

**MIKE FENNELLY
SCOTT COUNTY TREASURER**

600 W. 4th Street
Davenport, Iowa 52801-1030

www.scottcountyiowa.com
www.iowatreasurers.org



MOTOR VEHICLE DIVISION
Scott County Administrative Center (563) 326-8664

PROPERTY TAX DIVISION
Scott County Administrative Center (563) 326-8670

COUNTY GENERAL STORE
902 W. Kimberly Road, Suite 6D
Davenport, Iowa 52806
(563) 386-AUTO (2886)

Revised 4/24/2020

**SCOTT COUNTY
BASIC RULES OF THE ANNUAL TAX SALE**

Response to COVID-19:

On April 24, Governor Reynolds announced the temporary suspension requiring the county treasurer to hold a tax sale on delinquent taxes.

- Registration for the tax sale shall be processed online at www.iowatreasurers.org. Only online registrations will be accepted. Registrations will start May 15, 2020 may not be accepted after June 7, 2020.
- Those persons using a federal tax identification number must self-certify a 'Certificate of Existence' from the Iowa Secretary of State or a trade name 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 15, 2020.
- 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.
- If a bidder or authorized agent fails to provide proof of age and identity upon request by Scott County Treasurer's staff, he/she will be given three hours to produce proper identification. The bidder is not allowed in the board room during this three hour period. If proper proof of age and identity cannot be produced in the allotted time, the auctioneer may disqualify the bidder from the sale; all certificates purchased by the disqualified bidder during the sale may be canceled and re-offered to other properly registered bidders.
- 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 \$45.00 and all tax sale purchasers must be 18 years of age or older. The \$45.00 registration fee must be paid online at time of registration and is non-refundable.**
- The tax sale will be held at 8:30 am on Monday, June 15, 2020 in the Scott County Board Room at the Scott County Administrative Center located at 600 W. 4th Street, Davenport, Iowa. Investors must register prior to June 8th.
- 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 tax sale. The general rule is that 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.
- Properties will be offered in item number order. The regular certificates will be listed first by district and then alphabetically by deed holder unless there is a contract buyer. Then the public bidder sale certificates will be offered in district order alphabetically by deed holder unless there is a contract buyer. The verified list of abandoned parcels certified by the city shall be offered as a Public Nuisance Sale. Finally, the mobile homes will be listed in district order alphabetically by title holder. If there is more than one purchaser interested in the same property, there are two methods that are used to determine the

successful purchaser. The first is a bid down process whereby you would bid down your interest in the property 95%, 90%, 80%, etc. If there is a tie bid for the bid down, there will be a random selection process for all those tied at the bid down percentage. (Should you take deed you would only own that much interest in the property and the owner would still own the remainder) You still pay the full amount of the tax and \$20 tax sale certificate fee, and if redeemed, you receive your original investment plus the 2% per month interest. The second method involves a random number selection process of all the bidder numbers at one hundred percent.

- You may research all sales for unpaid taxes and the amount needed to redeem the parcel at www.scottcountyjowa.com/treasurer.
- Full payment must be received at the conclusion of the sale, or at the time the buyer leaves if earlier than at the conclusion of the sale. The amount collected will include all delinquent taxes, special assessments, interest, special assessment collection fees, service fee, and a certificate fee for each certificate issued to you. Failure to receive payment at the conclusion of the sale will cancel the purchase of the tax resulting in the items being offered at the next adjourned tax sale.
- If the sale is not completed on Monday, June 15th, we will continue the sale at 1:00 PM on Tuesday, June 16th in the Scott County Board Room.
- Payments must be in the form of a personal check, money order, or any form of guaranteed funds for the exact amount of the purchase. IRA checks will not be accepted unless issued for the exact amount of the purchase. Two-party checks, cash, debit or credit cards will not be accepted for payment.
- The certificates will be issued to the name and tax I.D. number registered online. There will be no substitutions or exchanges.
- Please allow up to 15 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 end of the calendar year the Treasurer will issue a 1099-INT form to you and to the Internal Revenue Service for the accumulative interest paid to you during the calendar year. You will use this information when filing your Federal and State Income Tax returns.
- The tax sale certificate of purchase does not convey title to the buyer.

The title holder of record or other interested party retains the right to redeem within a specified period of time, depending on the type of tax sale certificate. If the sale remains unredeemed after the statutory period, the buyer may begin action to obtain a tax deed (refer to 90 Day Notice of Right of Redemption Affidavit).

