

OFFICE OF COUNTY TREASURER, ADAMS COUNTY IOWA

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NANCY KEMPTON, TREASURER

NOTICE TO TAX SALE PURCHASERS OF THE TERMS AND CONDITIONS GOVERNING THE TAX SALE OF JUNE 20, 2016 AND ADJOURNMENTS OR ASSIGNMENTS THEREOF

The Annual Tax Sale is held by the Adams County Treasurer in the Treasurer's office on the third Monday in June at 10:00 a.m. and will continue until all parcels are offered for sale. The annual sale will then reconvene daily as long as there are parcels available for sale.

Electronic Devices Prohibited - Cell phones, pagers, tape recorders, camcorders, etc. are to be turned off during the sale.

The following information is provided to assist you in purchasing delinquent taxes at tax sale:

1. **All prospective bidders must register by 4:30 p.m., Thursday, June 16th with the Treasurer's Office.** You must be 18 years or older as of June 20, 2016, to bid or to be the owner of a tax sale certificate. Proof of valid age, i.e. driver's license or birth certificate, may be required. You may, through written notice to the Treasurer, designate an appointee to bid for you in your absence. For the 2016 Tax Sale, one person may act for unlimited bidders. Each bidder must pay a non-refundable registration fee of \$15.00. The authorization form must be signed by the bidder.
2. **A W-9 form must be completed prior to the tax sale.** This information is needed to enable the Treasurer to issue an accurate 1099-INT form with the appropriate social security number or taxpayer identification number. The Treasurer will issue a 1099-INT to you and to the Internal Revenue Service at the end of the calendar year if the interest earned is equal to or exceeds \$600.00. This information is required when filing your Federal and State Income Tax.
3. 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 Secretary of State or a verified statement of trade name on file with the Adams County Recorder satisfying the requirements of Iowa Code Chapter 547. Contact the Iowa Secretary of State by phone at (515) 281-5204 or the Adams County Recorder at (641) 322-3744.
4. The Treasurer may establish and collect a reasonable registration fee from each purchaser at the tax sale. The fee shall not be assessed against a municipality or the county as a purchaser. The total of the fees collected shall not exceed the total costs of the tax sale.

Registration fees collected shall be deposited in the general fund of the county. **For the 2016 Tax Sale, there will be a \$15.00 non-refundable registration fee.**

5. You or the party that you represent may not be entitled to bid at tax sale and become a tax sale purchaser by reason of having a vested interest in the parcel. 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 tax sale. The general rule is that 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.
6. All bidder numbers will be eligible for random selection on each parcel. Once a number is drawn, the bidder has the option to accept or pass the bid. If the bidder passes, another number will be drawn until the parcel is sold or all have passed. The next parcel will then be offered for sale.

When more than one person offers to pay the total amount due, the person who has the lowest bid will obtain the tax sale certificate. Bid downs will range in whole percentage points from 99% to 1%. All bids for lower than 100% must be stated immediately after the parcel is announced and before a bidder number is randomly chosen. In cases of a tie bid, the successful bidder will be selected by a random selection. All bidders will be eligible for the random selection at the lowest percentage that has been bid. The designated percentage bid results in tenancy-in-common with the owner(s) of record, upon the issuance of a treasurer's deed. Bids for less than one (1) percent will not be accepted.

7. Parcels with delinquent taxes are offered for sale by owner name and tax amount and is in order by district, owner number, and parcel number. It is imperative that you be prepared for the sale. You need to know the parcel(s) within each district and the corresponding legal descriptions(s) upon which you intend to bid. The Treasurer's Office will help you obtain this information in the days prior to the sale.
8. Payment is required at the time of purchase or at the conclusion of the sale. The amount collected will include all delinquent taxes, special assessments, interest, special assessment administration fees, service fees and a \$20.00 certificate fee for each certificate issued. The \$20.00 certificate fee will be reimbursed to the buyer upon full redemption of the tax sale certificate.
9. Payment must be in the form of a personal check, money order, or any form of guaranteed funds or cash. Two-party checks will not be accepted for payment. A separate check is required for each buyer number.
10. Please allow seven (7) to ten (10) days to receive your certificate(s). This allows the 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 received are correct for the parcels purchased.
11. The county treasurer shall notify the titleholder of record that the parcel was sold at tax sale.
12. The tax sale certificate of purchase 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, depending upon 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.
13. If it is determined that any item was erroneously sold, the certificate of purchase will be cancelled. The certificate holder will return the certificate of purchase and the County

Treasurer will reimburse the principal amount of the investment. The Treasurer will not pay interest.

