

WAYNE COUNTY TREASURER

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NOTICE TO TAX SALE PURCHASERS OF THE TERMS AND CONDITIONS
GOVERNING THE ANNUAL TAX SALE OF SEPTEMBER 21, 2020 AND
ADJOURNMENTS OR ASSIGNMENTS THEREOF

The 2020 annual tax sale will be held by the Wayne County Treasurer on the third Monday in September beginning at 9:00 a.m. in the Wayne County Treasurer's office located in the Wayne County Courthouse, 100 N. Lafayette St in Corydon, Iowa. Bidders will place their bids online. The auction site may be accessed by going to www.iowataxauction.com. An adjourned tax sale will be held any business day following the annual tax sale in which there are bidders present and there are parcels still available for sale.

The following information is provided to assist in the purchase of delinquent taxes during the tax sale or in obtaining an assignment of a tax sale certificate, either from a private certificate holder or from Wayne County. **Please read carefully as some of the terms and conditions have changed.**

Registering for the Tax Sale

All prospective bidders for the annual tax sale must register online at www.iowataxauction.com. **No mailed or emailed registrations will be accepted.** Registration will begin Friday August 21, 2020 and end Thursday September 17, 2020. All steps in the registration process must be completed by September 17, 2020 11:59 p.m. to be eligible to bid at 9:00 a.m. on Monday, September 21, 2020. No registrations will be accepted September 18, 2020 or the day of the sale. By completing an online Wayne County bidder registration, you are affirming that you will abide by our tax sale rules.

A registration fee of \$45.00 will be charged per bidder and is due at the time of registration. The registration fee is non-refundable and includes bidding at the September 2020 sale and all associated adjourned tax sales. The fee shall not be assessed against a municipality or the county as a purchaser.

Only those persons defined in section 4.1 of the Code of Iowa, possessing a social security or federal tax identification number, may register to bid at the tax sale or own a tax sale certificate. In addition, persons, other than individuals, must certify that they have filed either a designation of agent for service of process with the Iowa Secretary of State or a verified statement meeting the requirements of Chapter 547 of the Code of Iowa with the Wayne County Recorder in order to be properly registered. Contact the Iowa Secretary of State by phone (515) 281-5204 or the Wayne County Recorder at (641) 872-1676.

All bidders must register using their official unabbreviated Internal Revenue Service name. Registration is deemed complete when the following steps have been properly completed online:

- Registration of Tax Sale Bidder online at www.iowataxauction.com.
- Complete the online W-9 form
- \$45.00 Registration fee paid via ACH debit
- Assistance with registration and the auction site is available at (877) 243-9997 or support@iowataxauction.com.

Prior years' registrations are not valid for this sale. All bidders/buyers must be 18 years of age or older as of the date of the sale.

A tax sale Certificate of Purchase and/or a Tax Deed can be set aside if it is determined that the tax sale purchaser was ineligible to bid at tax sale. The general rule is that a tax sale purchaser should never have an interest or lien in the parcel offered for sale. Prospective bidders should consult with legal counsel to determine their right to become a tax sale certificate holder, either through bid or through assignment.

Internal Revenue Service regulations require this office to obtain the taxpayer identification number or social security number of purchasers of taxes. A 'W-9' form must be completed electronically by the registration deadline using the official unabbreviated IRS name for the bidder name. This information is required to issue an accurate 1099-INT form with the appropriate social security number or taxpayer identification number.

At the end of the calendar year, the County Treasurer will issue a 1099-INT form to each certificate holder and to the Internal Revenue Service for cumulative interest paid over \$600 during the calendar year. This information may be needed when filing Federal and State Income Tax returns. If a buyer underreports the interest amount received, the Internal Revenue Service will direct the Treasurer to implement a backup withholding procedure at the current I.R.S. rate. If this should occur, the Treasurer reserves the right to ban the buyer and all associated buyers from future tax sales.

