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

The 2017 annual tax sale will be held by the Monroe County Treasurer on Monday, June 19, 2017, at the Monroe County Treasurer's Office 10 Benton Ave E 2nd Floor Albia IA 52531. **Bidders will place their bids online.** The auction site can be accessed by going to www.iowataxauction.com. An adjourned tax sale will be held any business day following the annual tax sale in which there are bidders present and there are parcels still available for sale.

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 Monroe County:

- **Registering for the Tax Sale**

In order to be eligible to bid at the Monroe 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 15, 2017 at 8:00 AM and end Thursday, June 15, 2017 at 4:00 PM**
- **Pay a non-refundable \$45.00 registration fee paid 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.

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

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 Monroe County Recorder. Contact the Iowa Secretary of State by phone at (515) 281-5204 or the Monroe County Recorder by phone at (641) 932-5164.

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.

- **Sale of Delinquent Taxes**

Parcels with delinquent taxes will be published in The Monroe County News, 111 Benton Ave E Albia IA 52531 on June 6, 2017. A copy of this publication can be obtained from The Monroe County News by calling (641) 932-7121. The parcels on the published list will also be available for review on the auction site at www.iowataxauction.com beginning on June 6, 2017.

All parcels shown in the publication are offered for sale except those (1) that have been paid subsequent to the publication; (2) withheld due to bankruptcy laws prohibiting the sale; (3) determined to be eligible for suspension.

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%. The percentage designated will be the percent of undivided interest in the parcel conveyed to the tax sale certificate holder upon the issuance of a Tax Deed.

There may be a few parcels that have the mobile home taxed with a separate parcel number from the land—I will require that both of these parcels be sold to the same registered bidder. These mobile home parcels will be considered a sub parcel and these tax amounts will be combined for the consideration of the sale, however, when processed will be issued two separate tax sale certificates with each having the \$20.00 certificate fee.

The sale will only have one (1) batch—it will open at 9:00 A.M. and close at 10:30 A.M.

When the sale closes at 10:30 A.M., a tax sale certificate for each parcel will be awarded to the bidder that designates the smallest percentage for the total amount due. If two or more bidders have placed an equal bid and the bids are the smallest percentage offered, the successful bidder will be selected by using a random selection process.

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.

- **Successful Purchasers of Tax Sale Certificates**

NEW THIS YEAR: Successful bidders will receive an invoice when the sale is 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 three business days following notification from the treasurer to repay with guaranteed funds or the tax sale certificate(s) purchased will be cancelled. 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.

All sales are final.

Please allow up to 15 working days to receive purchased certificate(s). This allows the Monroe County Treasurer's staff time to complete posting of records, editing of certificates, and balancing the proceeds received from the tax sale. The original tax sale certificates are kept in the office of the Monroe County Treasurer and copies will be mailed to the purchaser's at the 2017 tax sale. It is the purchaser's responsibility to verify that the tax sale certificates are correct for the sequence numbers/parcels purchased.

The Tax Sale Certificate(s) of Purchase will be issued to the name and taxpayer identification number as indicated on the online bidder registration. There will be no substitutions or exchanges.

A 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 on the type of tax sale. If the sale remains unredeemed after the statutory period, the purchaser may begin action to obtain a tax sale deed (refer to "90 Day Notice of Right of Redemption" Affidavit.).

- **Notification to Titleholder of Tax Sale**

For each parcel on which taxes were sold, the county treasurer shall notify the party in whose name the parcel was taxed, according to the treasurer's records at the time of the sale, that the parcel was sold for delinquent taxes at the tax sale. The notice of sold taxes shall be sent by regular mail within fifteen (15) days from the date of the annual tax sale or any adjourned tax sale.

- **Reimbursement of a Tax Sale Redemption**

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 sale.
- b. Interest in the amount of 2% per month, beginning with the month of sale, calculated against the amount for which the item was sold, including the \$20 certificate of purchase fee. 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 (refer to Payment of Subsequent Taxes.).
- d. Valid costs incurred by the certificate holder 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. (refer to Statement of Costs).

