating to the sale of land by the Commissioner at public sales or by negotiation for whatever price the Commissioner determines to be in the best interest of the State and its local taxing units.”*

*“(c) The Commissioner of State Lands shall have the authority to promulgate such rules and regulations as may be necessary to effectively carry out the provisions of Act 626 of 1983, as amended, [and,] upon adoption, such rules and regulations shall have the full force and effect of law.”*

### **§26-37-102. Publication of notice - Fee.**

(a) The county collector in each county shall, not less than thirty (30) days nor more than forty (40) days prior to the certification of the land, cause to be published in a newspaper of general circulation in the county:

- (1) A list of real property not previously redeemed;
- (2) The names of the owners of record;
- (3) The amount of the taxes, penalties, interest, and cost necessary to be paid to redeem the property;
- (4) The date upon which such period of redemption expires; and
- (5) Notice that unless the property is redeemed prior to the expiration of the period of redemption, the lands will be forfeited to the state.

(b) Fees for the publication shall be the same as set forth in § 26-37-108.



### **§26-37-103. Verification by county assessor.**

(a) Prior to certification to the Commissioner of State Lands, the county assessor shall:

(1) Verify the assessment to establish value on all parcels to be certified;

(2) Verify the name and last known address of the owner of record of the tax-delinquent land; and

(3) Determine whether the tax-delinquent land exists;

(b) If the land is found to be nonexistent, the county assessor shall remove the delinquent entry from the assessment rolls.

(c) No tax-delinquent lands shall be certified to the Commissioner of State Lands without the assessor's verification.

### **§26-37-104. Cost of notices.**

All costs of notice shall be added to the costs to be collected from the purchaser or redeemer.

### **§26-37-105. Collection fee.**

The Commissioner shall charge a twenty-five dollar (\$25.00) collection fee against each parcel of tax delinquent land which has been certified to his office.

### **§26-37-201. Publication of notice - Fee.**

(a) The Commissioner of State Lands shall publish a notice of sale of land upon which the ad valorem property taxes have not been paid in a newspaper having general circulation in the county wherein the land is located. The publication fee for the notice shall be the same as set forth in § 26-37-107.

(b) The notice shall:

(1) Contain the assessed value of the land;

(2) Contain the amount of taxes, interest, penalties, and other costs due on the land;

(3) Contain the legal description of the land;

(4) Contain a list of all recorded liens against the land that are known to the Commissioner of State Lands; and

(5) Indicate that the land will be sold to the highest bidder if the bid is equal to at least the assessed value of the land as certified to the Commissioner of State Lands.

(c) The highest bidder shall pay all taxes, interest, penalties, and other costs.

### **§26-37-202. Procedure to sell.**

- (a) Bidders may bid at the sale or mail their bid to the office of the Commissioner of State Lands. Bids shall be delivered at the appropriate place before the deadline established in the notice of sale.
- (b) If no one bids at least the assessed value, the Commissioner may negotiate a sale. All negotiated sales shall have approval of the Attorney General of the State of Arkansas.
- (c) The Commissioner shall conduct tax-delinquent sales in the county wherein the land is located, unless the Commissioner determines there are not enough parcels of land to justify a sale in one (1) county only. In that case, the Commissioner may hold a tax-delinquent land sale in one (1) location and thereat sell land located in more than one (1) county if the counties wherein the lands are located are adjoining counties.
- (d) The sales shall be conducted on the dates specified in the notices required by this subchapter.
- (e) Unless the owners of record tender all taxes, penalties, interest, and costs due within thirty (30) days after the date of sale, a limited warranty deed will be issued by the Commissioner to the purchaser.