Sale of Delinquent Taxes

Parcels with delinquent taxes are published in the Times Republican, 204 S. Franklin, Corydon, Iowa on September 8, 2020. A copy of this publication can be obtained from the Times Republican by calling (641) 872-1234. The parcels on the published list will also be available for review on the auction site at www.iowataxauction.com by Wednesday, September 2, 2020. You must complete the registration process in order to access the data.

Parcels that were paid subsequent to publication, those subject to bankruptcy, and those determined to be eligible for suspension are withheld from the sale. A Certificate of Purchase may be rescinded if a pre-existing stay order from bankruptcy court is made known to the County Treasurer after the tax sale; in which case, only the principal amount of the investment will be refunded to the purchaser. The County Treasurer will not pay interest. In the event of bankruptcy proceedings, either before or after the sale, there is no guarantee the purchaser of the tax sale certificate will receive the anticipated interest or any interest what-so-ever. The United States Bankruptcy Court will make that determination.

All parcels will be listed in the order they were published. **Regular sale** parcels are those for which a tax delinquency is published and offered for sale the first time. **Public bidder** sale parcels are those for which a tax delinquency is published and offered for sale for the second consecutive year.

Bids can be uploaded prior to the start of the sale but will not be applied until the sale opens at 9:00 a.m. on Monday, September 21, 2020. Each item will be offered for sale to all bidders online at www.iowataxauction.com, beginning with an opening bid of 100% undivided interest. Upon opening of the online sale bidders may bid downward a percentage of undivided interest in the parcel. This is called a "bid down" and means that the bidder is willing to pay the total amount due against the parcel for less than 100% undivided interest in the parcel. The bidder that offers to pay the total amount due against a parcel for the smallest undivided interest in the parcel will obtain the Tax Sale Certificate of Purchase. "Bid downs" will range in whole percentage points from 99% to 1%. The percentage designated will be the percent of undivided interest in the parcel conveyed to the tax sale certificate holder upon the issuance of a Tax Deed.

The sale will be organized into one batch only beginning as 9:00 a.m. and closing at 10:30 a.m.

When the batch closes, a tax sale certificate for each parcel will be awarded to the bidder that designates the smallest percentage for the total amount due. If two or more bidders have placed an equal bid and the bids are the smallest percentage offered, the successful bidder will be selected by using a random bidder selection process.

All bids must be in good faith. All bids placed, whether intentional or not, are the responsibility of the bidder and may not be withdrawn. Successful bidders will receive an invoice via email upon closing of the sale. **An ACH debit for the total amount due will automatically initiate from the account designated for the payment of registration fees.** The total amount due will include all delinquent taxes, special assessments, interest, special assessment collection fees, publishing costs and a \$20.00 certificate fee for each Certificate of Purchase to be issued.

Should a bidder not make full payment by the payment deadline, they will not be awarded any certificates (**NO EXCEPTIONS**) and they may be prohibited from participating in the future tax sales in the State of Iowa. If a tax sale bidder's payment is not honored, the bidder will have three business days following notification from the Treasurer to repay with guaranteed funds or the Tax Sale Certificate(s) purchased will be cancelled. A \$30.00 service fee will be assessed on any payments returned due to insufficient funds.

All sales are final. If payment is cancelled on a tax sale buyer, all certificates purchased by that bidder will be cancelled and the parcels re-offered at the next adjourned sale. The buyer, as well as any associated entities, will be prohibited from bidding on these parcels. In addition, the buyer, as well as any associated entities, will be prohibited from bidding at any adjourned sales or future tax sales in Wayne County.

Certificate of Purchase

Please allow up to 15 business days to receive an email with copies of purchased certificate(s). This allows the Wayne County Treasurer's staff time to complete posting of records, editing of certificates, balancing the proceeds received from the tax sale, and preparing each buyer's certificates. All original certificates will be held in the office of the Wayne County Treasurer unless requested otherwise by the purchaser through email. It is the purchaser's responsibility to verify that the Tax Sale Certificates of Purchase received are correct for the parcels purchased.

