

**DICKINSON COUNTY'S
NOTICE TO TAX SALE PURCHASERS
OF THE TERMS AND CONDITIONS GOVERNING THE
ANNUAL TAX SALE OF JUNE 21, 2010 AND
ADJOURNMENTS OR ASSIGNMENTS THEREOF**

The Dickinson County Treasurer will hold the 2010 Annual Tax Sale on Monday, June 21, 2010, in the Community Room located on the first floor of the Dickinson County Courthouse, Suite 1510 at 1802 Hill Avenue, Spirit Lake, Iowa, beginning at 9:00 a.m. for as long as purchasers are present or until every parcel has been offered for sale. The Tax Sale will then be adjourned to 9:00 a.m. on the third Monday of each month following the Annual Tax Sale held at the office of the Dickinson County Treasurer. If the third Monday falls on a legal holiday observed by the county, the sale for that month will be held on the following business day. Bids mailed to the Dickinson County Treasurer 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.

The following information is provided to assist in the purchase of delinquent taxes during the Annual Tax Sale.

Registering for the Tax Sale

1. **All prospective bidders must complete and return the following forms, to the office of the Dickinson County Treasurer, by 4:30 p.m., Wednesday, June 16, 2010:**

- **Registration of Tax Sale Bidder or Assignee**
- **\$25.00 Nonrefundable Registration Fee**
- **Proof of Eligibility Statement**
- **W-9 Form – Request for Taxpayer Identification Number Certification**

In some situations, the following are also required (e.g., investor groups):

- **Authorization for Person to Represent Registered Bidder (if applicable)**
- **\$10.00 Nonrefundable Fee for each Authorized Person to Represent a Registered Bidder (if applicable).**
- **A copy of a Designation of Agent for Service of Process filed with the Secretary of State (Certificate of Existence) or a copy of a verified statement meeting the requirements of chapter 547 filed with the County Recorder (if applicable)**

A Tax Sale Certificate of Purchase and/or 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 that a tax sale purchaser should never have an interest or lien in the parcel offered for sale. Prospective bidders should consult with legal counsel to determine their right to bid and become a tax sale purchaser. All bidders are required to sign and submit the Proof of Eligibility Statement. All bidders/buyers must be 18 years of age or older as of June 21, 2010.

All bidders must provide a valid driver's license or non-driver identification card as proof of identity and age at check-in on June 21, 2010, for the Tax Sale.

A W-9 form must be completed, signed and submitted to the county treasurer 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 be submitted to the Internal Revenue Service and may be needed by the certificate holder when filing Federal and State Income Tax returns. It is crucial that the information submitted on the W-9 form is accurate. Misinformation may trigger an IRS inquiry.

If the registered bidder is unable to attend the tax sale, s/he may designate an appointee to bid for the registered bidder by completing the ***Authorization for Person to Represent Registered Bidder*** form **and** submitting the **\$10.00 fee** required to register the authorized person as appointee for the registered bidder. An individual at the sale will only be allowed to represent one bid number.

New law passed in Iowa in 2009 requires anyone other than an individual, such as corporations, LLC's or partnerships, to have a federal identification number and either a Designation of Agent for Service on Process on file with the Secretary of State or a verified statement meeting the requirements of Chapter 547 on file with the County Recorder of the county in which the person wishes to register to bid or to bid at tax sale. Copies of these documents must be provided along with the other registration materials by Wednesday, June 16, 2010, for verification prior to the tax sale.

A prospective bidder may also submit a written bid if s/he cannot attend; however, if other bids are received on the same parcel, the tax sale certificate will be issued to a bidder who is present at the sale.

Bidding at the Tax Sale

2. All electronic devices such as cell phones, pagers, and tape recorders are to be turned off during the sale. A violation of this rule may result in the disqualification of the bidder using such devices.

All parcels will be offered or sold in the manner in which they were published, alphabetical by taxing district. All parcels shown in the publication will be offered for sale except those that (1) have been paid subsequent to the publication; (2) those withheld due to bankruptcy laws prohibiting the sale.

One representative per registered bidder will be allowed. Each delinquent tax parcel will be offered for sale to all bidders beginning with a 100% undivided interest. The county treasurer will pause to allow bidders to bid downward a percentage of undivided interest. If bid downs occur, the bid downs are required to range in whole percentage points from 99% to 1%, and if more than one person offers to pay the total amount due, the person that designates the smallest percentage of the parcel for the total amount due will obtain the tax sale certificate. If two or more persons have placed an equal bid and the bids are the smallest percentage offered, the county treasurer will use a random selection process to select the successful bidder.

Purchasing Tax Sale Certificates

3. Payment is required from each tax sale purchaser at the conclusion of the sale. Payment must be in the form of a personal check, money order, cash or by Visa, MasterCard or Discover Card. A service delivery fee will be added to each credit card transaction. Two party checks will not be accepted. The amount collected 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. An investor group may pay for all their bidder numbers' tax sale purchases with one check.

