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**NOTICE TO TAX SALE PURCHASERS OF THE TERMS AND CONDITIONS
GOVERNING THE ANNUAL TAX SALE OF JUNE 19, 2017 AND
ADJOURNMENTS OR ASSIGNMENTS THEREOF**

The annual tax sale is held by the Louisa County Treasurer on the third Monday in June beginning at 9:00 a.m. in the Louisa County Treasurer's Office. Bids will be placed by bidders online. www.iowataxauction.com. The annual sale is then adjourned until 9:00 a.m. the third Monday of July and every month following, until all parcels are sold. If the third Monday falls on a legal holiday observed by the county, the sale for that month will be held on the following workday.

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 Louisa County. Please read carefully as some of the terms and conditions have changed.

REGISTRATION

1. In order to be eligible to bid at the Louisa County Tax Sale, all tax sale bidders must complete the following steps:
 - Register online at www.iowataxauction.com. No mailed or emailed registrations will be accepted. Registration will begin Monday, May 22, 2017 and end Wednesday, June 14, 2017. All steps in the registration process must be completed by 11:59 p.m. on June 14, 2017.
 - Pay a non-refundable \$50.00 registration fee via E Check.
 - Complete the online W-9 form.
 - Assistance with registration and the auction site is available at (877) 243-9997 or support@iowataxauction.com.

A Tax Sale Certificate of Purchase and/or a Treasurer's Deed can be set aside by the courts if it is determined that the tax sale purchaser was ineligible to bid at the tax sale. The general rule is a tax sale purchaser should never have an interest or lien in the parcel offered for sale. You should consult with your legal counsel to determine your right to bid and become a tax sale purchaser.

If the bidder is an entity, not an individual, the entity 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 or a verified statement of trade name on file with the Louisa County Recorder. Contact the Iowa Secretary of State by phone at (515) 281-5204 or the Louisa County Recorder by phone at (319) 523-5361.

All bidders must be 18 years of age or older as of June 19, 2017

A W-9 form must be completed electronically by the registration deadline. This information is required to issue an accurate 1099-INT form to each certificate holder earning cumulative interest equal to or in excess of \$600.00 during the calendar year. This information will also be submitted to the Internal Revenue Service and may be needed when filing your Federal and State Income Tax returns.

2. Parcels on the published list will be available for review on the auction site by Wednesday June 1st. The auction site can be accessed by going to www.iowataxauction.com. You must complete the registration process in order to access the data. The Delinquent Tax List for Louisa County will be published the Week of May 30th in the Columbus Gazette and the Wapello Republican.
3. All parcels shown in the publication are offered for sale except those that (1) have been paid subsequent to the publication; (2) those withheld due to bankruptcy laws prohibiting the sale.

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 June 19, 2017. The auction site can be accessed by going to www.iowataxauction.com. All parcels will be listed in the order they were published. The delinquent taxes on each parcel will be offered for sale to all bidders beginning with a 100% undivided interest. "Bid downs" will range in whole percentage points from 99% to 1%. . If two or more bidders have placed an equal bid and the bids are the smallest percentage offered, the website will use a random selection process to select the successful bidder at the close of the sale at 11:00 a.m.

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.

4. Successful bidders will receive an invoice via e-mail, the invoice will contain a link to the payment site. Payment by E-check, for the total amount due, shall be submitted by 2:00 p.m. the day of the sale. The total amount due will include all delinquent taxes, special assessments, interest, special assessment collection fees, publishing costs, and a certificate fee in the amount of \$20.00 for each certificate purchased.

Should a bidder not make full payment by the payment deadline, they will not be awarded any certificates and they may be prohibited from participating in 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 canceled. A \$30.00 service fee will

be assessed on any payments returned due to insufficient funds. The County Treasurer reserves the right to require guaranteed funds for any future payments from the tax sale bidder.

A tax sale Certificate of Purchase and/or a Tax Deed can be set aside if it is determined that the tax sale purchaser or assignee was ineligible to bid at tax sale. The general rule is that a tax sale purchaser or assignee 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 tax identification number of purchasers of taxes. If a buyer underreports the interest amount received, the Internal Revenue Service will direct the Treasurer to implement a backup withholding procedure at the rate of 31% of the interest collected. If this should occur, the Treasurer reserves the right to ban the buyer and all associated buyers from future tax sales.

Errors, omissions, or misrepresentations by a tax sale bidder may disqualify the bidder from the sale. Any person placing a bid without proper registration or authorization may be disqualified from the sale. In these instances, all certificates purchased by the disqualified bidder during the sale may be cancelled and re-offered to other properly registered bidders.

SALE OF DELINQUENT TAXES

Parcels with delinquent taxes are published in the Wapello Republican and Columbus Jct Gazette the first Thursday in the month of June. A copy of this publication can be obtained from either of these newspapers. You can also purchase a copy of the Delinquent Tax List from the County Treasurer's office for a fee, depending on how you wish to receive it.

Parcels that were paid subsequent to publication and those subject to bankruptcy 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 State Bankruptcy Court will make that determination.