The Tax Sale Certificate(s) of Purchase will be issued to the name and taxpayer identification number as indicated on the online bidder registration. There will be no substitutions or exchanges.

Each Tax Sale Certificate issued for the September 2020 or adjourned tax sale will have a certificate number assigned. The certificate number identifies the year of the corresponding annual tax sale and a sequentially assigned certificate number. For example, a tax sale certificate issued in September 2020 may have a certificate number of 20-0025.

The Tax Sale Certificate of Purchase does not convey title to the certificate holder. The title holder of record or other interested party retains the right to redeem within the statutory period, depending on the type of tax sale. If the Tax Sale Certificate of Purchase remains unredeemed after the statutory period, the certificate holder may begin action to obtain a tax sale deed.

Purchasers are required to notify the Treasurer's office of any changes in an address, telephone number, or e-mail address.

Abandoned Parcel and Vacant Lot Law

Iowa law permits a county or city to purchase parcels offered at the regular tax sale or to require that a certificate be assigned to the county/city for vacant lots or for abandoned parcels if the county/city files a verified statement of abandonment with the County Treasurer (see section 446.19B of the Code of Iowa).

Public Nuisance Tax Sales

Abandoned residential property, for which a verified statement is filed with the County Treasurer by May 15th, will be offered and sold separately at public nuisance tax sale. To be eligible to bid on parcels

at public nuisance tax sales, prospective bidders must enter into an agreement with the city or county and demonstrate intent to rehabilitate the property for use as housing if not redeemed (see section 446.19B of the Code of Iowa).

Notification to Titleholder of Tax Sale

For each parcel on which taxes were sold, the county treasurer shall notify the party in whose name the parcel was taxed, according to the treasurer's records at the time of the sale that the parcel was sold for delinquent taxes at the tax sale. The notice of sold taxes shall be sent by regular mail within fifteen days from the date of the annual tax sale or any adjourned tax sale.

Assignment of a Tax Sale Certificate

The Tax Sale Certificate of Purchase is assignable by endorsement on the certificate, payment by the assignee of a \$100.00 assignment transaction fee, and submittal of the certificate with original signature endorsement to the County Treasurer for entry in the county system. An assignment is not considered valid until posted to the county's system by the County. Upon receipt of the \$100.00 assignment fee from the assignee, the County Treasurer will make the necessary entries in the county system. The assignment fee will not be reimbursed at the time of redemption.

A certificate cannot be assigned to a person, other than a municipality, who has redemption rights. The assignor may not assign a Certificate of Purchase to more than one assignee.

Only those persons as defined in section 4.1 of the Code of Iowa, possessing a social security or federal tax identification number, may receive assignment of a tax sale certificate issued after June 1, 2009. In addition, these persons must certify that they have filed either a designation of agent for service of process with the Iowa Secretary of State or a verified statement meeting the requirements of Chapter 547 of the Code of Iowa with the Wayne County Recorder.

To obtain an assignment of a tax sale certificate that is held by Wayne County, contact the County Treasurer's office. The terms and conditions set forth in this document apply both to certificates obtained through assignment and to certificates obtained directly through the tax sale. If it is determined that a county-held certificate was erroneously assigned, the assignment will be cancelled. The assignee shall return the Certificate of Purchase and the County Treasurer will reimburse the total amount paid for the assignment only. Interest from the assignment date to the date of cancellation of the certificate will not be paid.

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 County Treasurer, instead of from the date of the tax sale to qualify for a Tax Deed. Please contact the office regarding assignment of certificate.

When a certificate holder requests the Treasurer record a change, other than the mailing address and telephone number, or e-mail address, it is considered an assignment and the \$100.00 assignment transaction fee will be charged. This includes a change in the certificate holder's name, or federal identification number. Failure to provide the correct federal identification number or social security number at the time of purchase will result in a charge of \$100.00 for each certificate purchased under that federal identification number or social security number.

