

RULES ON TAX SALE DAY

Tax sale will start at 8:30 AM on Monday, June 15th. This will be held at the Buchanan County Courthouse in the Assembly room, which is located in the basement. Please come early enough to get signed in and settled before the sale starts.

Everyone must have been registered by Friday, June 12th. Forms needed are – Register of Bidder Application, W-9 Tax Form, Authorization to Represent Bidder (if required) and your registration fee has to have been paid. You will also need a ‘Certificate of Existence’ or ‘Trade Name Verified Statement’ if you are using a ‘federal tax identification number’. If you have been given an “Authorization to Represent Bidder”, you will surrender that form and sign as agent for that bidder. You will be given your bidding number when you sign in.

If more than one bid is given when a parcel is announced, the selected bid will be to the one that offers the least amount of interest on the property. This can go down to 1%. If more than one bid is again given at this time, the bid chosen will be in the form of a lottery. When your number is drawn, you have the choice of announcing, “SOLD” or “PASS”. You must speak up to be assured that you are given your opportunity. If no bids are offered, the one conducting the sale will announce “NO BID” and go on to the next parcel.

No discussion will be allowed at this time among the bidders. The Treasurer reserves the right to eject any bidder that may be causing a disruption.

All cell phones must be turned off.

The staff will help with any questions.

Let us know if you cannot hear or have lost your place.

At the end of the sale, you will be asked to return your number and a check to cover the items that you have received.

**THE TAX SALE LIST WILL BE PRINTED IN THE
‘INDEPENDENCE BULLETIN JOURNAL’ ON MAY 27TH.**

**ADDRESS: 129 2ND AVE NE, INDEPENDENCE, IA 50644
PHONE NUMBER: 1-319-334-2557**

INFORMATION ON ‘CERTIFICATE OF EXISTENCE’ OR ‘TRADE NAME VERIFIED STATEMENT’

Effective June 1, 2009, you must register 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. In addition, a person, other than an individual, must have a federal tax identification number. At the time of registration, those persons using a federal tax identification number must submit an original “Certificate of Existence” from the Iowa Secretary of State dated within the past six months or a copy of a “Trade Name Verified Statement” meeting the requirements of Iowa Code chapter 547 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.

Please review the samples included in this packet, of a “Certificate of Existence” from the Iowa Secretary of State and a “Trade Name Verified Statement” on file with the county recorder, to insure that you file the correct document upon registering for the tax sale.

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:

First Floor, Lucas Building
321 E 12th St, Des Moines IA 50319
Phone: 515-381-5204
Fax: 515-242-5953
URL: www.sos@sos.state.ia.us

Contact the Buchanan County Recorder’s Office for information on how to file a “Trade Name Verified Statement” prior to purchasing tax sale certificates in Buchanan County. The Buchanan County Recorder’s Office contact information is as follows:

Buchanan County Recorder
210 5th Ave NE
Independence IA 50644
Phone: 319-334-4259
Fax: 319-334-7453

REGISTER OF BIDDERS FOR THE ANNUAL TAX SALE IN JUNE AND SUBSEQUENT
ADJOURNMENTS THEREOF

The undersigned do hereby register as bidders at the annual tax sale of June 15, 2009 and subsequent adjournments and do hereby acknowledge receipt of a copy of the "NOTICE TO TAX SALE PURCHASERS OF THE TERMS AND CONDITIONS GOVERNING TAX SALE". We hereby acknowledge and agree that by placing a bid at the annual tax sale, subsequent adjournments, or by obtaining a tax sale assignment, from Buchanan County, that the undersigned will comply with and be bound by the aforementioned terms and conditions. Said 'NOTICE TO TAX SALE PURCHASERS OF THE TERMS AND CONDITIONS GOVERNING TAX SALE', is based, in part, on the 1993 Code of Iowa and amendatory acts thereof.

DATE:

NAME:

ADDRESS:

COUNTY OF RESIDENCE:

STATE OF RESIDENCE:

TELEPHONE:

FAX:

EMAIL:

Note: All tax sale certificates of purchase, whether through tax sale or by assignment, and tax sale deeds will be issued in the name or names as shown above.

