

DISTRICT OF COLUMBIA COURT OF APPEALS

CCD-SAT, Inc. v. Pratt

972 A.2d 322 (D.C. 2009) · No. No. 07-CV-1164 · Decided May 28, 2009

SUMMARY

The District of Columbia Court of Appeals considers whether a tax deed conveying property to Clarence T. Pratt was valid when the District could not show that it provided the statutorily required notice to CCD-SAT, a Maryland corporation whose charter had been forfeited. The court held that CCD-SAT's forfeited status did not excuse strict compliance with the notice requirement because its sole director became trustee of the corporation's assets and was also its registered agent. The court reversed and remanded for an order setting aside the tax deed and for further proceedings.

CASE DETAILS

COURT	District of Columbia Court of Appeals
WRITING FOR THE COURT	Thompson, Associate Judge; Fisher, Associate Judge; Pryor, Senior Judge
JURISDICTION	District of Columbia
DECIDED	May 28, 2009
DOCKET	No. 07-CV-1164
DISPOSITION	reversed_and_remanded
PROCEDURAL POSTURE	CCD-SAT appealed an order of the Superior Court quieting title to District of Columbia real property in favor of Pratt and denying CCD-SAT's motion to set aside Pratt's tax deed.
PRECEDENTIAL VALUE	published and precedential
PARTIES	CCD-SAT, Inc., et al. v. Clarence T. Pratt, et al.

TOPICS

[property tax](#) [tax liens](#) [quiet title](#) [due process](#) [remedies](#)

PRACTICE AREAS

[real estate](#) [property tax](#) [constitutional law](#) [civil procedure](#) [remedies](#)

QUESTIONS PRESENTED

1. Whether CCD-SAT's forfeited corporate status excused the District from complying with the statutory requirement to provide written notice before privately selling the tax-delinquent property.
2. Whether the absence of evidence that the District sent the required notice rendered the tax sale and resulting tax deed invalid under the tax-sale statute and constitutional due-process requirements.

HOLDINGS

1. A corporation's forfeited or defunct status does not, on the particular facts of this case, excuse the District from strictly complying with the statutory requirement to send written notice to the record owner before privately selling tax-delinquent property.
2. Because the District could not show that it sent the statutorily required thirty-day notice, the tax sale was invalid and the tax deed must be set aside.

KEY QUOTATIONS

"The District "can effectuate a `valid conveyance of property for nonpayment of real estate taxes only by strict compliance with the tax sale statute and regulations."" (323)

"Accordingly, if the District fails to comply in every respect with the statute and regulations, the sale is invalid and must be set aside."" (323)

"Although CCD-SAT's corporate status was in forfeiture at the time the thirty-day notice requirement was triggered, Davis, as sole director of the corporation, stood in the shoes of the defunct corporation." (325)

FACTUAL BACKGROUND

CCD-SAT, a Maryland corporation, purchased the District of Columbia property in 1988 and failed to pay taxes beginning in 1990. Its corporate status was forfeited under Maryland law, and it remained in defunct status for more than eleven years, although its sole director, Carol C. Davis, remained the corporation's registered agent and primary point of contact. The District transferred the property to Pratt through a 1997 private tax sale, but the record contained no certified-mail receipt or other evidence that the District sent CCD-SAT the required notice of the sale and impending expiration of the redemption period.

PROCEDURAL HISTORY

CCD-SAT purchased the property in 1988 but failed to pay property taxes. After the District sold the property to Pratt through the tax-sale process, Pratt brought an action to quiet title. CCD-SAT moved to set aside the tax deed, arguing that the District had failed to provide the statutorily required notice. The Superior Court denied the motion, ruling that no notice was required because CCD-SAT's Maryland corporate status had been forfeited; the Court of Appeals reversed and remanded.

DISPOSITION

reversed_and_remanded

REMAND INSTRUCTIONS

Reverse the trial court's judgment and remand for entry of an order setting aside the tax deed to Pratt and for further proceedings consistent with the opinion.

CASES CITED

- Langon v. Reilly, 802 A.2d 951, 953 (D.C. 2002)
- Boddie v. Robinson, 430 A.2d 519, 522 (D.C. 1981)
- Bembery v. District of Columbia, 852 A.2d 935, 941 (D.C. 2004)
- Jones v. Thompson, 953 A.2d 1121, 1125-1126 (D.C. 2008)
- District of Columbia v. Mayhew, 601 A.2d 37, 39 (D.C. 1991)
- Scott v. Seek Lane Venture, Inc., 91 Md. App. 668, 605 A.2d 942 (Md. 1992)
- Kroop & Kurland, P.A. v. Lambros, 118 Md. App. 651, 703 A.2d 1287 (Md. 1998)
- Jones v. Grieg, 829 A.2d 195, 199 (D.C. 2003)

Retrieved from lawtools.ai · <https://lawtools.ai/cases/state/district-of-columbia-district-of-columbia-court-of-appeals/2009/ccd-sat-inc-v-pratt-qtnmm22s>