### **§26-37-203. Conveyance to purchaser - Contest.**

- (a) If the tax-delinquent land is not redeemed within the thirty-day period, the Commissioner of State Lands shall issue a limited warranty deed to the land.
- (b)(1) Except as provided in subdivisions (b)(2) and (3) of this section, all actions to contest the validity of the conveyance shall be brought within two (2) years after the date of the conveyance or thereafter be barred.
- (2) Causes of actions by persons suffering a mental incapacity, minors, or those serving in the United States armed forces during time of war during the two-year period shall be brought within two (2) years after the disability is removed, the minor reaches majority, or the person is released from active duty with the armed forces.
- (3) An action to challenge the conveyance to a purchaser of a subdivided lot that was sold at a negotiated sale under § 26-37-202(b) shall be brought within ninety (90) days after the date of conveyance or thereafter be barred.
- (c) No deed issued after January 1, 1987, by the Commissioner of State Lands shall be void or voidable on the

ground that the county did not strictly comply with the laws governing tax-delinquent land, provided that prior to the issuance of the deed, the Commissioner of State Lands complied with the laws governing the disposition of tax-delinquent land.

(d) Nothing in this section shall prevent any taxpayer from attacking a deed issued by the Commissioner of State Lands on the ground that taxes have actually been paid.

#### **§26-37-204. Sales set aside.**

(a) In the event the sale is set aside by legal action or if the land is proven to be nonexistent or double assessed, the purchaser shall be entitled to reimbursement of moneys paid.

(b) The Commissioner of State Lands shall have the authority to set aside any sale. In the event the Commissioner determines that a sale shall be set aside, the purchaser may be entitled to reimbursement of moneys paid to the Commissioner of State Lands.

(c) In cases where the sales may be set aside by the Commissioner of State Lands or by legal action by the record owner or the heirs or assigns of the record owner, the record owner or the heirs or assigns of the record owner shall pay all back taxes, penalties, interest, and costs charged against the land.

#### **§26-37-205. Distribution of funds.**

(a) All moneys collected by the Commissioner of State Lands from the sale or redemption of tax delinquent lands shall be distributed as follows:

(1) First, to the Commissioner of State Lands, the penalties, the collection fees, sale costs, and other costs as prescribed by law;

(2) Second, an amount to each county equal to the taxes due plus interest and costs to the county as certified by the county tax collector, which amount shall be held in an escrow fund administered by the Commissioner and remitted to the counties within one calendar year of their receipt by the Commissioner;

(3) Third, the remainder, if any, shall be placed in another escrow fund administered by the Commissioner.

(b) If no actions are brought within the time limits prescribed under this subchapter, the remaining funds, if any, shall be distributed by the Commissioner as follows:

(1)(A)(i) To former owners of the tax delinquent land.

(ii) Such former owners must file an application with the Commissioner requesting the release of any remaining funds. The application shall be provided by the Commissioner of State Lands and shall require proof of ownership. In addition, the application may require other information the Commissioner may deem necessary to obtain prior to the release of said funds.

(B) In the event of multiple claims of ownership or controversy regarding the release of such funds, it shall be the responsibility of the parties seeking release of the funds to resolve such controversy.

(2) The funds shall be held in escrow for five (5) more years and at the end of such five year period, if the funds have not been distributed, the escrow funds shall escheat to the county wherein the property is located.

(c) All funds distributed to each county by the Commissioner of State Lands from the redemption or sale of tax-delinquent lands, including any interest and costs, are to be distributed to the applicable taxing units where the delinquent land is located within the county in the manner and proportion that the taxes would have been distributed if they had been collected in the year due.

(d) All funds received by a county from the redemption of tax-delinquent land at the county level, including any penalty, interest, and costs, are to be distributed to the applicable taxing units where the delinquent land is located within the county in the manner and proportion that the taxes would have been distributed if they had been collected in the year due.

### **§26-37-209. Compensation for improvements.**

(a)(1) Except as provided in subdivision (a)(2) of this section, no purchaser of any land or town or city lot nor any person claiming under him or her shall be entitled to any compensation for any improvements that he or she shall make on the land or town or city lot within two (2) years from and after the sale of the land or lot.