It is the bidder's responsibility to be prepared for the sale and to know the parcel(s) within each taxing district upon which to bid. Bidders are advised to research the parcel(s), prior to the day of the tax sale, to determine whether the property would be of sufficient use or value should a deed be obtained. You may research property information online at louisacountyiowa.org.

In the event a bidder purchases a parcel for which they already hold a previous certificate, the payment will be added as a subsequent payment to the existing certificate. Since the bidder should not bid on such a parcel to begin with, the bidder could be barred from future sales.

Regular sale parcels are those for which a tax delinquency is published and offered for sale for the first time. **Public bidder sale** parcels (marked with an '*' asterisk) are those for which a tax delinquency is published and offered for sale for the second consecutive year. Any collusion by bidders to prevent the "bid-down" process will cause the tax sale to be

postponed. In the event collusion is discovered after the tax sale, the tax sale certificate will be null and void and resold at a later date. Such fraudulent collusion prevents selling an item for the smallest percentage of undivided interest of the parcel. This is a prohibited practice at this tax sale and violation may disqualify a bidder from the sale.

ALL SALES ARE FINAL. If payment is cancelled on a tax sale buyer's check, all certificates purchased by that bidder will be canceled 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 sale or future tax sales in Louisa County.

For each parcel sold, the County Treasurer is required to notify the title holder of record within fifteen days from the date of sale that the parcel was sold at tax sale.

CERTIFICATE OF PURCHASE

Please allow 7 to 10 days to receive certificate(s). This allows the County Treasurer's staff time to complete posting of records, editing of certificates, and balancing the proceeds received from the tax sale. It is the purchaser's responsibility to verify that the tax sale Certificates of Purchase received are correct for the parcels purchased. Tax Sale Certificates of Purchase will not be held by the County Treasurer's office.

The certificates will be issued to the name and tax I.D. number on the bidder registration form. There will be no substitutions or exchanges.

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 the tax sale. If the Certificate of Purchase remains unredeemed after the statutory period, the certificate holder may begin action to obtain a Tax Deed.

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

If it is determined that any parcel was erroneously sold, the Certificate of Purchase will be cancelled. This includes web payments received before 9:00 a.m. the day of the sale. The certificate holder shall return the Certificate of Purchase and the County Treasurer will reimburse the principal amount of the investment. The County Treasurer will not pay interest.

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

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 Iowa Code Section 446.19A).

PUBLIC NUISANCE TAX SALE

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 sale, prospective bidders, must enter into an agreement with the city or county and demonstrate an intent to rehabilitate the property for use as housing if not redeemed(see Iowa Code Section 446.19B).

ASSIGNMENT

The tax sale Certificate of Purchase is assignable by endorsement of the certificate, payment by the assignee of the \$100.00 assignment transaction fee, and forwarding 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 system by the County Treasurer. Upon receipt of the \$100.00 assignment transaction 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.

To obtain an assignment of a tax sale certificate that is held by Louisa County contact the County Treasurer's office. The terms and conditions set forth in this document apply both to certificates obtained through assignment and for 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 this office at (319)-523-4452 regarding the assignment of a certificate.

When a certificate holder requests the County Treasurer to record a change, other than the mailing address, 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 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. Tax sale certificate holders wanting to make subsequent tax payments have three options for obtaining property tax payment information:

1) Self Lookup Online – Look up information online at www.iowatreasurers.org. In this case, there will be no charge for the information.

2) Request for Tax Information from the County Treasurer – Requests for property tax payment information must be in writing. Pursuant to Iowa Code Section 445.5(3), there will be a charge of \$2.00 per parcel for providing property tax payment information.

3) Pay Subsequent Taxes Online – Register as a Tax Sale Investor at www.iowatreasurers.org by selecting “Tax Sale Investor Registration” under the “ONLINE SERVICES” drop-down menu. After the registration process is complete, you will be able to access a list of parcels in all 88 ICTEA-participating counties on which you hold tax sale certificates. You can then select the parcels you want to pay and submit payment by ACH debit. For this service, there will be a charge of \$0.25 for each parcel paid.

The certificate holder must inform the Property Tax Department of the subsequent payment so it can be properly recorded as an addition to the certificate. Subsequent payments not properly reported by the certificate holder at the time of payment will be treated as voluntary payments and will be omitted from redemption calculations. If the subsequent tax payment is made through the online subsequent tax payment option, notice is not required.

Under no circumstances will the Louisa County Treasurer’s staff complete the certificate holder’s check with the dollar amount or hold checks for any reason. 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.

Subsequent tax payments received after 2:00 p.m. of the last business day of the month will not be posted until the first business day of the next month. In no instance will the date of postmark be used to calculate interest or to determine if interest will accrue. The County Treasurer will contact the certificate holder with notification of additional late interest.