Tax Sale Certificate of Purchase Information

4. The county treasurer is required to notify the titleholder of record of the tax sale acquisition within two weeks of the date of the tax sale.

Tax sale certificates will be sent to certificate purchasers within 7 to 15 days. This allows the treasurer's staff time to complete posting of records, editing of certificates, and balancing of the proceeds received from the tax sale. Tax sale purchasers must keep the tax sale certificates in a safe place as the tax sale certificate needs to be returned to the county treasurer's office **prior** to a redemption check being sent to an investor or **prior** to processing a tax sale deed. If the original certificate of purchase has been lost or destroyed, a duplicate can be obtained from the county treasurer's office for a cost of \$20.00.

Alternatively, if so designated on the day of the tax sale, the treasurer may keep the tax sale certificate(s) on file at the treasurer's office, and upon redemption, any redemption checks will be directly mailed to the investor.

Tax Sale Certificates are Assignable

5. The tax sale certificate is assignable by endorsement and entry into the county system in the office of the county treasurer from which the certificate was issued. For each assignment transaction, the county treasurer will require the assignee to pay an assignment transaction fee of \$100.00 to be deposited to the county's general fund. The assignment transaction fee shall not be added to the amount necessary to redeem. It is the purchaser's responsibility to verify that the tax sale certificate and redemption copies received are correct for the parcel purchased.

W-9 Form/1099

6. A W-9 Form must be completed and signed prior to the time of the tax sale. This information is needed so that the county treasurer's office can issue an accurate 1099-INT form with the appropriate social security number or taxpayer identification number. At the end of the calendar year, the county treasurer will issue a 1099-INT form to the certificate buyer and to the Internal Revenue Service if the accumulative interest paid to the certificate buyer during the calendar year is equal to or exceeds \$600.00. The certificate buyer should use this information when filing Federal and State Income Tax claims. It is critical that the information provided on the W-9 form is accurate or an IRS inquiry may result.

Right of Redemption

7. The tax sale certificate of purchase does not convey property 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 tax sale remains unredeemed after this period has expired, the purchaser may begin proceedings to obtain a tax deed to the parcel. Refer to the 2009 Iowa Code, Chapters 447 (Redemptions) and 448 (Tax Deeds).
<http://coolice.legis.state.ia.us/Cool-ICE/default.asp?category=billinfo&service=IowaCode>

REGULAR TAX SALE: The 90 day Notice of Right of Redemption may be issued no sooner than one year and nine months from the date of the tax sale up until three years after the tax sale. Parcels eligible for the regular tax sale will have been advertised only once, occurring in June 2010.

PUBLIC BIDDER TAX SALE: The 90 day Notice of Right of Redemption may be issued nine months from the date of the tax sale until three years after the tax sale. Parcels eligible for the public bidder tax sale have been advertised for two years, occurring in June 2010 and a prior year, and are indicated with an asterisk (*) on the tax sale list.

FAILURE TO OBTAIN DEED results in CANCELLATION OF SALE:

After three years have elapsed from the time of any tax sale or after one year has elapsed from the time of any public nuisance tax sale under Iowa Code, Section 446.19B, and the holder of a certificate has not filed an *Affidavit of Service of the Notice of Expiration of Right of Redemption* under Iowa Code, Section 447.12, the county treasurer will cancel the tax sale certificate per Iowa Code, Section 446.37.

Payment of Subsequent Taxes

8. A tax sale purchaser may pay subsequent taxes, drainage assessments and special assessments on the same parcel on which s/he holds the tax sale certificate. Taxes for a subsequent year may be paid after the fourteenth day following the date in which an installment becomes delinquent – usually October 15 and April 15. The purchaser is responsible for requesting statements if desired and for **identifying to the Dickinson County Treasurer’s Office that this is a subsequent payment so the payment is properly recorded as an addition to the tax sale certificate**. Only items due in the current fiscal year or prior may be paid as a subsequent tax. Special assessments due in future years cannot be paid until the fiscal year arrives in which they become due. **Failure to report subsequent payments will result in their omission from the redemption calculation**. Subsequent taxes cannot be paid online by the tax sale purchaser as the Iowa Tax and Tags website software will not apply the payment to the certificate. The online website is, however, a resource for investors to identify which subsequent taxes are available to be paid. <https://www.IowaTaxAndTags.gov>.