- 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 mailing within fifteen days from the date of the annual tax sale or adjourned tax sale.
- Reimbursement of a Tax Sale Redemption - A redeemed tax sale will include the following:
 - a) The original tax sale amount, including \$20.00 of the tax sale certificate fee paid by the buyer at the time of the sale.
 - b) Interest in the amount of 2% per month, beginning with the month of the sale to the month of redemption, calculated against the amount for which the item was sold, including the \$20.00 tax sale certificate fee. Each fraction of a month will count as a whole month.
 - c) Subsequent tax payments paid and properly reported by the buyer 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 the month will count as a whole month.
 - d) Valid costs incurred by the certificate holder of record and posted to the county system for action taken toward obtaining a tax sale deed period. Costs not posted to the county system before redemption shall not be collected by the county treasurer.

Valid costs are defined in 447.13. 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. The cost of a record search shall also be added to the amount necessary to redeem. However, if the certificate holder is other than a county, the search must be 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, and 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 Scott County Treasurer requires proof that the costs are valid. For publication costs a copy of the newspaper publisher's invoice and a statement from the certificate holder substantiating the reason the service was made by publication prior to posting publication costs to the amount necessary to redeem to determine whether publication costs are valid. Fees for publication, if publication is required, shall not exceed customary publication fees for official county publications.

By statute 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 90 day notice of right of redemption and notice of cost may be filed with the Scott County Treasurer electronically. All documentation should be scanned to treasurer@scottcountyiowa.com with the subject line 90 day notice (Certificate #). Example for subject line: 90 day notice (Certificate 190010). We also accept the 90 day notice delivered to the office by mail or in person.
- A redemption is not valid unless received by the Treasurer prior to the close of business on the ninetieth day from the date of completed service. Service is complete when the certificate holder files the 90 day affidavit with the Treasurer:

Regular Tax Sale

The 90 day Notice of Right of Redemption may be issued after one year and nine months.

Public Bidder Sale

The 90 day Notice of Right of Redemption may be issued nine months from the date of sale.

- After three years have elapsed from the time of the sale, if action has not been completed which qualifies the holder of the certificate to obtain deed, the treasurer will cancel the tax sale.
- A tax sale purchaser may pay subsequent taxes or special assessments on the same parcel on which he or she holds the tax sale certificate. Subsequent taxes may be paid by the investor beginning one month and fourteen days following the date from which an installment becomes delinquent. The purchaser shall pay their subsequent taxes online at www.iowatreasurers.org by registering each bidder ID. Online subsequent tax payments cost twenty-five cents per parcel.
- The tax sale certificate of purchase may be assigned by endorsement

of the certificate and entry in the Treasurer's Register of Tax Sales. A certificate cannot be assigned to a person, other than a municipality, who is entitled to redeem. The assignor may not assign a certificate of purchase to more than one assignee and upon entry in the Treasurer's Register of Tax Sales it shall vest in the assignee all the right and title of the assignor; except, when a county held certificate is assigned, the assignee has only three years from the date of assignment to qualify for a deed. Please contact this office if you desire to assign a certificate. The assignment fee is \$100.00.

- The deed issuance fee is \$25.00 and the recording fee is variable and will be determined at the time a deed is requested. Upon receipt of the deed issuance and recording fees, the treasurer will record the deed with the Scott County Recorder prior to delivering the deed to the buyer.
- If it is determined that any parcel was erroneously sold, the certificate of purchase will be cancelled. The certificate holder is required to return the certificate of purchase and will be immediately reimbursed the principal amount of the investment. Interest will not be paid unless it is determined to be an error by the Treasurer's office.
- If it is determined that a tax payment was made online prior to a subsequent tax payment or tax sale, but the county records had not been updated, the subsequent payment or tax sale will be cancelled and the investor will receive their payment back.
- Failure to comply with notice from the Treasurer's Office to cancel a certificate will result in the certificate holder's prohibition from again bidding at the annual tax sale.
- Failure to make full payment at the conclusion of the annual tax sale or any adjourned sale in Scott County or any other county in the State of Iowa, will result in a ban for that bidder in any future tax sales.
- Reports of delinquent parcels will be available as of May 19, 2020. The delinquent tax list will be available at no cost on our web site at www.scottcountyiowa.com/treasurer.
- Delinquent taxes will be published June 3, 2020 in the North Scott Press.
- There will be a fifteen minute morning break, a fifteen minute lunch break at noon and a fifteen minute break in the afternoon if necessary.
- Electronic devices are permissible as long as they do not interfere with

the sale.

- We will be glad to answer questions before the tax sale begins. No questions will be answered during the sale.
- The dates for the adjourned tax sales are listed below.

This document has been prepared to provide general information and guidelines relative to tax sales, assignments and tax sale redemption. It is not an all-inclusive listing of statutory requirements, procedures or policy, nor is it to be construed as a legal opinion of statutes governing tax sales.

To protect your interest as a tax sale buyer and to determine your legal rights and remedies, we recommend that you consult your legal counsel. You may call the Treasurer's Office at 563-326-8670 for additional information.

Adjourned Tax Sale Calendar

In the Scott County Treasurer's Office 8:30 am

August 4, 2020

October 1, 2020