SERVICE OF 90-DAY NOTICE OF EXPIRATION OF RIGHT OF REDEMPTION

Service is completed when the certificate holder files the 90-day Notice of Expiration of Right of Redemption Affidavit with the County Treasurer. It is a prohibited practice for the tax sale certificate holder to serve the 90-day Notice of Right of Redemption to individuals if the tax sale has already been redeemed. A violation of this policy may result in the tax sale buyer being barred from future tax sales in Louisa County.

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

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

- b. For Public Bidder Sale parcels (advertised consecutively more than once and marked with a '*'(asterisk) on the publication), the 90-day Notice 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 a similarly worded notice prior to the expiration of this time period may be barred from future tax sales in Louisa County. It is Louisa County's intent to afford property owners with all of the right 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.

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 and the person(s) in possession at that person's last known address. All other persons having an interest of record, as well as any city where the parcel is situated, shall be served by mail to the person's last known address.

Valid costs recoverable on a tax sale redemption are:

- a. For certificates sold on or after June 1, 2005, the cost of serving the notice, including the cost of sending certified mail notices, and the cost of publication under Section 447.10, 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 abstracter who is an active participant in the title guaranty program under section 16.91 or by and attorney license to practice law in the state of Iowa.
- b. For certificates sold prior to June 1, 2005, the only allowable costs that may be included as part of the amount necessary to redeem are newspaper publication fees. Service of the 90-day Notice of Expiration of Right of Redemption by publication is only allowed as described in Section 447.10, 2003, Code of Iowa. The Louisa County Treasurer requires a statement from the certificate holder substantiating the reason service was made by publication, as well as a copy of the newspaper publisher/s invoice, prior to posting publication costs to the amount necessary to redeem. Fees for publication, if required, shall not exceed the customary publication fees for official county publications.

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.

The certificate holder is responsible for determining the status of the tax sale certificate before serving the 90-day Notice of Right of Redemption to interested parties. The Louisa County Treasurer's office will not notify certificate holders when such action can be initiated. The Louisa 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 a certificate holder retain the service of legal counsel or legal aid to complete this process.

TAX 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 Service pursuant to Iowa law, a Tax Deed will be issued. Tax Deeds will be issued independently for each tax sale certificate that qualifies. The fee for the issuance of a Tax Deed is \$25.00. Recording fees, payable to the Louisa County Recorder, are variable and will be determined at the time a deed is requested. Upon receipt of the tax sale Certificate of Purchase, deed issuance fees, and recording fees, the County Treasurer will record the deed with the County Recorder prior to delivering the deed to the purchaser. After the deed is recorded, the deed holder may file an Affidavit of Tax-Title Holder with the County Recorder. This form is available in the County Treasurer's office.

CANCELLATION OF TAX SALE CERTIFICATES

Failure to file 90-day Notice of Expiration of 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. 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 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

A 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 or as allowed by 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 the time of the sale.
- Interest in the amount of 2% per month, from the month of 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, from the month the subsequent payment is posted to the county system to the month of redemption. Each fraction of a month is counted as a whole month.
- Valid costs incurred by the certificate holder and posted to the county system for action taken toward obtaining a Tax 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.

Written notice of redemption, either by e-mail, fax or regular mail, is provided to certificate holders. Upon surrender of the tax sale Certificate of Purchase for a redeemed tax sale, the County Treasurer's office will issue a check for the redemption amount. The certificate holder must surrender their tax sale Certificate of Purchase to the Louisa County Treasurer's office before receiving the check. The earliest a reimbursement could occur would be on the first business day following the cashier-validated date of redemption, as shown on the county system. The certificate holder will receive a check with a copy of the Redemption Certificate reflecting a breakdown of the total amount of the redemption. The Redemption Certificate should be retained for income tax purposes.

If, for any reason, a certificate holder is paid for a redemption that in fact was not redeemed, the certificate holder shall reimburse the Louisa County Treasurer, the full amount that was issued for said redemption.

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 return the tax sale Certificate of Purchase to the certificate holder 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.

The County Treasurer's office will not provide or calculate year-end interest accruals or bookkeeping services other than to provide a copy of the Redemption Certificate at the time of reimbursement to the certificate holder.

GENERAL INFORMATION

This document has been prepared to provide general information and guidelines relative to Louisa County's conduct of tax sales, tax sale assignments, tax sale redemptions, buyer reimbursements, and the issuance of tax deeds. The County Treasurer expects all bidders to follow these terms. 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 Louisa County Treasurer's office will not respond to questions of law. Questions of this nature should be directed to your legal counsel.

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

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

Prospective buyers should consult with their tax attorney or tax preparer to identify any income tax consequences that might result from purchasing a tax sale certificate.

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

Announcements made the day of the tax sale, whether annual or adjourned, will take precedence over these printed rules.

Failure to comply with these guidelines or subsequent announcements will result in the bidder being prohibited from participating in present or future Louisa County tax sales.

This document is effective for taxes sold between June 19, 2017 and June 17, 2018 and all their assignments, thereof, regardless of the assignment date.

Call the County Treasurer's office at (319) 523-4453 to obtain additional information.

Vicki L. Frank
Louisa County Treasurer