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Prospective Tax Sale Bidders

2010 Clarke County Tax Sale

The enclosed packet contains information regarding the 2010 tax sale Rules and Regulations for the Clarke County Tax Sale.

The 2010 tax sale will be held on June 21, 2010 at the Clarke County Courthouse and will begin promptly at 9:00 am. The Clarke County Treasurers' office will open at 8:00 a.m., at which time pre-registered bidders may check in and pick up their bidder number. The sale normally last about one hour.

Registration must be completed and filed by 4:30 pm on Wednesday, June 16, 2010. There is a \$25.00 registration fee, which must accompany the registration documents. You will find the necessary forms to register for the tax sale included in this packet. Also required will be a copy of either a designation of agent for service of process on file with the Secretary of State OR a verified statement meeting the requirements of Chapter 547 on file with the Clarke County Recorder for anyone other than an individual. The 2010 Tax Sale information is also listed at www.iowatreasurers.org (Clarke County)

All delinquent parcels will be published in the Osceola Sentinel-Tribune, June 3, 2010. Our office will have a computer printout of the publication or this can be sent via email. For a copy of the list call 641-342-3311 or email your request to clarketr@iowatelecom.net. There is a \$10.00 charge per copy.

Debbie Lynn
Clarke County Treasurer



**TERMS AND CONDITIONS GOVERNING THE ANNUAL TAX SALE
OF JUNE 21, 2010**

AND ADJOURNMENTS OF ASSIGNMENTS THEREOF

The 2010 annual tax sale will be held at the Clarke County Courthouse on Monday June 21, 2010. The tax sale will begin promptly at 9:00 a.m. and will continue until every parcel has been offered for sale. The sale will then be adjourned daily until May 31, 2011.

1. Registering for the Tax Sale

Registration and Bidder Authorization fees are nonrefundable.

- The registration fee per bidder and authorized bidder is **\$25.00**.
- The registration fee includes bidding at the June 2010 tax sale and all associated adjourned tax sales.
- All bidders/or authorized bidders/buyers/assignees must be 18 years of age or older as of June 21, 2010. Proof of valid age, i.e., driver's license or birth certificate may be required by the Treasurers' Office.
- One authorized agent may represent a maximum of two bidders.

To pre-register for the tax sale:

A bidder must pre-register by 4:30 pm on June 16, 2010 to be eligible to bid at the tax sale on Monday, June 21, 2010. The Treasurer's Office must receive the properly completed forms listed below with the **registration fee of \$25.00 by 4:30 p.m. on Wednesday, June 16, 2010** for the bidder to be considered registered. Please mail registration forms to:

**DEBBIE LYNN
CLARKE COUNTY TREASURER
P.O. Box 157
OSCEOLA, IA 50213**

A pre-registered bidder may pick up his/her bidder card at the Treasurers' Office between 8:00 am and 9:00 am on Monday, June 21, 2010.

The Bidder must properly complete the following forms:

1. Bidder Registration Form

Must be signed and completed for each tax sale year.

2. W-9

This W-9 form must be completed to issue an accurate 1099-INT statement with appropriate social security number or taxpayer identification number

3. Authorization to Represent Bidder

A registrant may, through a completed 'Authorization to Represent Bidder' form filed with the County Treasurer, designate one agent to bid on his or her behalf during the 2010 annual and adjourned tax sales. **The 'Authorization to Represent Bidder' form must be signed by the same individual who signed the 'Registration of Tax Sale Buyer or Assignee', and 'W-9' forms.** Errors, omissions, or misrepresentations by a tax sale bidder may disqualify the bidder from the sale and all certificates purchased by the disqualified bidder during the sale may be canceled and re-offered to other properly registered bidders.

4. To be authorized to register to bid or to bid at a tax sale in Iowa a person other than an individual, must have a federal tax ID number AND either a designation of agent for service of process on file with the Iowa Secretary of State or a verified statement from the county Recorder where the sale will be held.

2. Electronic Devices Prohibited

Cellular phones, pagers, tape recorders, camcorders, and other audible electronic devices are to be turned off during the sale. Laptop or notebook computers are allowed only if they are operated from battery packs. A violation in the use of electronic devices may result in the disqualification of the bidder.

3. Bidding at the Tax Sale

Bidders must be present at the beginning of the sale. Late attendees will not be allowed to bid.

