



WARREN COUNTY

TREASURER

COMMUNITIES OF CHOICE

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

The Warren County Treasurer will hold the 2017 annual tax sale on Monday, June 19, 2017 in the Administration Building at 301 N. Buxton St., Indianola, IA beginning at 8:30a.m. Bids will be placed online at www.iowataxauction.com. Adjourned sales for any parcels not sold will be held daily at the Warren County Treasurer's office in the Administration Building.

The following information is provided to assist you in purchasing delinquent taxes during the tax sale or in obtaining an assignment of a tax sale certificate, either from a private certificate holder or from Warren County.

1. Registration

- Register online at www.iowataxauction.com prior to the tax sale. No in office, mailed or emailed registrations will be accepted. **Registration will begin Monday, May 22, 2017 and end Wednesday, June 14, 2017 at 11:59pm.**
- Pay a non-refundable \$50.00 registration fee via online 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.

To be eligible to bid or obtain tax certificates, either purchased or assigned:

- Registrants will be required to certify as an individual, corporation, Limited Liability Company, business trust, estate, trust, partnership or association, or other legal entity to be authorized to bid at the tax sale or to own a tax sale certificate. An entity, other than an individual, must obtain a federal tax identification number prior to registering.

To contact the Iowa Secretary of State for information on how to register as a legal entity in the State of Iowa prior to purchasing tax sale certificates:

Iowa Secretary of State / Business Services
First Floor, Lucas Building
321 E 12th St., Des Moines, IA 50319
Phone: 515-281-5204
Fax: 515-242-5953
www.sos.state.ia.us

To contact the Warren County Recorder's Office for information on how to file a 'Trade Name Verified Statement' prior to purchasing tax sale certificates:

Warren County Recorder
Administration Building
Phone: 515-961-1089
E-mail: recorder@warrencountyia.org

- 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.

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.

Errors, omissions, or misrepresentations by a bidder may disqualify the bidder from the sale and all certificates purchased by the disqualified bidder during the sale may be cancelled and re-offered to other properly registered bidders.

The Delinquent Tax List for Warren County will be published in the June 6th edition of The Record-Herald and Indianola Tribune, 112 N Howard St, Indianola, IA 50125 (515)961-2511.

Parcels on the published list will be available for review on the auction site at www.iowataxauction.com and the Warren County website www.warrencountyia.org under Departments/Treasurer/Tax Sale Information the week of June 6th.

2. Bidding at the Tax Sale

Parcels with delinquent taxes are offered for sale in numerical sequence by item number within taxing district, as reflected in the official tax sale publication. Items that have been paid subsequent to the publication or withheld due to bankruptcy will be removed from the auction.

The sale will be organized into three batches, as follows:

Batch 1:	8:30 a.m. to 9:30 a.m.
Batch 2:	9:30 a.m. to 10:30 a.m.
Batch 3:	10:30 a.m. to 11:30 a.m.

Bids will be submitted online at www.iowataxauction.com. Bids can be uploaded prior to the start of the tax sale but will not be applied until the sale opens at 8:30a.m. on Monday June 19, 2017. Regular and public bidder real estate items will be offered first. Regular and public bidder mobile home items will be offered last. Each item will be

offered for sale to all bidders beginning with a 100% undivided interest. Bidders may bid downward a percentage of undivided interest. "Bid downs" will range in whole percentage points from 99% to 1%. When there are no further bids on a parcel and the bid is a tie, a bidder will be chosen through random selection process. When there is not a tie bid, the sale will be awarded to the lone bidder at the smallest percentage offered.

A tax sale can be set aside in a situation where a combination of bidders agree not to compete with each other in a bid-down process and one of them becomes the tax sale buyer. Such fraudulent collusion prevents selling an item for the smallest percentage of undivided interest of the parcel. This practice is prohibited at the Warren County Tax Sale and violation may disqualify a bidder from the sale.

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.