(2) No purchaser of a subdivided lot that was sold at a negotiated sale under §26-37-202(b) shall be entitled to any compensation for any improvements that he or she makes to the lot within ninety (90) days after the date of the sale.

(b)(1) Except as provided in subdivision (b)(2) of this section for improvements made after two (2) years from the date of sale, the purchaser shall be allowed the full

cash value of the improvements, and the allowance shall be a charge upon the land.

(2) For improvements made after ninety (90) days from the date of sale to a subdivided lot that was purchased at a negotiated sale under §26-37-202(b), the purchaser shall be allowed the full cash value of the improvements, and the allowance shall be a charge upon the land.

#### **§26-37-214. Limitation on liability.**

Except as provided in §26-37-204(a) and (b), the Commissioner of State Lands as well as the county from which the property is certified shall be immune from liability for damages, costs, fees, or compensation for improvements made to the property arising from the sale of tax delinquent property even if the sale is found to be invalid or void as a result of error by the Commissioner of State Lands or the county.

#### **§26-37-301. Notice to owner. (Effective January 1, 2004.)**

(a)(1) Subsequent to receiving tax-delinquent land, the Commissioner of State Lands shall notify the owner, at the owner's last known address, by certified mail, of the owner's right to redeem by paying all taxes, penalties, interest, and costs, including the cost of the notice.

(2) All interested parties known to the Commissioner of State Lands shall receive notice of the sale from the Commissioner of State Lands in the same manner.

(b) The notice to the owner or interested party shall also indicate that the tax-delinquent land will be sold if not redeemed prior to the date of sale. The notice shall also indicate the sale date, and that date shall be no earlier than two (2) years after the land is certified to the Commissioner of State Lands.

(c) For the purposes of this section, the term "owner" and "interested party" shall mean any person, firm, corporation, or partnership holding title to or interest in the property by virtue of a recorded instrument at the time of certification to the Commissioner of State Lands.

(d) The Commissioner of State Lands shall not be required to notify, by certified mail or by any other means, any person, firm, corporation, or partnership whose title to or interest in the property is obtained subsequent to certification to the Commissioner of State Lands.

(e)(1) If the Commissioner of State Lands fails to receive proof that the notice sent by certified mail under this section was received by the owner of a homestead, as defined under §26-26-1118(b), then the Commissioner of State Lands or his or her designee shall provide actual notice to the owner of a homestead, as defined under §26-26-1118(b), by personal service of process at least sixty (60) days before the date of sale.

(2) For purposes of this subsection, “owner of a homestead” means:

(A) Every owner if the homestead is owned by joint tenants; and

(B) Either the husband or the wife if the homestead is owned by tenants by the entirety.

(3) The owner of a homestead shall pay for the additional cost of the notice by personal service of process under this subsection.

### **§26-37-302. Payment required.**

(a) In order to redeem, whether with the county collector or the Commissioner of State Lands, and in order to purchase at the Commissioner’s sale, the redeemer/purchaser of tax-delinquent land shall pay all delinquent taxes, plus:

(1) Ten percent (10%) simple interest for each year of delinquency;

(2) A ten percent (10%) penalty for each year of the delinquency; and

(3) The costs incurred by the county and the Commissioner of State Lands.

(b) The penalties and interest shall accrue beginning on October 11 in the year of delinquency.

### **§26-37-303. Redemption deed.**

(a) If the owner redeems the tax-delinquent land, the Commissioner of State Lands shall issue a redemption deed and record it in the county wherein the land is located.

(b) The fee for the redemption deed and the fee for recording the deed shall be borne by the owner.



## **§26-37-315. Redemption of homestead by taxpayer.**

If the taxpayer did not receive actual notice of the sale of his or her homestead, as defined under §26-26-1118(b), by the Commissioner of State Lands or his or her designee by personal service of process at least sixty (60) days before the date of the sale, then the taxpayer may redeem the tax-delinquent land by tendering all taxes, penalties, interests, and costs within thirty (30) days after the date of the sale.