Parcels with delinquent taxes will be offered for sale by item number, by taxing district, as reflected in the tax sale publication. **It is the bidder's responsibility to be prepared for the sale and to know the item number(s) within each district in which you intend to bid.** Regular real estate, mobile homes, and public bidder items will be offered by item number. I will acknowledge public bidder items.

Each parcel will be offered for sale beginning with an opening bid of 100% undivided interest, after the item has been announced an active bidder may bid downward his/her percentage of undivided interest. **Bid downs will range in whole percentage points from 99% to 1%. When it is determined that there are no further bids and the bid is a tie, the successful bidder will be selected by a random drawing.** The bidder selected by random drawing must immediately accept the purchase of the item by announcing "Sold" or refuse by announcing "Pass", in which case another bidder will be randomly selected.

A tax sale can be set aside in a situation where a combination of bidders agree not to compete with each other in a bid-down process and one of them becomes the tax sale purchaser.

One authorized agent may represent a maximum of two bidders.

4. Purchasing Tax Sale Certificates

Payment is required at the conclusion of the sale. The amount collected will include all delinquent taxes, special assessments, interest, special assessment collection fees, rates or charges, publishing costs, and a \$20.00 certificate fee for each certificate issued. If a tax sale buyer's payment does not clear for any reason, i.e., non-sufficient funds, account closed, etc., the tax sale certificate will be canceled and a \$20.00 service fee will be added for each check returned. **Please leave your signed blank check payable to the Clarke County Treasurer at the registration window when you pick up your bidder number the morning of the sale. A separate payment is required for each buyer number.**

Please allow 5 days to receive your certificate (s). At the time certificates are mailed or picked up, reimbursement will be included for those parcels that have been redeemed from this sale, in lieu of the tax sale certificate of purchase being sent. **It is the purchaser's responsibility to verify that the tax sale certificates and redemption copies received are correct for the parcels purchased.**

The tax sale certificate of purchase does not convey title to the purchaser. The titleholder of record or other interested parties retain the right to redeem within the specified period of time, depending on the type of tax sale. If the certificate remains unredeemed after this period has expired, the purchaser may begin proceedings to obtain a tax deed to the parcel. (Refer to section: '90 Day Notice of Right of Redemption' Affidavit.)

5. Notification to Titleholder of Tax Sale

The County Treasurer is required to notify the titleholder of record within fifteen days from the date of sale that the published item was sold at the tax sale.

6. Reimbursement of Tax Sale Redemption

A redeemed tax sale will include the following:

- a. The original tax sale amount, including the \$20.00 certificate fee paid by the purchaser at the time of sale.
- b. Interest in the amount of 2% per month, beginning with the month of sale, calculated against the amount, for which the item was sold, including the amount

- paid for the certificate of purchase. Each fraction of a month is counted as a whole month.
- c. Subsequent tax payments paid by the purchaser and added to the amount of sale, with interest in the amount of 2% per month, beginning with the month the subsequent payment is posted to the county system. Each fraction of a month is counted as a whole month.
 - d. Valid costs incurred by the certificate holder of record and posted to the county system for action taken toward obtaining a tax deed. Costs not filed with the treasurer before redemption shall not be collected. Valid costs are defined in 447.13, Code of Iowa as amended and include the cost of a record search, serving the notice and cost of publication. A record search must be performed by an abstractor who participates in the title guaranty program or an attorney licensed to practice law in the state of Iowa. The amount of the cost of the record search that may be added to the amount necessary to redeem shall not exceed three hundred dollars. Attorney fees are not authorized costs. By statute (447.12), costs cannot be filed with the county treasurer prior to the filing of the *'90 Day Notice of Right of Redemption'* affidavit with the county treasurer.

The buyer is responsible for checking redemption's for which she/he holds the certificate of purchase.

**To inquire about redemptions we encourage you to Email our office at:
clarketr@iowatelecom.net**

1. Phone: 641-342-3311
2. Fax: 641-342-6260
3. Mail: P.O. Box 157, Osceola, IA 50213

Upon surrender of the tax sale certificate of a redeemed parcel, either in person or by mail, the treasurer's office will issue a check for the redemption amount. The purchaser will receive a check directly or by mail with a copy of the redemption certificate reflecting the total amount of the redemption. Buyers should retain the redemption certificate for income tax purposes.