Reimbursement for Tax Sale Redemption

9. Redemption is valid when money is **received** by the county treasurer after the tax sale by parcel owner or party with vested interest in parcel up until any time **prior** to the close of business on the 90th day from the date of completed service by a tax sale certificate holder (except county held certificates). **Note that service is completed when the certificate holder files the 90 Day Affidavit with the treasurer’s office**. A redeemed tax sale will include the following:
 - a. The original tax sale amount, including the certificate fee paid by the purchaser at the time of the sale.
 - b. Interest in the amount of 2% per month calculated against the amount for which the parcel 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 by the purchaser and added to the amount of the tax sale certificate with interest in the amount of 2% per month. Each fraction of a month is counted as a whole month. Subsequent taxes cannot be paid online by the tax sale purchaser. If paid online, the payment will not be added to the certificate as this is currently not possible with the website software.

- d. For certificates sold on or after June 1, 2005, the cost of serving the notice, including the cost of sending certified mail notices, and the cost of publication under section 447.10, if publication is required, shall be added to the amount necessary to redeem provided this information is given to the county treasurer at the time the affidavit of service is filed. The cost of a record search, not to exceed \$300.00, shall also be added to the amount necessary to redeem if the search is performed by an abstractor who is an active participant in the title guaranty program under section 16.91 or by an attorney licensed to practice law in the state of Iowa provided this information is given to the county treasurer at the time the affidavit of service is filed. Costs filed with the county treasurer after the affidavit of service is filed will result in the 90 days being extended an additional 90 days from the date of the filing of the costs. Costs filed with the county treasurer **after** redemption has been made shall **not** be collected by the treasurer. However, the certificate holder may pursue collection through a court action against the parcel owner.

The county treasurer **cannot** accept costs incurred by the tax sale certificate holder **prior** to the filing of an eligible affidavit of service with the county treasurer.

The purchaser is responsible for checking parcels on which s/he holds the certificate of purchase for redemption.

Upon surrender of the tax sale certificate of a redeemed parcel, either in person or by mail, the treasurer's office will issue a check for the redemption amount, less the amount collected for any applicable redemption fees. The purchaser will receive a check directly or by mail and a copy of the redemption certificate, with a breakdown of the total amount of the redemption. The redemption certificate should be retained for income tax purpose. Interest on any tax sale certificate being redeemed will be figured to the date of redemption only.

If the original certificate of purchase has been lost or destroyed, a duplicate can be obtained from the Dickinson County Treasurer's Office at a cost of \$20.00.

In the event the certificate purchaser has been reimbursed through a tax sale redemption and the taxpayer's check does not clear the taxpayer's bank account, for any reason, the tax sale certificate purchaser will be required to return the funds to the county treasurer's office. The tax sale certificate will be returned to certificate purchaser and the redemption will be canceled. The tax sale will be reinstated as of the original sale date. A subsequent redemption will be calculated from the date of the sale to date of repayment.

Tax Sale Deed

10. The fee for the issuance of a treasurer's tax sale deed is \$25.00 per parcel.

The tax sale certificate of purchase, the \$25.00 treasurer's tax sale deed issuance fee, and recording fees if applicable shall be submitted to the Dickinson County Treasurer within 90 calendar days after the redemption period expires. The county treasurer shall cancel the certificate for any tax sale certificate holder who fails to comply. Upon receipt of certificate of purchase and accompanying fees, a treasurer's deed or certificate of title will be issued. After issuance, the new deed or title holder may file an affidavit to clear the title with the Dickinson County Recorder as per Section 448.15 of the Code of Iowa.

Errors Made in Sale

11. If it is determined that any item was erroneously sold, the tax sale certificate of purchase will be canceled. The certificate holder shall return the tax sale certificate of purchase and shall be reimbursed the principal amount of the investment. Interest will not be paid.

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

This notice document has been prepared to provide general information and guidelines relative to tax sales, assignments, 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.

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 21, 2010 and June 20, 2011, and all their assignments. The 2009 Iowa Code, Chapters 446, 447, and 448 as amended are pertinent chapters to Tax Sales, Tax Redemption, and Tax Deeds. The 2009 Iowa Code and past Iowa Codes are available on-line at www.legis.state.ia.us/IowaLaw.html.

Prospective bidders should consult with legal counsel to determine their legal rights and remedies and to protect their interest as a tax sale bidder.

Kris Rowley, Dickinson County Treasurer

The Delinquent Tax List for Dickinson County will be published the first week of June 2010 in the following newspaper:

Dickinson County News
3000 18th St.
Spirit Lake, Iowa 51360
712-336-1211
www.dickinsoncountynews.com

An updated list of parcels available for tax sale may be purchased from the Dickinson County Treasurer for a nominal fee to cover copies and postage.

