

134.452 Third-party purchaser of certificate of delinquency -- Fees -- Collection limitations -- Notice to proper owner.

Notwithstanding any other provisions of this chapter, a third-party purchaser of a certificate of delinquency shall be entitled to collect only the following:

- (1) The amount actually paid for the certificate of delinquency;
- (2) Interest as provided in KRS 134.125, calculated on the amount actually paid to the county clerk from the date the certificate of delinquency was purchased until paid; and
- (3) Attorneys' fees as provided in this subsection.
 - (a) Attorneys' fees incurred for collection efforts prior to litigation as follows:
 1. If the amount paid for a certificate of delinquency is between five dollars (\$5) and three hundred fifty dollars (\$350), actual reasonable fees incurred up to one hundred percent (100%) of the amount of the certificate of delinquency, not to exceed three hundred fifty dollars (\$350);
 2. If the amount paid for a certificate of delinquency is between three hundred fifty-one dollars (\$351) and seven hundred dollars (\$700), actual reasonable fees incurred up to eighty percent (80%) of the amount of the certificate of delinquency, not to exceed five hundred sixty dollars (\$560); and
 3. If the amount paid for a certificate of delinquency is above seven hundred one dollars (\$701), actual reasonable fees incurred up to seventy percent (70%) of the amount of the certificate of delinquency, not to exceed seven hundred dollars (\$700).
 - (b) If a third-party purchaser is the owner of more than one (1) certificate of delinquency against the same taxpayer, actual and reasonable prelitigation attorneys' fees for all certificates of delinquency against the same taxpayer shall not exceed one and one-half (1.5) times the maximum amount permitted in paragraph (a) of this subsection for the largest tax bill owed by the taxpayer.
 - (c) In addition to the prelitigation attorneys' fees established by paragraphs (a) and (b) of this subsection, a third-party purchaser may collect actual, reasonable attorneys' fees and costs that arise due to the prosecution of collection remedies or the protection of a certificate of delinquency that is involved in litigation; and
- (4) Administrative fees incurred for preparing, recording, and releasing an assignment of the certificate of delinquency in the county clerk's office, not to exceed one hundred dollars (\$100).

A certificate of delinquency owned by a third-party purchaser shall be deemed a general intangible for the purposes of Article 9 of KRS Chapter 355.

Effective: January 1, 2010

History: Amended 2009 Ky. Acts ch. 10, sec. 14, effective January 1, 2010. -- Created 2007 Ky. Acts ch. 14, sec. 1, effective June 26, 2007.

Legislative Research Commission Note (6/26/2007). A reference in subsection (3) of this section in 2007 Ky. Acts ch. 14, sec. 1(3), to "subparagraph 4. of paragraph (b) of subsection (1) of Section 5 of this Act (KRS 134.490)" has been corrected in codification to read "KRS 134.490(1)(b)" by the Reviser of Statutes under the authority of KRS 7.136.