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FAYETTE COUNTY TREASURER

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May 1, 2016

Prospective Tax Sale Bidders:

Please find enclosed a bidder registration packet. This packet contains the Bidder Registration Form, an Agent Authorization Form, the Terms and Conditions Governing the 2016 Tax Sale and a copy of the IRS Form W-9. Bidders must register each year to participate in the annual tax sale.

TAX SALE TIME & DATE: 10:00 AM on Monday, June 20, 2016.

TAX SALE LOCATION: The sale will be held in the Dance Pavilion building located on the Fayette County Fairgrounds, 504 South Vine Street, West Union, Iowa.

NON-REFUNDABLE BIDDER REGISTRATION FEE: \$10.00

Please complete the necessary forms and return them to our office by June 16, if possible.

- Bidder Registration Form
- IRS Form W-9
- Bidder/Agent Authorization Form (if applicable)

The delinquent tax list will be published in the *Elgin Echo* on June 8th. To request a copy of the published list directly from the newspaper please contact them at (563) 422-3888. A computer file of the delinquent tax list should be available through our office by June 8th, if not before. Please check our website www.fayettedcountyiowa.org for the latest details.

The doctrine of "Buyer Beware" applies to the tax sale. Any questions potential bidders have concerning the tax sale process or the properties involved should be resolved before the day of the sale. All sales are final. Should you have any questions please contact our office.

Sincerely,

Kyle Jacobsen

Kyle Jacobsen

NOTICE TO TAX SALE BIDDERS OF THE TERMS AND CONDITIONS GOVERNING THE 2016 FAYETTE COUNTY TAX SALE

The annual tax sale will be held on Monday, June 20, 2016, beginning at 10:00 a.m. for as long as bidders are present or until all parcels have been offered for sale. The sale will be held in the Dance Pavilion building on the Fayette County Fairgrounds (504 South Vine Street, West Union, Iowa). If some parcels remain unsold, the tax sale will be adjourned until 10:00 a.m. on Monday, August 8, 2016. Any required adjourned tax sale will be held at the Fayette County Treasurer's Office. A list of parcels with delinquent taxes will be published in the *Elgin Echo* newspaper on June 8th. A PDF file of the delinquent tax list should be available electronically by June 8th via the county website. Detailed information (assessed value, address, etc.) on the parcels can be found on the Fayette County website (www.fayettecountyiowa.org) under the "Find Property Information" link.

REGISTRATION

All bidders must register with the Treasurer's Office prior to the tax sale – preferably by June 16. Each registered bidder may attend or have an authorized representative attend the sale to place a bid. One person will not be allowed to bid for more than one registered bidder. All bidders and authorized agents must be at least 18 years of age on the day of the sale – proof of age and identity may be required. Bidders should be prepared to show a valid form of photo identification (i.e. driver's license or passport) if requested. Bids can be submitted by mail if the bidder cannot attend in person, however bids made in person will be given preference. Contact the Treasurer's Office for more details on submitting bids by mail.

A non-refundable bidder registration fee of \$10.00 will be collected by the County to help offset the costs of the tax sale per Section 446.16 of the Code of Iowa. The bidder registration fee will not be assessed against the county or any municipality. The registration fee is valid for the June 2016 sale plus any required adjourned sale. Payment is required at the time of registration. The fee is not refundable for any reason nor is it recoverable through the redemption process.

Important – To be authorized to register to bid or to bid at a tax sale or to own a tax sale certificate, an entity, other than an individual, must have a federal tax identification number and either a designation of agent for service of process on file with the Iowa Secretary of State (Certificate of Existence) or a verified statement meeting the requirements of Chapter 547 (Trade Names) of the Iowa Code on file with the county recorder of the county in which the person wishes to register to bid or to bid at tax sale or of the county where the property that is the subject of the tax sale certificate is located. The entity may be asked to provide proof of existence.

Potential bidders may consult with legal counsel to determine their right to bid or hold a tax sale certificate of purchase. Among others, parties eligible to redeem a parcel from tax sale or that hold a recorded interest in a parcel are prohibited from bidding or purchasing the parcel at the tax sale. Potential bidders may also want to consult their tax advisor regarding any income tax ramifications of purchasing a tax sale certificate. The Treasurer's Office does not provide legal advice.