3. Purchasing Tax Sale Certificates

New this year: Successful bidders will receive an invoice when the sale has closed. **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 certificate fee in the amount of \$20.00 for each certificate purchased.

If a tax sale bidder's payment is not honored, the bidder will have five 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 fee will be assessed on all returned payments.

Please allow up to 15 business days to receive your certificate(s). It is the buyer's responsibility to verify that the tax sale certificates received are correct for the parcels purchased.

The tax sale certificate of purchase does not convey title to the buyer. The titleholder of record or other interested party retains the right to redeem within a specified period of time, depending on the type of tax sale. If the sale remains unredeemed after the statutory period, the buyer may begin action to obtain a tax sale deed.

4. Notification to Titleholder of Tax Sale

The County Treasurer is required to notify the titleholder of record within fifteen days from the date of sale that the published item was sold at tax sale. Notices will be sent by regular mail using the mailing address on record with the Treasurer's office.

5. Reimbursement of a Redeemed Tax Sale Certificate

A redeemed tax sale will include the following:

- a. The original tax sale amount, including the \$20.00 certificate fee paid by the purchaser at the time of the sale.
- b. 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 item was sold, including the amount paid for the certificate of purchase. Each fraction of a month is counted as a whole month.
- c. Subsequent tax payments paid 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.

- d. 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 posted to the county system before redemption, shall not be collected by the County Treasurer.

The tax sale certificate holder or his/her agent or attorney must file a "Statement of Costs" with the "90-Day Notice of Right of Redemption" affidavit certifying the type and amount of authorized costs incurred. Authorized 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 mail notices, the cost of publication if publication is required, and the cost of a record search. 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.

In order to determine whether publication costs are valid, the Warren County Treasurer requires a copy of the newspaper publisher's invoice and a statement from the certificate holder substantiating the reason service was made by publication prior to posting publication costs to the amount necessary to redeem. Fees for publication, if publication is required, shall not exceed the customary publication fees for official county publications.

The certificate holder or his/her agent or attorney must certify in the "Statement of Costs" that the record search was performed by an abstractor who is an active participant in the title guaranty program under Iowa Code Section 16.91 or by an attorney licensed to practice law in the state of Iowa. The amount of the cost of the record search that may be added to the amount necessary to redeem shall not exceed \$300.00. The Warren County Treasurer requires an invoice from the abstractor or attorney who performed the record search.

The buyer is responsible for requesting payment on redemptions for which s/he holds the certificate. Upon inquiry, the tax sale certificate number will be provided for a tax sale certificate redeemed under your buyer name. If requesting for multiple buyers, include all buyer names in your request and submit it in one of the following manners:

Warren County Treasurer's Office

Phone: 515-961-1110

Mail: PO Box 217
Indianola, IA 50125

E-Mail: propertytax@warrencountyia.org

Website: You can check on our website www.warrencountyia.org to see if a tax sale has been redeemed.

Search by parcel number in the Property Search/GIS link. If no tax sale is noted on the parcel, then the tax sale has been redeemed.

Upon surrender of the original tax sale certificate for a redeemed tax sale, either in person or by mail, the Treasurer's office will issue a check for the redemption amount. The buyer will receive a check directly or by mail with a copy of the redemption certificate reflecting the total amount of the redemption. You should retain the

redemption certificate copy for income tax purposes.

If the original certificate of purchase has been lost or destroyed, a duplicate can be obtained from the Treasurer's office at a cost of \$20.00. Please call (515) 961-1110.

In the event a buyer has been reimbursed for redemption and the taxpayer's check does not clear the taxpayer's bank account, upon notification the buyer will be immediately required to return the redemption funds to the Treasurer's office. The Treasurer's office will return the tax sale certificate to the buyer 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.

At the end of the calendar year, The County Treasurer will issue a 1099-INT form to buyers and to the Internal Revenue Service for interest earned exceeding \$600.00. A buyer's tax preparer may need this information 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 legal rate set by the IRS. If this should occur, the Treasurer reserves the right to ban the buyer and all associated buyers from future tax sales.