If the original certificate of purchase has been lost or destroyed, a duplicate can be obtained from the Clarke County Treasurer's office at a cost of \$20.00.

In the event you have been reimbursed for redemption and the taxpayer's check does not clear the taxpayer's bank account, you will be required to return the funds to the treasurer upon notification. We will return the Tax Certificate to you and cancel the redemption. The tax sale will be reinstated as of the original sale date.

At the end of the calendar year, the county treasurer will issue a 1099-INT form to buyers and to the Internal Revenue Service if the cumulative interest paid to the buyer during the calendar year is \$600 or more. If the interest paid to the buyer is less than \$600, a 1099-INT statement will not be issued but may be requested by calling (641) 342-3311.

7. Payment of Subsequent Taxes

A tax sale purchaser may pay subsequent taxes and special assessments, including rates or charges, on the same parcel(s) on which she/he holds the tax sale certificate. Subsequent payments may be made on delinquent tax and special assessments beginning October 15, 2010, for the first half subsequent tax payment and April 15, 2011, for the second half subsequent tax payment. Special assessments, rates or charges due in future years cannot be paid until the fiscal year in which they become due.

The Treasurers Office will not refund the payment if the tax sale certificate holder later decides that she/he did not want to pay. Subsequent tax payments must be received by 4:30 p.m. of the last business day of the month in order to accrue interest for that month. Postmarks cannot be accepted.

8. Assignment of a Tax Sale Certificate

The tax sale certificate of purchase is assigned by endorsement of the certificate, payment by the assignee of a \$100 assignment transaction fee, and submittal of the certificate to the County Treasurer for posting in the county system. An assignment is not considered valid until posted to the county system by the Treasurer. A certificate cannot be assigned to another bidder who has redemption rights, other than a municipality. The tax sale certificate of purchase and/or a treasurer's deed can be set aside if it is determined that the tax sale purchaser was ineligible. The general rule is that a tax sale purchaser or assignee should never have an interest or lien in the parcel offered for sale. A bidder should consult with legal counsel to determine the right to bid and become a tax sale buyer through the bid process or through assignment.

The recorded assignment will vest in the assignee all the right and title of the assignor; except, when a county-held certificate is assigned, the assignee has three years from the date the assignment is recorded by the Treasurer in the county system, instead of from the date of the tax sale, to qualify for a tax sale deed.

9. '90 Day Notice of Right of Redemption' Affidavit

Service is completed when the certificate holder files the '90 Day Notice of Right of Redemption' affidavit with the County Treasurer. The certificate holder is responsible for determining the status of a tax sale before serving the "90 Day Notice of Right of Redemption" to interested parties. Service must be compliant with the law in effect at the time of the tax sale.

(a) Regular Tax Sale:

The 'Notice of Right of Redemption' may be served after one year and nine months from the date of the sale. **(Parcels eligible for regular tax sale have been advertised only once.)**

(b) Public Bidder:

The 'Notice of Right of Redemption' may be issued after nine months from the date of sale. **(Parcels eligible for public bidder tax sale have been advertised for the second year.)**

If the certificate holder fails to file a '90 Day Notice of Right of Redemption' affidavit within three years from the date of the tax sale, the County Treasurer shall cancel the tax sale. In this instance, the tax sale purchaser is not entitled to a refund. This date may be extended if the filing of the "90 Day Notice of Right of Redemption" affidavit is stayed due to bankruptcy proceedings. Please contact your legal counsel to determine the impact of bankruptcy proceedings on tax sale certificates.

10. Tax Sale Deed

The tax sale certificate holder is required to return the certificate of purchase and remit the appropriate deed issuance fee and recording fee to the County Treasurer within ninety calendar days after the redemption period expires. The Treasurer is required by statute to cancel the certificate of purchase for any tax sale certificate holder who fails to comply.

The deed issuance fee is \$25. The recording fee is variable and will be determined at the time a deed is requested. Upon receipt of the deed issuance and recording fees, the Treasurer will record the deed with the County Recorder prior to delivering the deed to the purchaser.

If the certificate holder fails to request a tax sale deed within ninety calendar days after the redemption period expires, the County Treasurer shall cancel the tax sale, the tax sale purchaser is not entitled to a refund.