Subsequent Tax Payments

A certificate holder may pay subsequent taxes and special assessments, including rates or charges, on the same parcel(s) on which they hold the Tax Sale Certificate of Purchase, beginning one month and fourteen days following the date from which an installment becomes delinquent. Only items delinquent in the current fiscal year or prior may be paid as a "subsequent payment". Special assessments, rates or charges due in future years cannot be paid until the fiscal year in which they become due and are more than one month and fourteen days delinquent.

Please note, the Wayne County Treasurer's Office now requires all subsequent payments to be made online at www.iowatreasurers.org. Upon online registration for the annual tax sale you will be

automatically enrolled for the subsequent payments online. For this service, there will be a non-refundable charge of \$0.25 for each parcel paid. To access the subsequent tax payment module, select "Login" from the Tax Sale menu at www.iowatreasurers.org. After logging in, you will be able to access a list of parcels in all 88 ICTEA participating counties on which you hold a tax sale certificate for which you then can select the items you want to pay and submit payment by ACH debit. It is the investor's responsibility to review the list and confirm all applicable parcels included in the online portfolio. **Payment must be posted online one day prior to the last business day of the month in order for interest for that month to accrue.**

Subsequent payments not properly submitted by the certificate holder at the time of payment will be treated as voluntary payments and will be omitted from redemption calculations.

After subsequent tax payments have been received and applied by the County Treasurer's office, the County Treasurer will not refund the payment if the certificate holder later decides that they did not want to pay taxes for a particular parcel.

If it is determined that a tax payment was made online prior to a subsequent tax payment, but the county records had not been updated, the subsequent payment will be refunded to the certificate holder.

Recorded subsequent payments will accrue interest at the rate of 2% per month; beginning with the month payment is posted to the county system to the month of redemption.

Service of 90-day Notice of Expiration of Right of Redemption

Service is complete 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. It is a prohibited practice for the tax sale buyer to serve the '90-Day Notice of Right of Redemption' to individuals if the tax sale has already been redeemed.

If the Tax Sale Certificate of Purchase remains unredeemed after the statutory period, as shown in items a and b, the certificate holder may begin action to obtain a Tax Deed to the parcel.

- a. For Regular Tax Sale parcels (only advertised once), the 90-day Notice of Expiration of Right of Redemption may be served by the certificate holder after one year and nine months from the date of sale.
- b. For Public Bidder Tax Sale parcels (advertised consecutively more than once), the 90-day Notice of Expiration of Right of Redemption may be served by the certificate holder after nine months from the date of sale.

Any certificate holder who serves said notice or similarly worded notice prior to the expiration of this period may be barred from future tax sales in Wayne County. It is Wayne County's intent to afford property owners with all of the rights and remedies of the Iowa statutes.

The 90-day Notice of Expiration of Right of Redemption must be served on all parties having an interest in the parcel; and, once served, an Affidavit of Service, with evidence of service, must be filed with the County Treasurer. Please note changes to Iowa law concerning service of the 90-day Notice of Expiration of Right of Redemption. Service must be compliant with the law in effect at the time of the tax sale (regular or adjourned).

Tax Sale Certificates purchased on or after July 1, 2012, the 90-day Notice of Expiration of Right of Redemption shall be served by both certified mail and regular mail service upon the title holder(s) of record, the person(s) in possession, and all other persons having an interest of record, including any city where the parcel is situated, to the person's last known address.

The certificate holder is responsible for determining the status of a tax sale certificate before serving the 90-day Notice of Right of Redemption to interested parties. The Wayne County Treasurer's office will not notify certificate holders when such action can be initiated. The Wayne County Treasurer's staff will not assist in completing the 90-day Notice of Expiration of Right of Redemption. The County Treasurer is not responsible to verify that all parties of record have been properly served. It is strongly recommended that certificate holders retain legal counsel to complete this process.

Holders of certificates for real estate with a mobile/manufactured home are strongly urged to research the title to the home to ensure that there are no outstanding liens noted thereon.

