

134.126 Duties of the clerk regarding certificates of delinquency -- Fees.

- (1) (a) The county clerk shall receive and record payments for all certificates of delinquency and personal property certificates of delinquency filed by the sheriff pursuant to KRS 134.122.
- (b) The county clerk may accept payment by any commercially acceptable means. The county clerk may limit the acceptable methods of payment to those that ensure that the payment cannot be reversed or nullified due to insufficient funds.
- (2) The county clerk shall give a receipt to the person making payment.
- (3) The county clerk shall report by the tenth day of each month to the department, the county treasurer, the sheriff, and the proper officials of the taxing districts. The governing body of a county may require the county clerk to report and pay on a more frequent basis if necessary for bonding requirements; however, the county clerk shall not be required to report and pay more frequently than weekly.
- (4) The county clerk shall allocate payments among the various entities entitled to a portion of the payment. The county clerk shall, at the time he or she makes the reports required by subsection (3) of this section:
 - (a) Pay to the department for deposit in the State Treasury all moneys received due the state;
 - (b) Pay to the county treasurer all moneys received due the county;
 - (c) Pay to the authorized officers of the taxing districts the amount due each taxing district; and
 - (d) Pay the amount of fees, costs, commissions, and penalties to the persons, agencies, or parties entitled thereto.
- (5) (a) Upon full payment of a certificate of delinquency or personal property certificate of delinquency owned by the state, county, and taxing districts, the county clerk shall note on the certificate the name and address of the person making the payment, the amount paid, and any other information the department may require. The clerk shall mark the certificate of delinquency or personal property certificate of delinquency paid in full.
- (b) If payment in full is made by a person other than the person primarily liable on the certificate, the person making the payment may request that the payment be treated as an assignment. Upon such request, the county clerk shall:
 1. Note the assignment on the certificate of delinquency or personal property certificate of delinquency;
 2. Record the encumbrance represented by the certificate of delinquency in the same manner as a notice of lis pendens; and
 3. Include as part of the encumbrance recording the information required by KRS 134.490(3)(f).

For recording the assignment and encumbrance, the county clerk shall receive the fee provided in KRS 64.012.

- (c) If a person other than the person primarily liable on the certificate does not request the payment to be treated as an assignment, he or she shall be treated in the same manner as the person primarily liable on the certificate, and any payment made pursuant to this subsection shall not constitute an assignment of the certificate. The payor shall not be subrogated to the lien of the state, county, and taxing districts as provided in subsection (8) of this section, and shall not be considered a third-party purchaser under the provisions of this chapter, or a transferee under KRS 134.121.
- (6) After the initial recording of an assignment of a certificate of delinquency or personal property certificate of delinquency as provided in subsection (5)(b) of this section, all subsequent actions relating to that certificate of delinquency or personal property certificate of delinquency, including assignments and releases shall be made in accordance with the general laws and procedures governing land records, except the additional information required by KRS 134.490(3)(f) shall be included. The applicable fees established by KRS 64.012 shall apply.
- (7) A certificate of delinquency or personal property certificate of delinquency shall be assignable. Failure of an assignee to record the assignment shall render the claim of such person to any real estate represented thereby inferior to the rights of other bona fide purchasers, payors, or creditors.
- (8) Any person other than the person primarily liable on a certificate who:
 - (a) Pays the certificate of delinquency in full, and who requests to the county clerk that the payment be treated as an assignment pursuant to subsection (5)(b) of this section; or
 - (b) Is the assignee of such a person, if the assignment has been recorded as required by this section or KRS 134.127;shall be subrogated to the lien priority of the state, county, and taxing districts as provided in KRS 134.420, and the amount due may be collectible as provided in KRS 134.546(2).
- (9) As compensation for collection of payments on certificates of delinquency, personal property certificates of delinquency, and other delinquent taxes, and the processing of delinquent property tax payments, the county clerk shall be paid ten percent (10%) of the amount due each taxing unit for each certificate of delinquency, personal property certificate of delinquency, or other delinquent tax claim. The fee shall be added to the amount of the tax claim and shall be paid by the person paying the tax claim.

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