BIDDING

Parcels will be offered for sale to eligible bidders beginning with a 100% undivided interest. Bidders may bid downward a percentage of undivided interest from 99% to 1% in whole percentage increments. For example, Bidder A offers to pay the total amount due for 90% undivided interest. Bidder B then offers a bid of 80%. At this point Bidder A has three options; 1) offer a lower percentage, 2) offer a matching percentage, or 3) drop out of the bidding. If Bidder A offers a matching percentage, a random selection process will be used to determine the successful bidder from all interested bidders.

The “bid down” procedure affects the potential ownership interest. In the example above, if the successful bidder obtains a tax sale deed, it will reflect the 80% undivided interest with the original property owner maintaining a 20% undivided interest.

In the event that multiple bidders offer the same percentage and no other bidders are willing to offer a lower percentage, a random process will be used to determine the successful bidder. If the random process is used and the bidder who made the final bid in the “bid down” process is selected, that bidder must purchase the certificate. A tax sale can be set aside if it is determined that a group of bidders agree not to compete with each other and one of them becomes the tax sale certificate holder.

PURCHASING

A Tax Sale Certificate of Purchase will be issued and mailed to the successful bidder. The purchaser in addition to the published amount of delinquent taxes will pay a \$20.00 certificate fee for each parcel. The “bid down” process has no affect on the amount to be paid – the “bid down” affects only the potential ownership interest. Payment must be made the day of the sale. **A separate payment is required for each bidder.** All checks must be written for the exact amount of purchase; two party checks will not be accepted. The Tax Sale Certificate does not convey title to the purchaser. The titleholder of record or other interested party retains the right to redeem within a specified period of time. If the sale remains unredeemed after the statutory period, the purchaser may begin proceedings to obtain a tax sale deed.

At the conclusion of the sale, a summary of purchases will be printed for each successful bidder. Bidders should review this summary and inform the personnel in charge of the sale of any errors or omissions before making payment. The Treasurer’s office personnel will resolve any discrepancies.

In the event the purchaser’s check does not clear their bank account, the purchaser will have five (5) days following notification from the Treasurer to repay with guaranteed funds or the certificates will be canceled. An additional fee will be added for each returned check. Any future payments may also be required to be made in guaranteed funds. If the returned check is not repaid within the five days, the certificates will be canceled and the parcels will be offered at the next adjourned tax sale. The original purchaser will not be allowed to purchase the same parcels at an adjourned tax sale. The Treasurer reserves the right to disqualify the bidder from future sales.

ASSIGNMENT OF CERTIFICATES

Ownership of a tax sale certificate of purchase can be transferred to another party. The original owner needs to complete the assignment portion of the certificate. The certificate along with payment of \$100.00 for the assignment fee needs to be returned to the Treasurer's Office. The Treasurer's Office will then record the assignment information in the county system and return the certificate to the assignee. The assignee should have a completed W-9 form on file with the Treasurer's Office. A certificate cannot be assigned to anyone who has the right to redeem. The assignment fee is not recoverable at the time of redemption. Any correction on a tax sale certificate that is necessitated due to incorrect information submitted on the bidder registration forms will be considered an assignment and subject to the \$100.00 assignment fee.

SUBSEQUENT TAXES

A tax sale certificate holder may pay subsequent taxes and special assessments on the parcel listed on the certificate one month and fourteen days following the date of delinquency (normally November 15 & May 15). The exact date may change if the normal delinquency date falls on a weekend or holiday. The certificate holder is responsible for obtaining subsequent tax information on the parcel. Certificate holders wishing to pay subsequent taxes have the following three options to obtain payment information:

1. **Pay Subsequent Taxes Online** – Unless already registered, certificate holders will need to register at www.iowatreasurers.org by selecting “Tax Sale” at the top of the page, then “Registration”. Once registered, the investor will be able to use the “Log In” button under the “Tax Sale” heading to access the subsequent tax payment system. If necessary, several training videos are located under the “Help” tab. The investor can then select the individual parcels desired and submit payment. There is a processing fee added for each parcel on which taxes are paid online. Due to the way online payments are processed, online subsequent payments are not accepted on the last business day of each month.
2. **Self Lookup Online** – Certificate holders can lookup payment information for each parcel individually online at www.iowatreasurers.org at no cost. Payment can then be submitted by mail. Remember, the payment date is the date the payment is **received** by the treasurer’s office. Postmarks are not used to determine the payment date for subsequent taxes. Subsequent payments mailed in one month, but not received by the treasurer’s office until the next month will be returned for additional interest. The Treasurer’s Office cannot make allowances for any delays caused by the mail delivery system.
3. **Obtain a list of Subsequent Taxes Due from the Treasurer’s Office** – Request for a listing must be in writing. Pursuant to Iowa Code Section 445.5(3), there will be a charge of \$2.00 per parcel for providing the list to the investor.

When making payment by mail or in person, the certificate holder *must indicate the payment is for subsequent taxes and include the tax sale certificate number*. Failure to do so may result in the amount not being included in the amount necessary to redeem and considered as a payment made on behalf of the property owner.

90-DAY NOTICE OF RIGHT OF REDEMPTION

For parcels sold during the Regular Tax Sale, the 90-Day Notice of Right of Redemption may be served one year and nine months from the date of sale. For parcels sold during the Public Bidder Sale, the notice may be served nine months from the date of sale. For parcels sold during the Public Nuisance Sale, the notice may be served three months from the date of sale. The notice needs to be served on all parties with a recorded interest in the property, anyone in possession, and the City in which the parcel is located. In addition to these parties, notice may be required to be served to other parties to be in compliance with the law. Service must be compliant with the law in effect at the time of the sale. Service is completed when the certificate holder files the Affidavit of Service with the Treasurer's Office. Certain costs incurred by the certificate holder in preparing and or serving the 90-Day Notice may be filed with the affidavit and will be added to the amount necessary to redeem. While attorney fees cannot be added to the redemption amount, it may be prudent to contact one with questions on the tax sale process. The Treasurer's Office does not provide legal advice.

FAILURE TO FILE

The Affidavit of Service of the 90-Day Notice of Right of Redemption, which may qualify the certificate holder to obtain a tax sale deed, needs to be filed with the Treasurer's Office within three years of the date of sale. (One year for parcels sold at the Public Nuisance Sale). If not filed within this time, the tax sale will be canceled and the certificate holder will not be entitled to a refund.

REDEMPTION OF CERTIFICATES

If the Tax Sale is redeemed, the certificate holder will receive the amount paid at the time of purchase, including the \$20.00 certificate fee, interest in the amount of 2% per month (each fraction of a month will be considered a whole month), and any subsequent tax payments properly made, with interest at 2% per month. The Tax Sale Certificate must be returned to our office to receive the redemption amount. If the Affidavit of Service of the 90-Day Notice of Redemption has been filed, appropriately filed costs will also be collected and returned to the certificate holder.

OBTAINING TAX SALE DEED

Once the Affidavit of Service has been filed with the Treasurer's Office, the titleholder or other party of interest has an additional 90 days to redeem. If redemption is not made within this 90-day period, the right to redeem expires and a tax sale deed will be issued. The certificate holder must return the original tax sale certificate along with a payment for the cost of the deed. The Treasurer's Office will require the certificate holder to also send a separate payment for costs of recording the tax sale deed. The Treasurer's Office will then record the document before giving it to the certificate holder.

Once the right to redeem expires, the certificate holder has 90 days to return the certificate of purchase along with the appropriate fees to obtain the tax sale deed. Failure to do so will result in the cancellation of the tax sale. The certificate holder will not be entitled to a refund.

ABANDONED PROPERTY OR VACANT LOTS

The county or cities within the county may purchase or require the assignment of a tax sale certificate for property deemed to be abandoned or a vacant lot. The county or city is required to file a verified statement with the county treasurer which states the property is abandoned or is a vacant lot. For more information, please reference Chapter 446.19A of the Iowa Code.