To: Judy Harland
Buchanan County Treasurer
PO Box 319
Independence IA 50644

AUTHORIZATION TO REPRESENT BIDDER

I/WE, (PLEASE PRINT) _____

(BIDDER'S NAME, AS IT APPEARS ON THE REGISTRATION FORM)

AUTHORIZE (PLEASE PRINT) _____

TO ACT AS MY/OUR AGENT/PERSONAL REPRESENTATIVE AT THE ANNUAL
TAX SALE, TO BE HELD ON, _____ (DATE)

AND ADJOURNED SALES, THEROF.

SIGNATURE _____

ADDRESS _____

CITY, STATE, ZIP CODE _____

DATE _____

SUBSCRIBED AND SWORN TO ME THIS _____ DAY OF, 20____

SIGNATURE OF NOTARY _____

NOTARY SEAL

NOTICE TO TAX SALE PURCHASERS OF THE TERMS AND CONDITIONS GOVERNING THE TAX SALE

The Buchanan County Treasurer holds the annual tax sale on the third Monday in June at 8:30 a.m., in the assembly room - located in the basement of the Courthouse. Tax sale is continued for as long as purchasers are present or until each parcel has been offered for sale. The sale will adjourn and be continued on the third Monday in August and every other month, thereafter, until all properties are sold or the next annual tax sale occurs. The following information is provided to assist you in purchasing delinquent properties at tax sale.

1. All prospective bidders must register prior to the tax sale in the Treasurer's office. The registration deadline is the Friday before at 3:00 pm. The registration fee is \$20 and is non-refundable.

You will need to complete a 'Register of Bidders Annual Tax Sale' form. This form states your name or business name, address, county and state of residence, telephone number, fax number and email address.

You may, through a written and notarized authorization form, filed with the treasurer, designate an agent to bid in your absence. Although a 'properly registered' tax sale bidder is allowed to purchase tax sale certificates under multiple names/numbers, the bidder may only use one buyer number and federal identification number at a time. (Note: 'properly registered' means that the name(s) on the bidder's registration form and corresponding W-9 form must be identical and that the taxpayer's identification number furnished on the W-9 form must be for the name shown.) All bidders/buyers must be over the age of 18 years on the day of tax sale. The Treasurer may require valid proof of age: i.e., driver's license or birth certificate.

A W-9 form must be completed and signed. This information is needed so that we can issue an accurate 1099-INT form with the appropriate social security number or taxpayer identification number.

You or the party you represent may **NOT** be entitled to bid at tax sale and become a tax sale purchaser by reason of having a vested interest in the property. 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. The general rule is that a tax sale purchaser should never have an interest or lien in the property offered for sale. You should consult with your legal council to determine your right to bid and become a tax sale purchaser.

2. All parcels will be offered or sold in the manner they were published, alphabetical by taxing district. All parcels shown in the publication are offered for sale except those that (1) have been paid subsequent to the tax sale; (2) those withheld due to bankruptcy laws prohibiting the sale. It is imperative that you be prepared for the sale. You need to know the parcel(s) within each district and the corresponding item number(s) upon which you intend to bid.

Each item will be offered for sale to all bidders beginning with a 100% undivided interest. In the event there is more than one bidder, there will be a 'bid down' on the percentage of undivided interest. "Bid downs" will range in whole percentages from 99% to 1%. When it has been determined that there are no further bids and the bid is tied, a buyer will be chosen through a random drawing. Those selected should indicate 'yes' or 'pass' in which case another bidder will be chosen.