REGULAR TAX SALE

For parcels sold on or after April 1, 1992, the 90-day Notice of Right of Redemption may be issued after one year and nine months from the date of sale.

PUBLIC BIDDER SALE

For parcels sold on or after April 1, 1992, the 90-day Notice of Right of Redemption may be issued after nine months from the date of the sale.

AFFIDAVIT OF SERVICE

The right of redemption shall not expire until 90 days after service is complete. Service is complete only after an affidavit has been filed with the County Treasurer showing the making of service, the manner of service, the time when and the place where service was made, under whose direction the service was made, and costs incurred as provided in Section 447.13.

FAILURE TO OBTAIN DEED CANCELLATION OF TAX SALE CERTIFICATES ISSUED ON OR AFTER APRIL 1, 1992

After three (3) years have elapsed from the time of the sale, if action has not been completed which qualifies the holder of the certificate to obtain a deed, the treasurer will cancel the tax sale.

The Treasurer shall cancel the certificate for any tax sale certificate holder who fails to return their certificate of purchase and remit the deed and recording fees to the County Treasurer within 90 calendar days after the redemption period expires.

AFTER TAKING POSSESSION OF THE PARCEL

448.15 Affidavit by Tax-Title Holder. May be filed with the county recorder after taking possession of the parcel.

SUBSEQUENT TAXES

A tax sale purchaser may pay **subsequent taxes** and special assessments on the same parcel on which s/he holds the tax sale certificate **beginning one month and fourteen days** following the date from which an installment becomes delinquent. The purchaser is responsible for requesting subsequent payment information and must inform the Treasurer's Office of the subsequent payment so it is paid and recorded properly as an addition to the sale. Only items due in the current fiscal year or prior year(s) may be paid on a "subsequent list". Special assessments due in future years cannot be paid until the fiscal year in which they become due. Failure to report "subsequent list" payments will result in their omission from the redemption calculation. 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 will not be accepted.

REDEMPTION

A redeemed tax sale will include the following:

1. The original tax sale amount, including the \$20.00 certificate fee paid by the purchaser at the time of the sale.

2. Interest in the amount of two percent (2%) per month calculated against the original tax sale amount. Each fraction of a month is counted as a whole month.
3. Subsequent tax payments paid by the purchaser and added to the amount of the sale, with interest in the amount of two percent (2%) per month. Each fraction of a month is counted as a whole month.
4. Valid costs incurred and recorded on the Tax Sale Register for action taken toward obtaining a Tax Deed. Valid Costs are defined in 447.13, Code of Iowa as amended and include the cost of serving the notice, including the cost of sending certified notices, cost of publication under 447.10, and cost of a record search. A record search must be performed by an abstractor who participates in the title guaranty program or any 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. Costs not filed with the treasurer before redemption shall not be collected. 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 Tax Department will attempt to contact the certificate holder for surrender of the certificate in the event of redemption, however, it is the purchaser's responsibility to obtain redemption information.

Upon surrender of the tax sale certificate of a redeemed parcel, the Tax Department will issue a check for the redemption amount. If the redemption was made by personal check, we will wait 14 days for the check to clear.

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

DUPLICATE CERTIFICATES

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

ASSIGNMENT OF CERTIFICATES

The tax sale certificate of purchase is assignable by the holder by endorsement of the certificate and entry in the treasurer's register of tax sales. Each assignment transaction incurs a fee of \$100.00, payable at the time of assignment. The assignment fee will not be reimbursed at the time of redemption. Please contact the Treasurer's Office for further information, should you desire to assign a certificate.

TAX SALE DEED

The fee for the issuance of a Treasurer's Tax Sale Deed is \$25.00 payable to the Adams County Treasurer. Recording fees will be determined by and payable to the Adams County Recorder and will be collected at the time of issuance of the deed.

BANKRUPTCY

In the event the owner of a parcel sold at Tax Sale goes into bankruptcy court, it may, contingent on the bankruptcy chapter proceedings, affect your interest in the tax sale. For the legal consequences and effect, you should contact your legal counsel.

This document has been prepared to provide general information and guidelines relative to tax sales and tax sale redemptions. It is not an all-inclusive listing of statutory requirements, procedures or policy, nor is it to be construed as a legal opinion of the statutes governing tax sales.

To protect your interests as a tax sale buyer and to determine your rights and remedies, we recommend that you consult with your legal counsel. **LET THE BUYER BEWARE** - There is no guarantee the certificate will be redeemed. You are responsible to know what you are bidding on before the sale.

You may contact our office at 641-322-3210 to obtain additional information.

Nancy Kempton
Adams County Treasurer