11. Erroneous Tax Sale or Assignment

If it is determined that any item was erroneously sold, the certificate of purchase will be canceled. The certificate holder will return the certificate of purchase and the Clarke County Treasurer will reimburse the principal amount of the investment. The Treasurer will not pay interest.

If it is determined that a county held tax sale certificate was erroneously assigned, the assignment will be canceled. The certificate holder will return the certificate of purchase, and the Clarke County Treasurer will reimburse the total amount paid for the assignment. Interest from the assignment date to the date of cancellation of the assignment will not be paid.

12. Abandoned parcel Law or Vacant lots

Iowa law permits a county or city to purchase or to require an assignment of a tax sale certificate for an abandoned property or vacant lot. The county or city is required to file a verified statement of abandonment with the County Treasurer. (See Iowa Code 446.19A)

13. Tax Sale Publication

The Treasurer's Office has a computer printout of the delinquent real estate parcels and mobile homes available, or it can be e-mailed to you for the cost of \$10.00. For a copy of the list call (515) 342-3311 or email our office at clarketr@iowatelecom.net.

A copy of the delinquent list will be published June 3, 2010 in the Osceola Sentinel-Tribune, 111 E. Washington Osceola, IA 50213 or phone number 641-342-2131.

14. General Information

This document has been prepared to provide general information and guidelines relative to tax sales, tax sale assignments, tax sale redemptions, and the issuance of tax sale deeds. It is not an all-inclusive listing of statutory requirements, procedures, or policy. It is not to be construed as a legal opinion of the statutes governing tax sales. The Clarke County Treasurer reserves the right to reject any or all bids and to waive irregularities, which appear to be in the best interest of Clarke County.

A tax sale buyer should consult with legal counsel to determine his/her legal rights and remedies and to protect his/her interest as a tax sale buyer. If any provision of this document is determined to be contrary to law, the remaining provisions shall remain in full force and effect.

This document is effective for items sold between June 21, 2010 and May 31, 2011, and all assignments, thereof, regardless of the assignment date.

Call the Clarke County Treasurer's office (641) 342-3311 to obtain additional information.

Debbie Lynn, Clarke County Treasurer

Bidder Registration Form

Clarke County Treasurer

JUNE 21TH, 2010
ANNUAL TAX SALE AND
SUBSEQUENT
ADJOURNMENTS OR
ASSIGNMENTS THEREOF

Notice: All registrations must be in the Treasurer's Office by 4:30 pm on Wednesday, June 16, 2010. There will be NO registration the day of the sale.

The undersigned does hereby register as a bidder at the annual tax sale and subsequent adjournments or assignments thereof, and do hereby acknowledge receipt of a copy of the "**Terms and Conditions Governing the Annual Tax Sale of June 21, 2010**", and do further hereby acknowledge and agree that by placing a bid at the annual tax sale or subsequent adjournments, or by obtaining a tax sale assignment, that the undersigned will comply with and be bound by the aforementioned terms and conditions.

Said "**Terms and Conditions Governing the Annual Tax Sale of June 21, 2010**", and Adjournments or assignments thereof is based, in part, on the 2007 Code of Iowa and amendatory acts thereof.

Please print or type the following information

Bidder Name/Company _____

Address: _____ SS# or Federal ID# _____

City: _____ State: _____ Zip: _____

Telephone: _____ County: _____

Email Address: _____

Signature

Date

Note: Tax sale certificates of purchase, assignments, and tax sale deeds will be issued in the bidder's name as shown above. Any changes that require a reassignment will have an additional \$100.00 charge that is not reimbursable. Please enclose \$25.00 per bidder registration fee.

Authorization to Represent Bidder

Clarke County Treasurer

Please Print

I/We: _____

(Print bidder's name as it appears on the Registration Form)

Authorize: _____

(Print authorized agent's name: Limit 1 name per bidder authorization form)

To act as my/our personal representative at the June 21, 2010 tax sale and adjourned sales, thereof.

Print Bidder name, as it appears on the registration form

Required Signature of Bidder, as it appears on the registration form Date _____

Notary

Subscribed and sworn to me on this _____ day of _____, 20 _____

*Signature of Notary

Debbie Lynn

**Clarke County Treasurer
P.O. Box 157
Osceola, IA 50213
641-342-3311**

