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[Local Governments Escape Ruling that Could Have Upended Property Tax Laws.](#)

The Supreme Court ruled that cities and counties cannot keep surplus funds from the homes they sell after residents fail to pay property taxes. But local officials nationwide are breathing a sigh of relief that the court didn't go further.

A Minnesota county violated the Fifth Amendment when it sold and kept the excess proceeds from an elderly woman's home, the U.S. Supreme Court ruled Thursday in a unanimous decision.

"A taxpayer who loses her \$40,000 house to the state to fulfill a \$15,000 tax debt has made a far greater contribution to the public fisc than she owed," Chief Justice John Roberts [wrote in the opinion](#). "The taxpayer must render unto Caesar what is Caesar's, but no more."

The case, *Tyler v. Hennepin County*, [centered on](#) how much autonomy state governments have regarding property that is seized lawfully from owners who are delinquent on their taxes. The Fifth Amendment specifies that governments cannot take private property without justly compensating its owner. So the question was whether Hennepin County improperly took the profits it made from selling the woman's house.

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Route Fifty

By Elizabeth Daigneau

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