## **§26-37-316. Notice requirement.**

When a homestead, as defined under §26-26-1118(b), is certified to the Commissioner of State Lands, the county collector shall provide notice to the Commissioner of State Lands that the property is a homestead.

## **Rules and Regulations**

### **1. Land Offered for Sale**

- A. All land offered for sale by the Commissioner of State Lands has been certified to the State for non-payment of taxes from the county where the land is located.
- B. The property being offered is identified by legal description and/or parcel number as certified by the county.
- C. The Commissioner of State Lands recommends that all prospective purchasers do their own research as to the use of the land for their intended purpose and make a personal inspection of the property.

### **2. Notice of Sale**

- A. A notice of sale will be published by the Commissioner of State Lands in a newspaper having general circulation in the county where the land is located.
- B. In most cases the sale will take place in the county

where the land is located.

C. A notice of sale will be mailed to all interested parties known to the Commissioner.

### **3. Contents of the Notice of Sale**

A. The assessed value of the land.

B. The amount of taxes, interest, penalties and other costs due on the land.

C. The legal description of the land.

D. A list of all recorded liens against the land that are known to the Commissioner.

E. A deadline at which time bids must be delivered.

F. The land will be sold to the highest bidder provided the bid is equal to the assessed value of the land.

### **4. Registration at the Sale**

A. Registration will take place prior to the time of sale as specified in the notice.

B. No bids will be accepted unless the bidder has registered and received a pre-numbered bid card.

### **5. Who May Bid**

Any person, corporation or association or agent thereof may bid on the properties offered except that the Commissioner of State Lands and his employees, the County Collector or his deputy and the Clerk of the County or his deputy may not bid on the property or be involved in the purchase of such property.

### **6. Bidding**

A. In General

1. The minimum bid amounts are shown on the list. The minimum bid amount is equal to the assessed value of the land as certified to the Commissioner of State Lands by the county.

2. Each sale will be made to the highest responsible bidder for not less than the minimum bid amount.

3. Successful bidders, whether bidding by mail or at the auction, will receive receipts for payments made.

#### B. At Auction

1. Subject to proper registration as outlined in Rule 4, bids may be made at the oral auction on the day of the sale.

2. Each parcel of land will be offered separately and in the order appearing on the bid list.

3. An oral bid accepted at public auction is a legal and binding contract to purchase.

#### C. By Mail

1. Bids by mail must be received by the Commissioner of State Lands no later than seven (7) days prior to the date of sale.

2. Unsuccessful bidders will be refunded in full.

3. Bids received by the Commissioner prior to the sale date will be announced immediately preceding the oral auction of the parcel.

## 7. **Terms of Sale**

A. The full purchase price is equal to the highest amount bid plus the "TAX DUE" amount as listed in the catalog.

B. Successful bidders must tender the full purchase price (the amount bid plus the "TAX DUE" amount as listed) at the time of the sale.

C. Bids by mail must include the full purchase price (the amount bid plus the "TAX DUE" amount as listed).

D. At the auction or by mail, the first one hundred dollars (\$100.00) of the full purchase price must be paid in cash, by money order or cashier's check with the balance payable by personal check. No deed will be issued until clearance is assured by the bank or lending institution on which such checks are drawn.

(DO NOT SEND CASH BY MAIL).

E. All cashier's checks, money orders, and checks should be made payable to the Commissioner of State Lands.

F. No purchase may be made on a time-payment plan.

G. Upon payment of the full purchase price, the successful bidder will receive a certificate of purchase from the Commissioner of State Lands.

H. Record owners, their agents, or assigns have thirty (30) days from the date of the sale to redeem the property.

I. In the event of redemption, the purchaser at the sale will receive a full refund, no interest accruing.

J. If no redemption occurs, the purchaser will receive a limited warranty deed from the Commissioner of State Lands subsequent to the expiration of the 30-day redemption period.

## 8. Penalties

A. The cash amount tendered on the day of the sale will be forfeited by the successful bidder in the event the check used to pay the balance is a non-negotiable instrument.

