

## Property:

### US Supreme Court Holds that Locality Keeping Excess Proceeds from Property Tax Sale is Unconstitutional

*Docket No 22-166, US (5/25/23).* In a case involving a condominium owner whose real property was seized and sold by a Minnesota county due to unpaid real estate taxes, the US Supreme Court (Court) held that the owner plausibly alleges that the county's retention of the excess value of her home above her tax debt violated the Takings Clause of the Fifth Amendment. The Court explained that history and precedent dictate that, while the county had the power to sell the individual's home to recover the unpaid property taxes, it could not use the tax debt to confiscate more property than was due. Doing so, according to the Court, effected a "classic taking in which the government directly appropriates private property for its own use." In so concluding, the Court rejected the county's argument that the former condominium owner has no property interest in the surplus because she constructively abandoned her home by failing to pay her taxes, reasoning that the county "cannot frame that failure as abandonment to avoid the demands of the Takings Clause." Please contact us with any questions.

**URL:** [https://www.supremecourt.gov/opinions/22pdf/22-166\\_8n59.pdf](https://www.supremecourt.gov/opinions/22pdf/22-166_8n59.pdf)

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