The Treasurer's Office also offers a file containing additional information on the parcels listed on the delinquent tax list. This file is available by e-mail for a fee of \$100.00. The file created in Microsoft Excel contains the following information:

- Parcel ID
- Deed Name and Address
- Contract Name and Address
- Property Address
- Property Class: R-Residential, C-Commercial, A-Agricultural
- 1st Half and 2nd Half Tax Amounts
- Delinquent Interest and Cost
- Assessed and Taxable Values
- Gross and Net Tax Amounts

**DICKINSON COUNTY, IOWA
REGISTRATION OF TAX SALE BIDDER OR ASSIGNEE
FOR THE JUNE 21, 2010 ANNUAL TAX SALE AND SUBSEQUENT
ADJOURNMENTS OR ASSIGNMENTS THEREOF**

The undersigned hereby registers as bidder at the Dickinson County Annual Tax Sale to be held at 9:00 a.m., Monday, June 21, 2010, at the Community Room, Suite 1510, on the first floor of the Dickinson County Courthouse, 1802 Hill Ave., Spirit Lake, Iowa, and subsequent adjournments thereof, and so hereby acknowledges receipt of a copy of the **“NOTICE TO TAX SALE PURCHASERS OF THE TERMS AND CONDITIONS GOVERNING THE ANNUAL TAX SALE OF JUNE 21, 2010 AND ADJOURNMENTS OR ASSIGNMENTS THEREOF”**, and does further hereby acknowledge and agree that by placing a bid at the Annual Tax Sale, or subsequent adjournments, the undersigned will comply with and be bound by the terms and conditions of the contents therein. The undersigned hereby understands that the County Treasurer is not an attorney and will not act for the undersigned in any way except to provide information as required. The undersigned understands that it is the undersigned’s responsibility to research the parcels available at the tax sale. **The attached forms, along with a twenty-five dollar (\$25.00) registration fee, must be returned by 4:30 p.m. Wednesday, June 16, 2010** to the Dickinson County Treasurer, 1802 Hill Avenue; P.O. Box AD, Spirit Lake, IA 51360. There will be **no** registrations on the day of the sale.

Tax Sale Bidder Name/Company: _____

Mailing Address: _____

County of Residence: _____ **State of Residence:** _____

Phone: _____ **Email:** _____

Fax: _____ **Social Security # or Fed ID #:** _____

Date: _____ **Signature:** _____

**ALL TAX SALE CERTIFICATES OF PURCHASE AND TAX SALE DEEDS
WILL BE ISSUED IN THE NAME(S) AS SHOWN ABOVE.
Any changes that require a reassignment will have an additional \$100.00 charge
that is not reimbursable.**

Tax sale bidder registration fee of \$25.00 must accompany this registration.

PROOF OF ELIGIBILITY STATEMENT

**I do hereby certify that I am eligible to bid
at the 2010 Annual Tax Sale in Dickinson County, Iowa.**

- * I am or will be 18 years of age or older on June 21, 2010. I understand all bidders are required to provide proof of identity in the form of a valid driver's license or non-driver identification card the day of the tax sale.
- * I am not an immediate member of the family of the Dickinson County Treasurer or Deputy Treasurers.
- * I am not part of a fiduciary relationship or trust involved with property being purchased.
- * I am not owner or part owner of the property being purchased.
- * I am not the mortgagor or contract holder of property being purchased.
- * I am not a lien holder, or mechanic lien holder of property being purchased.
- * I am not fraudulently purchasing property with the intention of converting title back to the delinquent taxpayer or owner of the property.
- * I am not fraudulently conspiring in any method.

Signature of Registered Tax Sale Bidder
(Name appearing on Registration Form)

Date

Printed Name of Registered Tax Sale Bidder
(Name appearing on Registration Form)

Signature of Person representing Registered Bidder at tax sale if different from Registered Bidder listed above

Date

Printed name of Person representing Registered Bidder at tax sale if different from Registered Bidder listed above

AUTHORIZATION FOR PERSON TO REPRESENT REGISTERED BIDDER
(Use this form only if applicable)

Please **print** or **type** the following information and return by 4:30 p.m., June 16, 2010 to:

Dickinson County Treasurer
1802 Hill Avenue
P.O. Box AD
Spirit Lake, IA 51360

I/We, _____
(Registered Tax Sale Bidder's name, as it appears on the Registration Form and W-9 form)

authorize _____
(Only one name per bidder authorization)

to act as my/our bidder/personal representative at the June 21, 2010, Tax Sale in Dickinson County and adjourned sales, thereof. I understand errors, omissions, and misrepresentation by a tax sale 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.

(Registered Tax Sale Bidder's Signature)

(Address)

(City, State & Zip Code)

(Date)

Subscribed and sworn to me this ____ day of _____, 2010.

Signature of Notary

The employees of the Dickinson County Treasurer's Office are prohibited from notarizing this form.

A ten dollar (\$10.00) fee must accompany this form in order for authorization to be valid. Return to the Dickinson County Treasurer by **4:30 p.m. Wednesday, June 16, 2010**, at 1802 Hill Avenue; P.O. Box AD, Spirit Lake, IA 51360.