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

The annual tax sale will be held June 20, 2016 at 10:00 a.m. in the Henry County Courtroom. 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.

Registration for the tax sale shall be processed online at www.iowataxauction.com. Only online registrations will be accepted. Registrations may not be accepted after June 13, 2016 at 4:30 pm.

Those persons using a federal tax identification number must self-certify a 'Certificate of Existence' from the Iowa Secretary of State or a tradename meeting the requirements of Iowa Code Chapter 547 are on file with the county recorder of the county where the person wishes to bid or where the property that is the subject of the tax sale certificate is located.

Contact the Iowa Secretary of State for information on how to register as a legal entity in the State of Iowa or obtain a 'Certificate of Existence.' The Iowa Secretary of State-Business Services contact information is as follows:

Iowa Secretary of State
First Floor, Lucas Building
321 E 12th St, Des Moines, IA 50319
Phone: 515-281-5204
Fax: 515-242-5953
URL: <http://www.sos.iowa.gov>

Proof of Age and Identity:

- All authorized agents/bidders/buyers/assignees must be 18 years of age or older as of June 20, 2016.
- The county treasurer requires valid proof of age and identity (i.e., driver's license, birth certificate and picture id.) Bidders and authorized agents should be prepared to show proof of age and identity upon entering the board room or at any time during the tax sale.

A Tax I.D. Number (TIN) is required. If an incorrect TIN number is furnished, the IRS requires 31% of your interest earnings withheld as backup withholding for the IRS. **One bidder number per Tax I.D. Number. By administrative rule each bidder number will cost \$40.00 and all tax sale purchasers must be 18 years of age or older. The \$40.00 registration fee must be paid online at time of registration and is non-refundable.** All bidders must check in between 8:30 AM and 9:30 AM the morning of the tax sale. Bidders will be handed their

bidder number at that time. **ALL REGISTERED BIDDERS MUST BE CHECKED IN BY 9:50 AM IN ORDER TO PARTICIPATE IN THE SALE.** Bidders may not represent more than one person or entity. Registration for adjourned sales requires the same forms as the annual sale.

All bidders/buyers/authorized agents must be 18 years of age or older by June 20, 2016. The treasurer may require valid proof of age and identity. **All bidders must be prepared to provide a valid state issued photo identification such as a non-driver id or driver license.** Misrepresentations by a tax sale bidder will disqualify the bidder from the sale.

A tax sale purchaser should never have an interest in the parcel offered for sale. A Tax Sale Certificate 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. If you have a question about your eligibility or that of your authorized agent, please consult your legal counsel to determine your right to bid and become a tax sale purchaser.

The tax sale list will be published June 2, 2016 in the Mt Pleasant News, Winfield Beacon, and New London Journal. The delinquent tax list will be posted on the Henry County Treasurer's website at www.iowatreasurers.org, May 25, 2016.

TAX SALE PROCEDURES:

Please share this information with all your representatives. It is the bidder's responsibility to be prepared for the sale and to know the sequence number for which he intends to bid. In the event a bidder purchases a parcel for which they already hold a previous certificate, the payment will be added as subsequent taxes to the existing certificate. The bidder may be barred from future tax sales as they should not be bidding on such a parcel.

Cellular phones and all other electronic devices must be turned off during the tax sale. Laptop or notebook computers are allowed only if they are operated from battery packs. A violation in the use of electronic devices may result in the disqualification of the bidder. No food is allowed in the courtroom. Spectators can be accommodated only if sufficient seating room is available and may be asked to sit in an area segregated from bidders. No children are permitted.

Each parcel will be offered for sale to all bidders in sequence order. The sequence number, name and amount will be announced. Please note that the amount announced may be different than the published amount due to a partial payment having been made. Some taxes may have been paid in full after the published list was prepared or a bankruptcy proceeding notice may have been received by the Treasurer which would result in a property being withheld from the tax sale. The treasurer will pause after announcing the number, name and amount, allowing for bid down for a percentage of undivided interest. The bidding will start at 100% interest in the property and go down if necessary, with the lowest bid allowed at 1%. In case of tie bids, the purchaser will be determined by a random selection method. The bid-down percentage will give the winning bidder an undivided interest in the property upon issuance of a County Treasurer's Tax Sale deed. For example a winning bid of 50% would result in a 50% interest in the property at issuance of a Tax Sale Deed. We will be using the computer random selection process to select the bidder each time. The bidder with the chosen randomly selected number must immediately accept the purchase of the item by announcing "sold" or refuse the item by announcing "pass". If the bidder passes, another bidder will be randomly selected. A response of "sold" results in an obligation on the part of the bidder to pay for the certificate.

TAX SALE CERTIFICATES

Tax sale payment which will include delinquent tax, special assessment collection fees, rates or charges, interest, cost and \$20.00 certificate fee, is required on the day of purchase and may be made by check only. Two party checks will not be accepted for payment. We must have separate payment for each bidder. **You will be required to leave a blank check for each bidder.** We will process the certificates, complete the check amount and mail the tax sale

certificates with a copy of your completed check. It is the interested party's responsibility to verify that the tax sale certificates received are correct for the parcels purchased.