Statement of Costs

The cost of serving the notice, including the cost of sending certified mail notices, and the cost of publication under section 447.10 of the Code of Iowa, if publication is required, shall be added to the amount necessary to redeem. The cost of a record search, not to exceed \$300.00, shall also be added to the amount necessary to redeem if the search is performed by an abstractor who is an active participant in the title guaranty program under section 16.91 of the Code of Iowa or by an attorney licensed to practice law in the state of Iowa. Costs will not be posted or added to the amount necessary to redeem until the County Treasurer receives the proof of service and statement of costs. By statute, costs cannot be filed with the County Treasurer prior to the filing of the 90-day Notice of Expiration of Right of Redemption Affidavit of Service. Service is completed when the certificate holder files the 90-day Notice of Expiration of Right of Redemption Affidavit of Service with the County Treasurer.

Tax Sale Deed Issuance

The Tax Deed conveys right, title, and interest in the property. Should a parcel not be redeemed within ninety days following the filing of the Affidavit of Services pursuant to Iowa law, a Tax Deed will be issued upon the request of the certificate holder. Tax Deeds may be issued independently for each tax sale certificate that qualifies. The tax sale certificate holder is required to return the certificate of purchase, if holding the original and remit the appropriate deed issuance fee and recording fee to the Wayne County Treasurer within ninety calendar days after the redemption period expires. The deed issuance fee is \$25.00. The recording fee is variable and will be determined at the time a deed is requested and made payable to the Wayne County Recorder. Upon receipt of the tax sale certificate, deed issuance and recording fees, the Treasurer will record the deed with the Wayne County Recorder prior to delivering the deed to the purchaser. After the deed is recorded, the deed holder may file an Affidavit by Tax-Title Holder with the County Recorder. Contact your legal counsel for procedures and to obtain this form.

Cancellation of Tax Sale Certificates

Failure to file 90-day Notice of Expiration of the Right of Redemption Affidavit

If three years have elapsed from the date of the sale, the certificate has not been redeemed, and the 90-Day Notice of Expiration of Right of Redemption Affidavit of Service has not been filed with the County Treasurer, the County Treasurer will cancel the tax sale certificate. In this instance, the tax sale certificate holder is not entitled to a refund. However, if the filing of the affidavit of service is stayed by operation of law, the time period for the filing of the affidavit shall not expire until the later of six months after the stay has been lifted or three years from the time of the tax sale.

Failure to Request Tax Deed

After the redemption period has expired, the tax sale certificate holder must return the Certificate of Purchase, if holds the original and remit the appropriate deed issuance and recording fees to the County Treasurer prior to the close of business on the ninetieth day from the date of completed service pursuant to Iowa law. Failure to comply will result in cancellation of the certificate of purchase, and the certificate holder is not entitled to a refund.

Redemptions

Redemption will not be processed unless tax sale redemption fees are received by the County Treasurer prior to the close of business on the ninetieth day from the date of completed service pursuant to Iowa law. A redeemed tax sale will include the following:

- The original tax sale amount, including the \$20.00 certificate fee paid by the

Certificate holder at time of the sale.

- Interest in the amount of 2% per month, beginning with the month of the sale to the month of redemption, calculated against the amount for which the parcel was sold, including the \$20.00 Certificate of Purchase fee. Each fraction of a month is counted as a whole month.
- Subsequent tax payments paid and properly reported by the purchaser as an addition to the sale, with interest in the amount of 2% per month, beginning with the month the subsequent payment is posted to the county system to the month of redemption. Each fraction of a month will count as a whole month.
- Valid costs incurred by the certificate holder of record and posted to the county system for action taken toward obtaining a tax sale deed. Costs not filed with the County Treasurer before redemption shall not be collected by the County Treasurer.

The certificate holder may pursue collection through a court action against the parcel owner.