3. Payment is required at the time of purchase or at the conclusion of the tax sale. The amount collected will include all delinquent taxes and special assessments, penalties, special assessment collection fees, publication costs and a \$20 certificate fee for each certificate issued. Payment must be paid in the form of a personal check, money order or cash. Two-party checks are not accepted for payment. **A separate payment is required for each buyer number.** A blank check made payable to the Buchanan County Treasurer is preferable. If a tax sale buyer's payment does not clear, for any reason, the tax sale certificate(s) will be cancelled.
4. Please allow 7-10 days to receive your certificate(s). This allows the Treasurer's staff time to complete posting of records, editing of certificates and balancing the proceeds received from the tax sale. At the time certificates are mailed or picked up, reimbursement will be included for those parcels that have been redeemed, in lieu of the tax sale certificate of purchase being sent. It is the purchaser's responsibility to verify that the tax sale certificate and redemption copies received are correct for the parcels purchased.

The Certificate of Purchase is assignable by endorsement and entry in the county system in the office of the county Treasurer from which the certificate was issued. For each assignment transaction, the Treasurer shall charge the assignee an assignment transaction fee of one hundred dollars to be deposited to the county general fund. The assignment transaction fee shall **NOT** be added to the amount necessary to redeem.

5. The tax sale certificate of purchase does not convey title to the purchaser. The titleholder or other interested party retains the right to redeem within a specific period of time, depending on the type of tax sale. If the sale remains unredeemed after this period has expired, the purchaser may begin proceedings to obtain a Tax Deed to the property.

For 'Regular Tax Sale', the 90-day Notice of Right of Redemption may be issued after one year and nine months from the date of sale but not more than three years.

For 'Public Bidder Tax Sale', the 90-day Notice of Right of Redemption may be issued nine months from the date of sale but not more than three years.

Failure to obtain deed after three years have elapsed, from the time of sale, because action was not completed which qualifies the holder of the certificate to obtain a deed; will result in the Treasurer canceling the tax sale certificate. The tax sale purchaser will lose his investment – there is no refund.

6. A tax sale purchaser may pay subsequent taxes and special assessments on the same parcel on which she/he holds the tax sale certificate. These may be paid on the 14th day following the penalty date – i.e., April 15, and October 15. Unless the last day to pay taxes falls on a Saturday or Sunday, then the subsequent payment could not be paid until 14 days from delinquent date. The purchaser must request statements and inform the Tax Division of the subsequent payment so it is paid and recorded properly as an addition to the sale. Only items due in the current fiscal year or prior may be paid on a 'sub-list'. Failure to report sub-list payments could result in their omission from the redemption calculation. Subsequent tax payments must be received by 4:30 p.m. of the last business day in order to accrue interest for that month. Postmarks cannot be accepted. Failure to pick up the subsequent will result in the taxes being offered for sale again. If sold again, first tax sale certificate holder will lose his right to pay further subsequent payments.

8. Reimbursement of tax sale redemptions except for certificates held by a county is not valid unless received by the Treasurer prior to the close of business on the 90th day from the date of completed service. Service is completed when the certificate holder files the 90-day affidavit with the Treasurer. A redeemed tax sale will include the following:
 - a. The original tax sale amount, including the \$20 certificate fee paid by the purchaser at the time of 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 sale with interest in the amount of 2% per month. Each fraction of a month is counted as a whole month. **Subsequent taxes CAN NOT be paid on line by the tax sale purchaser.**
 - d. Valid costs incurred and posted to the county system for action taken toward obtaining a tax deed. Cost not filed with the treasurer before redemption shall not be collected. Valid costs are defined in 447.13, Code of Iowa, as amended; include the cost of record search, serving the notice and cost of publication. An abstractor who participates in the title guaranty program must perform a record search or 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. Attorney fees are not authorized costs.

9. The tax sale certificate holder is responsible for checking redemptions for which they hold the certificate(s) of purchase. Interest on any tax sale certificate being redeemed will be figured to the date of redemption **ONLY**. Upon surrender of the tax sale certificate of a redeemed parcel, and other related tax documents, the Treasurer's office will issue a check for the redemption amount.

If the original Certificate of Purchase has been lost or destroyed, a duplicate can be obtained from the Buchanan County Treasurer's Office at a cost of \$10.00.