If a tax sale buyer's check does not clear their bank account, for reason of non-sufficient funds, account closed, etc., the buyer will have five business days following notification from the Henry County Treasurer to repay with guaranteed funds or the Tax Sale Certificate(s) of Purchase will be cancelled. A \$30.00 service fee will be added for each check returned unpaid.

If payment is cancelled on a tax sale buyer's check, all certificates purchased by that bidder will be cancelled and the parcels re-offered at adjourned sale. The buyer, as well as any associated entities, will be prohibited from bidding at any adjourned sale or future tax sales in Henry County.

The tax sale certificate of purchase does not convey title to purchaser. The title holder of record or other interested parties retain the right to redeem within a specified period of time. (A) Regular tax sale: The 90 day Notice of Right of Redemption may be issued after one year and nine months from the date of the sale. (B) Public bidder sale: The 90 day Notice of Right of Redemption may be issued after nine months from the date of sale.

SUBSEQUENT TAXES

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 will add to the tax sale certificate. A certificate holder may pay subsequent taxes on the purchased parcel, beginning one month and 14 days following the date from which an installment becomes delinquent.

Subsequent payments may be paid online. To register to pay subsequent taxes online, go to our website at www.iowatreasurers.org. You would then go to the top tab *Online Services* and go to Tax Sale Investor Registration. Please make sure if mailing in subsequent taxes or paying in the office that you identify your payment as a subsequent tax. A subsequent payment not properly identified as a subsequent payment by the certificate holder at the time of payment will be treated as a voluntary payment and will be omitted from redemption calculations. A separate check is required for each bidder for subsequent tax payment. Subsequent taxes must be in the treasurer's office no later than noon on the last working day of the month to avoid the next month's interest/penalty.

ASSIGNMENT OF A TAX SALE CERTIFICATE

The tax sale certificate of purchase is assignable by endorsement of the certificate, payment of a \$100 assignment fee, and submitting the certificate to the County Treasurer for posting in the county system. An assignment is not considered valid until posted to the county system by the Treasurer. 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/buyer number. Any requested change other than the mailing address and telephone number will be considered an assignment and the \$100 assignment fee will be charged. This includes a change in the buyer's name, buyer's social security or federal identification number.

NOTIFICATION TO TITLEHOLDER OF TAX SALE

For each parcel on which taxes were sold, the County Treasurer shall mail notification to the current titleholder, according to the mailing address on file in the Treasurer's Office, of the sale of delinquent taxes on the property. The notice will be sent by regular mail within fifteen days from the date of the annual tax sale or any adjourned tax sale.

TAX SALE REDEMPTION

A redeemed tax sale will include the original tax sale amount including the \$20.00 certificate fee as well as interest in the amount of 2% per month, beginning with the month of the sale to the month of redemption. Also included in the redemption will be any subsequent tax payments paid and properly reported as such by the certificate holder

with interest in the amount of 2% per month. Valid costs incurred by the certificate holder of record and posted to the county system for action taken toward obtaining a tax sale deed will also be included.

It is the certificate holder's responsibility to check with the treasurer regarding redemptions. **We suggest you contact us by e-mail no more than 2 times per month at treasurer@henrycountyiowa.us and ask about redemptions by giving us your certificate numbers that you are holding as well as the name the certificates are in.** Upon surrender of the tax sale certificate, a Treasurer's check will be issued to the tax sale purchaser. If the original certificate of purchase has been lost or destroyed, a duplicate may be obtained from the Henry County Treasurer at a cost of \$20.00.

90 DAY NOTICE OF RIGHT OF REDEMPTION AFFIDAVIT/TAX SALE DEED

Iowa Code **447.9, 447.12, and 447.13** apply to this process. 1 year and 9 months from a regular (1 year) tax sale, you should contact an attorney to start proceedings to obtain a tax sale deed. Notices shall be sent to all persons set forth in Code **447.9**. (9 months from a "Public Bidder" (1 year and 9 months from a regular tax sale.)

An Affidavit of service (**447.12**) must be filed with the county treasurer before the 90-day period to redeem can start. If redemption is not made within the 90 days, you are to contact the county treasurer to find out the fees and recording costs, and submit payment with the original tax sale certificate to the treasurer, who will then issue you a tax sale deed to the property. If you fail to provide the fees within 90 days from expiration of right of redemption, your tax sale certificate will be canceled, and you will have no claim on the parcel. All monies will be forfeited.

Authorized costs incurred that are allowed to be included with the 90-Day Notice of Right of Redemption are defined in 447.13, Code of Iowa as amended.

The 120-day Affidavit found in **448.15** should also be filed.

Failure to send the 90-day Notices of Expiration, within 3 years from the date of the tax sale, will result in cancellation of your tax sale certificate, and loss of all money invested.

GENERAL INFORMATION

The information included in this packet is not all inclusive. All registered bidders are responsible to know what they are bidding on, understand the Iowa Code and how it applies to the tax sale. **Please refer to Codes of Iowa 446, 447, and 448.** It is recommended that tax sale buyers consult with legal counsel to determine their legal rights and protect their interest as tax sale buyers. The Henry County Treasurer's Office personnel will answer questions you may have with the exception of questions of law which should be directed to legal counsel.

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

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