Upon request from the buyer, the Warren County Treasurer can provide a computer printout of the following:

- a. A copy of detailed redemptions included in a buyer's 1099-INT form at a charge of \$10.00 per buyer number.
- b. A copy of a buyer's outstanding tax sales at a charge of \$10.00 per buyer number.

6. Payment of Subsequent Taxes

PLEASE NOTE: The Warren County Treasurer's Office now requires all subsequent payments be made online at www.iowatreasurers.org.

A tax sale buyer may pay subsequent delinquent taxes and special assessments, including rates or charges, on the same parcel(s) on which s/he holds the tax sale certificate for the full amount due. The Treasurer's Office will accept payments for subsequent delinquent tax and special assessments beginning one month and 14 days following the date from which an installment becomes delinquent. Only items delinquent in the current fiscal year or a prior year may be paid. ***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.***

Once subsequent taxes are posted through the Warren County tax system, the Treasurer will not refund payment if the Tax Sale Certificate holder decides that he/she did not want to pay a particular parcel. Special assessments, rates and charges due in future years cannot be paid until the fiscal year in which they become delinquent.

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 on which you hold tax sale certificates. It is the Investor's responsibility to review the list and confirm all applicable parcels are included in the online portfolio. You can select the parcels you want to pay and submit payment by ACH debit. A non-refundable fee of \$0.25 per parcel applies.

Recorded sub-list payments will accrue interest at the rate of 2% per month beginning with the month the payment is posted to the county system through the month of redemption. Failure to submit payment through the subsequent payment portal on the website will result in their omission from the redemption calculation.

7. Assignment of a Tax Sale Certificate

The tax sale certificate of purchase is assignable by endorsement at the bottom of the original certificate in the assignment section, payment by the assignee of a \$100 assignment transaction fee, and forwarding the certificate to the County Treasurer for posting to the county's system. An assignment is not considered valid until posted to the county's system by the Treasurer. A certificate cannot be assigned to another buyer who has redemption rights, except when the assignment is to a municipality. A tax sale certificate of purchase and/or a tax sale deed can be set aside if it is determined that the tax sale purchaser or assignee was ineligible. The general rule is that a tax sale purchaser or assignee should never have an interest or lien in the item offered for sale. A prospective bidder should consult with legal counsel to determine the right to become a tax sale certificate holder, either through bid or through assignment. The assignor may not assign a certificate of purchase to more than one assignee/buyer.

Upon the receipt of the \$100 assignment transaction fee and the endorsed certificate, from the assignee, the Treasurer will make the necessary entries in the county's system. The recorded assignment will vest in the assignee all rights and title of the assignor; except, when a county-held certificate is assigned, the assignee has three years from the date the assignment is recorded by the Treasurer in the county's system, instead of from the date of the tax sale, to qualify for a tax sale deed.

When a buyer requests the Treasurer to record a change, other than the mailing address and telephone number, it is considered an assignment and the \$100 assignment transaction fee will be charged. This includes a change in the buyer's name, buyer's number, 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 for each certificate purchased.

8. '90 Day Notice of Right of Redemption' Affidavit

Service is completed when the certificate holder files the '90 Day Notice of Right of Redemption' affidavit with the County Treasurer. The certificate holder is responsible for determining the status of a tax sale before serving the '90 Day Notice of Right of Redemption' to interested parties.

Service must be compliant with the law in effect at the time of the tax sale.

- a) Regular Tax Sale: A tax sale certificate holder may serve a 'Notice of Expiration of Right of Redemption' after one year and nine months from the date of the sale. Any certificate holder who files said notice or a similarly worded notice prior to the expiration of this time period may be barred from future tax sales in Warren County. It is Warren County's intent to afford all property owners with all of the rights and remedies of the Iowa statutes.
- b) Public Bidder Sale: A tax sale certificate holder may serve a 'Notice of Expiration of Right of Redemption' after nine months from the date of sale. Any certificate holder who files said notice or a similarly worded notice prior to the expiration of this time period may be barred from future tax sales in Warren County. It is Warren County's intent to afford all property owners with all of the rights and remedies of the Iowa statutes.