PUBLIC NUISANCE PROPERTY

The county or cities within the county may file a verified statement with the county treasurer listing properties that are, or are likely to become, a public nuisance. Any such parcels will be sold as part of the “Public Nuisance Tax Sale” to be held in conjunction with the regular tax sale. The delinquent tax publication will identify any parcels to be sold at the public nuisance sale. To be eligible to bid during the public nuisance portion of the sale, bidders must enter into a rehabilitation agreement with the county or city where the parcel is located. The county or the city in which the parcel is located may also purchase the tax sale certificates on these parcels. Parcels sold under this section have a shorter redemption period and cannot be sold for less than 100% ownership interest. For more information, please reference Chapter 446.19 B of the Iowa Code.

GENERAL INFORMATION

If it is determined that a parcel was sold in error, the certificate holder will return the certificate of purchase to the Treasurer's Office. The Treasurer's Office will reimburse only the original amount paid. No interest will be paid.

Electronic devices such as cell phones, tape recorders, camcorders, or other devices should be turned off during the sale. Computers may be used provided they are powered by battery packs. Any attempt to capture and/or record audio and/or video of the sale or any portion thereof without consent is prohibited. Anyone deemed to be disrupting the sale in any manner may be subject to disqualification, removal from the premises, banned from future sales and/or other consequences.

A bidder requesting special accommodations under the “Americans with Disabilities Act” should contact the Treasurer’s Office as soon as possible. Requests should be submitted in writing. Proof of disability may also be required.

This document provides general information regarding the tax sale process. It is not to be considered legal advice. Bidders may consult with legal counsel to determine legal rights and remedies concerning the tax sale process. Tax Sales are governed by Chapter 446 of the Code of Iowa. The Treasurer reserves the right to reject any or all bids and to waive irregularities, which appear to be in the best interest of the County. Announcements made the day of the sale will supersede these guidelines. The doctrine of “Buyer Beware” applies to the tax sale – All sales are final. Any questions potential bidders have concerning the tax sale process or the properties involved should be resolved before the day of the sale.

Fayette County, Iowa

2016 Tax Sale Bidder Registration Form

The undersigned hereby registers as a bidder for the annual Fayette County tax sale and any subsequent adjournments thereof. Any Tax Sale Certificates and/or Tax Sale Deeds will be issued in the name of the Bidder Name shown below. Bidders or their agents must be ready to show a picture ID at the sale.

Bidder Name: _____

Address: _____

City: _____ State: _____ Zip Code: _____

County: _____

Telephone: _____ Fax: _____

E-mail Address: _____

Social Security Number or Federal ID number must be disclosed on a separate W-9 Form.

If the bidder shown on this registration form is an entity other than an individual, I certify there is a designation of agent for service of process on file with the Iowa Secretary of State's Office or there is a verified statement meeting the requirements of Chapter 547 on file with the Fayette County Recorder.

By signing this registration form, I agree that all of the information I have provided herein is true and correct and that I (and if applicable, my authorized agent) will abide by the laws, terms, and conditions governing this tax sale.

Bidder's Signature: _____
(If bidder is a company, the signature and title of a company officer is required)

Printed Name of
Company Officer & Title: _____

Fayette County Treasurer, 114 N Vine St - PO Box 273, West Union, Iowa 52175
Telephone: (563) 422-3787 Fax: (563) 422-3855 Email: treasurer@co.fayette.ia.us

Fayette County Tax Sale 2016 Bidder/Agent Authorization Form

An Authorized Agent is an individual, other than yourself, whom you are authorizing to act as your agent or personal representative during the June tax sale and any adjournments thereof. Each agent is limited to representing one bidder. The authorized agent must be at least 18 years old and must be prepared to show a picture identification card before obtaining their bidder number on the day of the sale.

I/We _____,
(Print bidder name as it appears on the Bidder Registration Form)

authorize _____,
(Print the name of the Authorized Agent)

to act as my/our agent or personal representative at the Fayette County Tax Sale held on June 20, 2016, and any adjourned sales unless a new Bidder/Agent Authorization Form is filed. I understand that my authorized agent is attending the sale on my behalf and their actions in connection with this sale are a direct reflection on me and/or my organization.

Bidder's Signature (name as it appears on registration form)

If bidder is a company, the signature and title of a company officer is also required.

By: _____ Title: _____

Subscribed and sworn to before me this _____ day of _____, _____.

Signature of Notary