B. Pursuant to the provisions of A.C.A. Section 5-37-301 through 307, "The Arkansas Hot Check Law", the maker of checks returned to the Commissioner of State Lands for insufficient funds will be prosecuted.

C. The Commissioner of State Lands reserves the right to exclude any individual, partnership or corporation from the bidding process for failure to abide by these rules or for failure to carry on business in good faith.



## 9. Title Being Conveyed

Deeds are limited warranty deeds conveying all titles received by the state through tax forfeiture.

## 10. Legal Action Against the Conveyance

A. Most actions to contest the validity of the deeds must be filed within two (2) years after the date of conveyance [Exceptions to this rule are listed under A.C.A. Section 26-37-203(b)(1) & (2)].

B. If the sale is set aside by legal action or if the land is proven to be non-existent, or double assessed, the purchaser will be entitled to a reimbursement of money paid to the Commissioner of State Lands, interest not accruing thereon.

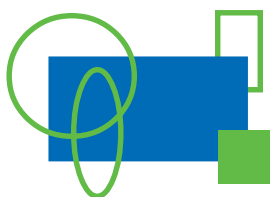
## 11. Negotiated Sales

A. In the event no one bids at least the minimum bid, the Commissioner of State Lands may negotiate a sale.

B. Such sales that are negotiated shall take place at a time which will be specified at the auction and which will be held at the offices of the Commissioner of State Lands. Prior to execution, such sales must have the approval of the Attorney General of the State of Arkansas.

## 12. Caveat

Nothing in these rules and regulations shall apply to the sale of tax delinquent land which has been or will be certified to the Commissioner of State Lands for tax years prior to 1978.



## Severed Mineral Interests

### §26-37-314. Sale of tax delinquent severed mineral interests prohibited

(a)(1) When severed mineral interests are forfeited to the state and conveyed by certification to the Commissioner of State Lands for nonpayment of property taxes, title to the severed mineral interests shall vest in the State of Arkansas in the care of the Commissioner of State Lands.

(2) The Commissioner of State Lands shall so notify the owner of record by certified mail at his or her last known address.

(3)(A) Except as provided in subsection (b) of this section, the Commissioner of State Lands shall not sell the severed mineral interests but shall retain the interests indefinitely for redemption.

(B) However, the severed mineral interests may be leased by the Commissioner of State Lands if he or she determines that a lease is in the best interest of the state.

(C) All benefits, including royalty and leasehold payments, accruing after title vests in the state and before redemption shall be payable to the Commissioner of State Lands.

(D) Upon receipt of any such benefits, the Commissioner of State Lands shall deposit the funds into financial institutions in this state.

(4)(A) The tax-delinquent severed mineral interests may be redeemed at any time in the manner prescribed for the redemption of tax-delinquent real property.

(B) However, upon redemption the owner shall not be entitled to any payments received by the Commissioner of State Lands before redemption.

(5) All funds derived from redemption shall be held in escrow by the Commissioner of State Lands for one (1) year, at which time they shall be distributed the same as funds derived from the redemption of real property.

(b)(1) After the expiration of the redemption period prescribed by §26-37-301 et seq., the Commissioner of State Lands shall sell the severed mineral interests to the surface owners if the surface owners opt to purchase the tax-delinquent severed mineral interest.