If the certificate holder fails to file a '90 Day Notice of Right of Redemption' affidavit within three years from the date of the tax sale, the County Treasurer will cancel the tax sale. In this instance, the tax sale purchaser is not entitled to a refund. The date may be extended if the filing of the '90 Day Notice of Right of Redemption' affidavit is stayed due to bankruptcy proceedings. Bidders should consult with their legal counsel to determine the impact of bankruptcy proceedings on tax sale certificates.

9. Tax Sale Deed

The tax sale certificate holder is required to return the original certificate of purchase and remit the appropriate deed issuance fee and recording fee to the County Treasurer within ninety calendar days after the redemption period expires. The Treasurer is required by statute to cancel the certificate of purchase for any tax sale certificate holder who fails to comply. If the certificate holder fails to complete action to obtain a tax sale deed within ninety calendar days after the redemption period expires, the County Treasurer will cancel the tax sale. In this instance, the tax sale purchaser is not entitled to a refund.

The deed issuance fee is \$25.00. The recording fee is variable and will be determined at the time the deed is requested. Upon receipt of the deed issuance and recording fees, the Treasurer will record the deed with the County Recorder prior to delivering the deed to the buyer.

10. Erroneous Tax Sale or Adjustment

If it is determined that any item was erroneously sold, the certificate of purchase will be canceled. This includes web payments made prior to the beginning of the sale. The certificate holder will return the certificate of purchase and the Warren County Treasurer will reimburse the principal amount of the investment. The Treasurer will not pay interest.

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

11. Abandoned Property or Vacant Lots

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

12. Adjourned Tax Sales

Adjourned tax sale will be held daily at the Warren County Treasurer's office, 301 N. Buxton, Ste. 102, Indianola, IA. Contact the Treasurer's office for more information.

13. Change of Address or Telephone Number

Buyers are required to notify the Warren County Treasurer's office in writing of any changes in address or telephone number.

14. Americans with Disabilities Act

A bidder who qualifies under the 'Americans with Disabilities Act' and requires tax sale information in an alternative format should contact the Warren County Treasurer's office not less than thirty calendar days before the tax sale. This will allow the Treasurer time to provide appropriate and timely accommodations.

15. Non-resident aliens and Foreign Businesses

Tax sale buyers are directed to take notice of legal restrictions regarding ownership of agricultural land by nonresident aliens and foreign businesses, as presented in Iowa Code Chapter 9I. Please seek legal counsel to determine whether these restrictions or any Internal Revenue Service requirements are applicable to your specific situation.

16. General Information

This document has been prepared to provide general information and guidelines relative to tax sales, tax sale assignments, tax sale redemptions, buyer reimbursement, and the issuance of a tax sale deed. 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. The Warren County Treasurer reserves the right to reject any or all bids and to waive irregularities which appear to be in the best interest of Warren County.

Consult legal counsel to determine your legal rights and remedies and to protect your interest as a tax sale buyer. Iowa Code Chapters 446, 447 and 448 as amended are pertinent chapters to Tax Sales, Tax Redemption and Tax Deeds. The Iowa Code is available online at www.legis.state.ia.us. The Warren County Treasurer's office will not respond to questions of law. Bidders should direct questions of this nature to your legal counsel.

Prospective buyers should 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.

Section 718.2, Code of Iowa, prohibits a buyer from impersonating a county employee. The maximum penalty for a violation of this statute is two years in prison and a fine of \$5,000.

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.

This document is effective for taxes sold during the period June 19, 2017, through June 15, 2018, and all their assignments, thereof, regardless of the assignment date.

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

Julie Daugherty
Warren County Treasurer