

# TERMS AND CONDITIONS FOR TAX SALE PURCHASERS GOVERNING TAX SALES IN SIOUX COUNTY, IOWA

The annual Tax Sale is held by the Sioux County Treasurer on the third Monday in June, at 10:00 A.M., in the Sioux County Courthouse. The sale will continue as long as bidders are present, and will be adjourned on a daily basis, as long as parcels are available for sale. **This year the Tax Sale is on June 16<sup>th</sup>, 2008, at 10:00 A.M. A Registration fee of \$25.00 will be charged, and this fee includes a detailed listing of items available. Registration must be received by Wednesday, June 11th. Registration will not be allowed on Thursday, June 12<sup>th</sup>, Friday, June 13<sup>th</sup>, or Monday morning, June 16th.**

Please be prepared for the sale, and know the parcels in which you are interested. You may use the listing to be found in one of the county newspapers: Orange City Capital-Democrat, Orange City Siouxland Press or the Sioux Center News. The following rules apply:

1. Payment must be by personal check, money order, or cash. The amount will be the same as that shown on the listing available at this office, or the amount in the newspaper plus a \$20.00 certificate fee.

2. Mail bids will only be opened AFTER the regular sale, and will be accepted if any items are still available for purchase. The Treasurer cannot act as agent for mailed bids during the Tax Sale.

3. Any parcel with 1 year or less of taxes may be sold, and the owner may redeem within 2 years. **The certificate holder should pay subsequent taxes and add these amounts to the certificate. Interest of 2% per month will be earned on all monies invested, from the month of investment. Subsequent taxes may not be paid before October 15th, and April 15<sup>th</sup>. Purchaser should continue to pay subsequent taxes and add them to the Certificate, to prevent complications from a second Certificate holder. Subsequent taxes must be in the office no later than noon on the last day of the month.**

PUBLIC BIDDER: Any parcel with more than one year of tax shall be sold. If no one else bids, the County will act as Public Bidder. The owner has only 1 year to redeem a Public Bidder Certificate.

4. The Tax Sale Certificates will be issued as soon as possible, and will be mailed to the Bidder. They must be kept in a safe place, as they are needed to proceed to tax sale deed. If you lose the original, a duplicate may be issued for \$20.00.

5. Iowa law requires me to notify the taxpayer within two weeks of the date of Tax Sale, that their property was sold at Tax sale, and set forth the redemption terms.

6. In order to register as a Tax Sale Bidder, you must complete a Form W-9, which provides name, address, and information needed to file with the Internal Revenue Service. If you earn over \$600.00 a year in interest, a 1099-MISC will be filed with the IRS, and a copy sent to you. Interest under the \$600.00 per year amount will not be filed. Bidder must also read and sign the Registration of Tax Sale Bidder Form.

**7. The Certificate gives you no legal rights or duties regarding the property. Legal steps must be taken in order to acquire a deed to the property, based on the percentage of interest that you bid at Tax Sale. If your bid was 1%, you would receive an undivided 1% interest in the property upon acquiring a Tax Deed. You are responsible for knowing the law and following through on your purchase. The county treasurer is not an attorney, and has no duty or responsibility to act in your behalf.**

8. When the property is redeemed, I will remit the amount due to you, periodically. Payment will be retained until the Redemption check has cleared the bank, making the Redemption final.

9. If 2 or more bidders are interested in the same property, a bid down process will be used, which means bidding a percentage of interest in the property. When bidders tie at any percentage, a random selection process will be used to determine the successful bidder.

10. If you hold an interest in a property offered at Tax Sale, you are not eligible to bid on that property.

11. No one under the age of 18 will be allowed to bid at the Sioux County Tax Sale.

12. If a Tax Sale Certificate is assigned to another person, a fee of \$100 will be charged, and this office must be notified of the Assignment and the name assigned to, along with the \$100 fee.

13. **If the legal process to obtain Tax Deed has not been started within three years of the date of the Tax Sale, the Certificate will be canceled, and your rights will cease. It is necessary for you to contact an attorney to make sure the proper legal procedures for the 90-day Notice of Expiration of Right of Redemption are served on all entities required to be served notice. The attorney must then certify to this office that the 90-day notices have been served. On the day that the Treasurer receives this Affidavit of Service, the 90-day period starts to take effect, and this must be done before the 3-year term has expired.**

14. The Treasurer cannot and will not be responsible for reminding you to take care of the steps that need to be done. You must be aware of the necessary procedures, and contact your own attorney. The Treasurer will be helpful, but is not an attorney.

BRIEF SUMMARY:

REGULAR TAX SALE:

1. **Registration fee of \$25.00** must be paid, and registration completed.
2. Delinquent taxes of 1 year or less.
3. Bidder pays tax + interest + cost + \$20.00 certificate fee.
4. Successful bidder receives a Certificate for the parcel, based on the percentage of interest bid. (1%, 10%, 50%, 100%, whatever was actually bid.)
5. **Certificate holder should pay subsequent, (or future) taxes**, and add them to the Certificate, thereby earning 2% per month interest on those amounts also. Subsequent taxes may not be paid prior to October 15 and April 15.
6. **One year and 9 months** from the date of the Tax Sale, contact an attorney to start proceedings to serve the 90-Day Notice of Expiration of Right of Redemption.
7. If no action is taken to start this proceeding within **3 years** from the date of Tax Sale, your certificate will be **canceled** and you will lose all rights in addition to any monies paid.
8. Treasurer receives a \$25 fee for preparing the Tax Deed, and shall collect recording fees to properly complete the Tax Deed procedure.
9. If Certificate is **assigned** to another person or Corporation, the Treasurer will be paid \$100 and receive notification of the assignment, date, and new Certificate Holder, along with W-9, etc.

PUBLIC BIDDER TAX SALE:

1. Delinquent taxes of more than 1 year. Parcel **MUST** be sold. If no one else bids, the County will take a Public Bidder Certificate, which may be assigned for a \$20.00 fee, and payment of all taxes and fees.
2. **9 months** from the date of the Tax Sale, bidder may contact an attorney to start the 90-Day Notice of Expiration proceedings.
3. All other items from the REGULAR TAX SALE procedures apply, as stated above. The only difference is the time between the Tax Sale, and the time to start the 90-Day notice proceedings.

Iowa Code Chapters 446, 447, and 448 apply to the provision of the Tax Sale.

I hereby certify that I have read and understand the above rules and regulations relating to Tax Sales in the State of Iowa, and I agree to abide by all such rules and regulations. I also certify that I have received a copy of this Notice for my information.

\_\_\_\_\_  
Tax Sale Certificate Bidder

\_\_\_\_\_  
Date

\_\_\_\_\_  
SS OR Fed. ID #

All forms may be photocopied. Return signed forms 1, 2, and 3 to this office, also W-9.  
(Form 2 only necessary if agent is bidding for you.)

Print 2 copies. Sign and return one copy. Retain one copy.