10. Please supply, to your bidders, the 'rules of the day'.

TAX DEED

448.1

Immediately after the expiration of ninety days from the date the affidavit was filed with the county treasurer, the county treasurer shall issue a tax deed. The treasurer will receive twenty-five dollars for each deed upon the return of the certificate of purchase. The Treasurer shall cancel the certificate for any tax sale certificate holder who fails to comply with this paragraph.

448.3

The deed shall, when property executed and recorded, vest the purchaser all right, title, interest and estate of the former owner to the parcel conveyed.

448.4-5

The deed shall be presumptive evidence in all courts of this state in relation to the right of the purchaser, heirs or assigns of the following:

The parcel was subject to taxes for the years stated in the deed and unpaid at time before sale.

The parcel was not redeemed from the sale at the date of the deed.

The parcel has been listed and assessed and taxes levied according to law.

The parcel was advertised for sale and was sold as stated in the deed.

And conclusive evidence that the manner of the listing, assessment, levy notice and sale were conducted was in all respects of the law. That the grantee named in the deed was the purchaser and that all the prerequisites of the law were complied with by all the officers who had any part or action in any transaction relating to the title conveyed.

448.15

The 120-day notice can be issued immediately after the issuance and recordings of the deed, regardless of the tax sale date, for deeds issued on or after April 1, 1992.

448.16

When the affidavit described in section 448.15 is filed it shall be notice to persons that may have any claim to the parcel that unless a claim is filed with the county recorder within one hundred twenty days after the filing of the affidavit, that from then on, those persons shall forever be barred from having or claiming any right, title or interest in the parcel and that no action shall be brought to recover the parcel and the then tax-title owner shall have acquired title to the parcel by adverse possession.

The above is intended to provide you with some general information concerning tax sale. You should consult the Code of Iowa or your attorney for further questions. The code also contains formats for the notices, tax deed and affidavits.

REDEMPTION

447.1

A parcel sold at tax sale may be redeemed at any time before the right of redemption expires. Payment will include the amount for which the parcel was sold, including the fee for the certificate of purchase and interest of two percent per month, from month of sale plus any subsequent fees and interest. The amount of interest must be rounded to the nearest whole dollar.

447.5

Any party attempting to make redemption must make application to the treasurer and provide verification of their right to redeem. The fee for redemption and/or a duplicate certificate of redemption is ten dollars.

447.9

A notice of expiration of right of redemption can be served after nine months from the date of a public bidder sale, or one year and nine months from the date of regular sale.

The holder of the certificate may cause to be served upon the person in possession of the parcel and also upon the person in whose name the parcel is taxed, a notice signed by the certificate holder or the certificate holder's agent or attorney, stating the date of sale, the description of the parcel sold, the name of the purchaser and that the right of redemption will expire and a deed for the parcel be made unless redemption is made within ninety days from the completed service of the notice. The notice shall be served by both regular mail and certified mail to the person's last known address and such notice is deemed completed when the notice by certified mail is deposited in the mail and postmarked for delivery. Service of the notice shall be made by mail on any mortgagee having a lien upon the parcel, a vendor of the parcel under a recorded contract of sale, a lesser who has a recorded lease and any other person who has an interest of record, at the person's last known address. The notice shall also be served on any city where the parcel is situated. Notices shall be deemed completed when the notice is enclosed in a sealed envelope with proper postage on the envelope, is addressed to the person entitled to receive it at the person's last known mailing address and is deposited in a mail receptacle provided by the United States postal service. Only those persons, who are required to be served the notice of expiration, are eligible to redeem a parcel from tax sale.

447.12-13

Service is deemed complete only after an affidavit has been filed with the county treasurer, showing the making of the service, the manner of service, and the time when and place where made and under whose direction the service was made and costs incurred. The treasurer shall not collect costs not filed with the treasurer before redemption is complete. Costs shall not be filed with the treasurer prior to the filing of the affidavit. The certificate holder, his agent or attorney shall make the affidavit. The cost of serving the notice, if publication is required, shall be included in the affidavit and shall be added to the amount necessary to redeem.

(Costs can be recovered through court action.)