Upon redemption of the tax sale certificate the Monroe County Treasurer's Office will issue a check for the redemption amount. If the redemption is done by check the treasurer's office will wait 14 days to assure clearance of said check and then the treasurer's office will forward to the holder of the tax sale certificate a check for the appropriate amount along with a copy of the redemption certificate. If the redemption is done by debit card then the treasurer's office will wait 7 days to assure clearance of said debit card and then the treasurer's office will forward to the holder of the tax sale certificate a check for the appropriate amount along with a copy of the redemption certificate. If the redemption is done by cash, cashier's check, money order or credit card the treasurer's office will immediately forward the holder of the tax sale certificate a check for the appropriate amount along with a copy of the redemption certificate. Buyers 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 Monroe County Treasurer's Tax Department at a cost of \$20. Please call 641-932-5011.

In the event a buyer has been reimbursed for a redemption and the taxpayer's check does not clear the taxpayer's bank account, upon notification, the buyer will be required to immediately return the redemption funds to the county treasurer and the redemption will be cancelled. 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 if the cumulative interest paid to the buyer during the calendar year is \$600 or more. 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 as set by the Internal Revenue Service. If this should occur, the Treasurer reserves the right to ban the buyer and all associated buyers from future tax sales.

The Monroe 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 buyer.

- **Payment of Subsequent Taxes**

A certificate holder may pay subsequent delinquent taxes and special assessments, including rates or charges, on the same parcel(s) on which she/he holds the tax sale certificate. **Payment must be posted online one day prior to to last business day of the month in order for interest for that month to accrue.** The Treasurer's Office, by law, will accept payments for subsequent delinquent tax and special assessments beginning one month and fourteen days following the date from which an installment becomes delinquent. Only items due in the current fiscal year or prior year may be paid on a "sub-list". After sub-list payment(s) have been received and applied by the Treasurer's Office, the Treasurer will not refund the payment if the tax sale certificate holder later decides that he/she did not want to pay a particular parcel. Special assessments, rates or charges due in future years cannot be paid until the fiscal year in which they become delinquent.

Starting with the 2016 online tax sale all subsequent payments shall be made online at www.iowatreasurers.org at least one day before the last business day of the month in order for interest for that month to accrue. No payments will be accepted via regular mail or in the office. A processing fee of \$0.25 per parcel will apply to all subsequent payments made.

If there is an overpayment because of a redemption or the property owner paying those taxes prior to the treasurer's office receiving the check for subsequent taxes a refund check will be issued to the tax sale certificate holder.

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 a tax sale certificate. 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 items you want to pay and submit payment by ACH debit. A non-refundable fee of \$0.25 per parcel applies. Please contact our office if you need additional assistance.

- **Assignment of a Tax Sale Certificate**

The tax sale certificate of purchase is assignable by endorsement of the certificate, payment by the assignee of a \$100 assignment transaction fee, and forwarding 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 another buyer, other than a municipality, who has redemption rights.

A tax sale certificate of purchase and/or a tax sale deed can be set aside if it is determined that the tax sale buyer or assignee was ineligible to purchase the tax sale certificate. The general rule is that a tax sale buyer 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 assignment. The assignor may not assign a certificate of purchase to more than one assignee/buyer number.

Upon receipt of the \$100 assignment transaction fee from the assignee and the endorsed certificate, the assignment will vest in the assignee all the rights and title of the assignor. Please contact the tax department at (641) 932-5011 regarding the assignment of a certificate.

When a buyer requests the Treasurer 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 will result in a charge of \$100 for each certificate requiring correction.**

- **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 "Notice of Expiration of Right of Redemption' upon persons who have a recorded interest in the property. It is prohibited practice for the tax sale certificate holder to serve the 'Notice of Expiration of Right of Redemption' OR file the '90 Day Notice of Right of Redemption' affidavit with the County Treasurer 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 sale in Monroe County.