REQUIRED: The certificate holder will receive an ACH with an emailed copy of the Redemption Certificate reflecting a breakdown of the total amount of the redemption. For any new tax sale buyers please see the attached ACH form. Please fill out and return to our office by email to kswearingin@waynecountyia.org prior to the day of the tax sale. Redemption dollars will be held in the County Treasurer's office for two weeks to insure the tax-payer's check clears.

If, for any reason, a certificate holder is paid for a redemption that in fact was not redeemed or in the event a certificate holder has been reimbursed for a redemption and the taxpayer's check does not clear the taxpayer's bank account for any reason, the certificate holder, upon notification, will be required to immediately return the redemption funds to the County Treasurer's office. The County Treasurer will retain the Tax Sale Certificate of Purchase and cancel the redemption. The tax sale will be reinstated as of the original sale date. A subsequent redemption will be calculated from the original date of the sale to date of repayment.

Erroneous Tax Sale or Assignment

If it is determined that any item whether it be county-held or not was erroneously sold or assigned, the Tax Sale Certificate of Purchase or assignment will be cancelled. The certificate holder will return the Tax Sale Certificate of Purchase and the Wayne County Treasurer will reimburse the principal amount of the investment or on an assignment the total amount paid for assignment. The Treasurer will not pay interest.

General Information

This document has been prepared to provide general information and guidelines relative to Wayne County's conduct of tax sales, tax sale assignments, tax sale redemptions, buyer reimbursements, and the issuance of tax sale deeds. The County Treasurer expects all bidders to follow these terms and conditions. It is not an all-inclusive listing of statutory requirements, procedures, or policy or to be construed as a legal opinion of the statutes governing tax sales. The Wayne County Treasurer's office will not respond to questions of law, questions of this nature should be directed to your legal counsel.

The Wayne County Treasurer reserves the right to reject any or all bids and to waive irregularities which appear to be in the best interest of Wayne County.

Prospective buyers should consult with legal counsel to determine his/her legal rights and remedies and to protect his/her interest as a tax sale buyer as well as consult with their tax attorney or tax preparer to determine income tax ramifications that might result from a gain or loss as a result of purchasing a tax sale certificate of purchase.

The provisions of this document are severable. If any provision of this document is determined to be contrary to law, the remaining provisions shall remain in full force and effect.

Legislation signed into law after the effective date below will take precedence over these terms and conditions. Iowa Cod Chapters 446, 447, and 448 as amended are pertinent chapters to Tax Sales, Tax Redemption, and Tax Deeds. The Iowa Code is available on-line at www.legis.state.ia.us. Prospective

buyers should consult with legal counsel to determine their legal rights and remedies and to protect their interest as a tax sale buyer.

This document is effective for taxes sold during the period of September 21, 2020, through June 13, 2021, and all their assignments thereof, regardless of the assignment date.

Call the Treasurer's office at (641) 872-2515 to obtain additional information.

The doctrine of caveat emptor, meaning '**buyer beware**', applies to this tax sale.

Effective September 1, 2020

Kim Swearingin
Wayne County Treasurer

Office Of
WAYNE COUNTY TREASURER
Kim Swearingin, Treasurer

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You may now pay property taxes and vehicle license online
www.iowatreasurers.org

TAX SALE 2020

INVESTOR'S AUTHORIZATION FOR ACH PAYMENT

Please fill out form and return to Wayne County Treasurer's Office.

I authorize Wayne County Treasurer's Office to initiate electronic debit entries, and if necessary, credit adjustments for any entries to my: (select one) checking account savings account. I acknowledge that the origination of ACH transactions to my account must comply with the provisions of U.S. law. This authority will remain in effect until I have cancelled it in writing.

Investor/Parent Name _____

Address _____

****ATTACH VOIDED CHECK OR FILL OUT THE FOLLOWING SECTION****

Financial Institution Name (Please Print) _____

Financial Institution City & State _____

Account Number at Financial Institution _____

Financial Institution Routing/Transit Number: _ _ _ _ _

Signature _____

Date: _____