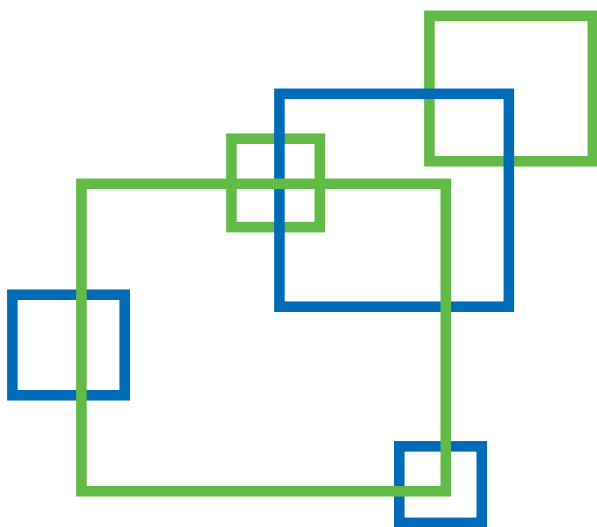
(2) The surface owner purchasing mineral interests under subdivision (b)(1) of this section shall be allowed to purchase the mineral interests for an amount equal to the delinquent taxes and shall not be required to pay any interest or penalties if the surface owner was not the owner of the mineral interests at the time the taxes became delinquent.

(c) All benefits, including royalty and leasehold payments, payable to the Commissioner of State Lands pursuant to this section are not subject to the provisions of §18-28-201 et seq. and §18-28-401 et seq.

(d) The provisions of this section shall be applicable to all tax-delinquent severed mineral interests currently forfeited to the state and certified to the Commissioner of State Lands as well as to all tax-delinquent severed mineral interests forfeited to the state hereafter.

(e)(1) No deed issued under this section shall be void or voidable on the ground that the assessment of the property taxes on the severed mineral interest was not subjoined to the assessment of the property taxes on the surface realty.

(2) This subsection shall be retroactive to all certifications of delinquent mineral interests in the records of the office of the Commissioner of State Lands.



## Other Sources of Information

The Commissioner of State Lands office is not the only state office that deals with land, mineral rights and land records. The following is a list of organizations that also provide services and information on these subjects:

### State Offices

#### Arkansas Real Estate Commission

612 South Summit Street

Little Rock, AR 72201

501-683-8010

#### Arkansas Board of Registration for Professional Engineers and Land Surveyors

P.O. Box 3750

Little Rock, AR 72203

501-682-2824

#### Assessment Coordination Department

1614 West 3<sup>rd</sup> Street

Little Rock, AR 72201

501-324-9240

#### Arkansas Oil and Gas Commission

P.O. Box 1472

El Dorado, AR 71731-1472

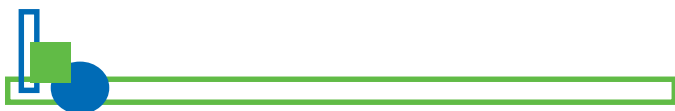
(870) 862-4965

#### Arkansas History Commission

One Capitol Mall

Little Rock, AR 72201

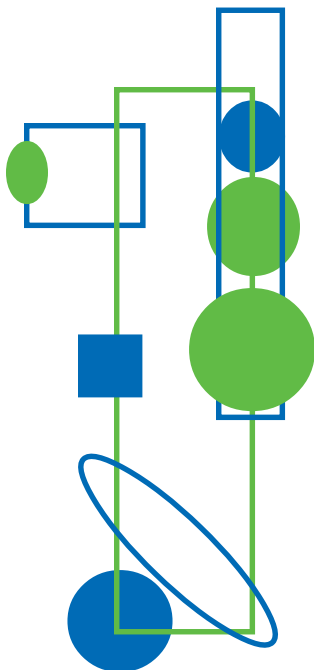
(501) 682-6897



## Federal Offices:

Bureau of Land Management  
Eastern States Office  
7450 Boston Boulevard  
Springfield, Virginia 22153  
(703) 440-1700

Bureau of Land Management  
Jackson District Office  
411 Briarwood Drive, #404  
Jackson, MS 39206  
(601) 977-5400



This booklet provided by:  
Mark Wilcox, Commissioner of State Lands  
109 State Capitol, Little Rock, AR 72201-1003  
501-324-9422 Fax: 501-324-9424  
E-mail: [land@aristotle.net](mailto:land@aristotle.net)  
[www.state.ar.us/land/land.html](http://www.state.ar.us/land/land.html)

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Parks and Tourism