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 sale. **Any certificate holder who serves said notice or a similarly worded notice before the expiration of this time period may be barred from future tax sales in Monroe County.**

It is Monroe 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 serves said notice or a similarly worded notice before the expiration of this time period may be barred from future tax sales in Monroe County.** It is Monroe 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 buyer is not entitled to a refund. This date may be extended if the filing of the '90 Day Notice of Right of Redemption' affidavit is stayed due to bankruptcy proceedings. Please consult with your legal counsel to determine the impact of bankruptcy proceedings on tax sale certificates.

- **Statement of Costs**

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 Chapter 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 (Chapter 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 Monroe County Treasurer requires proof that costs are valid. For publication costs, the Monroe 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 three hundred dollars. The Monroe County Treasurer requires an invoice from the abstractor or attorney who performed the record search.

- **Tax Sale Deed**

To request a tax sale deed, remit the appropriate deed issuance fee and recording fee to the Monroe County Treasurer's office. Payment must be in the form of a check, money order, or any form of guaranteed funds. The fee for obtaining a tax sale deed is \$25.00 payable to the Monroe County Treasurer. The recording fee is variable as determined at the time a deed is requested and is payable to the Monroe County Treasurer. All fees must be paid prior to delivery of the tax sale deed to the certificate holder.

The certificate holder must complete action to obtain a tax sale deed within ninety calendar days after the redemption period expires. The County Treasurer is required by statute to cancel the certificate of purchase when the tax sale certificate holder fails to comply. If the County Treasurer cancels the tax sale, the tax sale certificate holder is not entitled to a refund.

- **Failure To Obtain Deed---Cancellation Of Sale**

After three years have elapsed from the time of the tax sale, and the holder of the certificate has not filed an affidavit of service under Iowa Code Section 447.12, the Treasurer will cancel the tax sale certificate.

- **Erroneous Tax Sale or Assignment**

If it is determined that any item was erroneously sold, the certificate of purchase will be cancelled. This includes web payments received the day of the sale and prior to a successful bid. The certificate holder will return the copy of the certificate of purchase and the Monroe 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 cancelled. The certificate holder will return the certificate of purchase, and the Monroe 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.

- **Tax Sale Publication**

The official tax sale publication will be printed in the Monroe County News on Tuesday, June 6, 2017.

- **Adjourned Tax Sales**

Adjourned Tax Sales are held day to day in the Office of Monroe County Treasurer. Registration and payment of required fees are to be made before being eligible to bid at an Adjourned Tax Sale.

- **Change of Address or Telephone Number**

Buyers are required to notify the Monroe County Treasurer's office of any change in address, E-mail address or telephone number.

- **General Information**

It is the intent of the Monroe County Treasurer to maintain the highest standard of ethics and prevent the occurrence of conflicts of interest. The Monroe County Treasurer has the power, duty, and right to plan, direct, and control all proceedings through which the annual tax sale will be conducted; and take such actions as may be necessary to insure compliance with the rules and regulations of the tax sale and all applicable statutes of the State of Iowa.

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

The Monroe County Treasurer will not act as an agent for the certificate holder. The same is true for the Monroe County Treasurer's staff. The certificate holder is responsible for conducting their own business, etc.

A tax sale buyer should consult with legal counsel to determine his/her legal rights and remedies and to protect his/her interest as a tax sale buyer.

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.

Call the Monroe County Treasurer's Office (641) 932-5011 to obtain additional information. The Monroe County Treasurer will not respond to questions of law. Questions of this nature should be directed to your legal counsel.

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 between June 19, 2017 and May 25, 2018, and all their assignments, thereof, regardless of the assignment date.

Effective Date: March 29, 2017

The doctrine of caveat emptor, meaning 'buyer beware', applies to this tax sale, and any adjournments thereof.

**Peggy Vandenberg, Treasurer
of
Monroe County**