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ANNUAL TAX SALE - JUNE 21, 2023

TERMS AND CONDITIONS

**NOTICE TO TAX SALE PURCHASERS
OF THE TERMS AND CONDITIONS GOVERNING THE ANNUAL
TAX SALE ON JUNE 21, 2023
AND ADJOURNMENTS OR ASSIGNMENTS THEREOF**

The doctrine of caveat emptor, meaning 'buyer beware', applies to this Tax Sale.

The 2023 annual Tax Sale will be held by the Polk County Treasurer on Wednesday, June 21, 2023 at 111 Court Ave, Des Moines, Iowa, beginning at 7:00 a.m. Bidders are required to place all their bids online. The auction website can be accessed by going to www.Govease.com. In person or online adjourned tax sales will be held on July 17, 2023; August 21, 2023; October 16, 2023; December 18, 2023; February 20, 2024; April 15, 2024 and May 13, 2024 if bidders are registered by 5:00 p.m. the Thursday prior to the scheduled adjourned tax sale and there are parcels available for sale.

**The Tax Sale will be limited to 60 Investors.
Investors can be individuals or an Investor group with up to 10 Bidder accounts.
Registration will begin on Monday, May 22, 2023 at 8:00 AM.
Registration must be completed online at www.Govease.com.
Registration will close on Friday, June 9, 2023 or when the maximum number of
Investors is reached.**

The following information is provided to assist in the purchase of delinquent taxes during the tax sale.

1. In order to be eligible to bid at the Polk County Tax Sale, all tax sale bidders must complete the following required steps online:
 - Register online at www.Govease.com. No mailed, emailed or in person registrations will be accepted. Registration will begin at 8:00AM on Monday, May 22, 2023 and end Friday, June 9, 2023 or when the maximum number of Investors is reached.
 - Pay a non-refundable \$100.00 registration fee through Govease.com.
 - Complete an online W-9 form. Non-resident aliens and foreign businesses must complete an online W-8BEN in place of the W-9 form.
 - Complete a Direct Deposit Authorization form. (Only checking accounts accepted).

- Upload a Certificate of Existence from the Iowa Secretary of State's Office or Trade Name Verification Statement from the Polk County Recorder's Office (if applicable).
- Assistance with registration and the auction site is available at (769) 208-5050 or support@Govease.com.

If the Investor is a group, not an individual, the Investor 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 Polk County Recorder. Contact the Iowa Secretary of State by phone at (515) 281-5204 or the Polk County Recorder by phone at (515) 286-3160 for further information.

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 21, 2023.

A 'W-9' form or 'W-8BEN' for non-resident aliens and foreign businesses must be completed electronically by the registration deadline. This information is required for the Treasurer's Cash Management Division to issue a 1099-INT form and file a report with the IRS after the end of the calendar year if the cumulative interest paid to the certificate holder during the calendar year is \$600 or more.

- If the interest paid is less than \$600, a 1099-INT statement will not be issued;
- This information can be requested by calling (515) 286-3035.

Non-resident aliens and foreign businesses are issued a 1042-S form prior to March 15, regardless of the dollar amount of interest income received during the calendar year.

- The IRS will receive a copy of all 1042-S forms issued.

Registration Restrictions

- Each Investor Group may register a maximum of 10 Bidder accounts to place bids at the tax sale and purchase tax sale certificates.
- Employees of an Investor may not register as a separate Investor or register a Bidder account, even if they are using a separate source of funding.
- Audits may be conducted of Investor groups and their registered Bidder accounts to determine if any associations exist which exceed the limit of 10 Bidder accounts per Investor group.
 - Names, addresses, interested parties, bank accounts, and shared resources (including employees) are examples of bidder account information analyzed to determine association among bidders.

Important: Any willful intent to bypass this limitation may disqualify the Investor and all associated Bidders from the sale. Certificates purchased during the tax sale by an Investor who is disqualified will be canceled and re-offered to other properly registered Bidders.

2. The Delinquent Tax List for Polk County will be published the week of June 5th in the following newspaper:

Altoona Herald
400 Locust St
Des Moines, IA
(515) 699-7000

Parcels on the published list will also be available for review on the auction website by Monday, May 22, 2023. The auction site can be accessed by going to www.Govease.com. You must complete the registration process in order to access the data online.

3. All parcels shown in the publication are offered for sale except those that (1) have been paid subsequent to the publication; (2) those withheld due to bankruptcy laws, civil citation, nuisance petition and lis pendens prohibiting the sale.

The auction site can be accessed by going to www.Govease.com. Pre-Bids may be uploaded beginning June 17, 2023. All parcels will be listed and sold 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%. 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. In the event that the Treasurer believes that the registrant is "gaming the system", the Treasurer will contact the registrant to resolve the concern. Should an agreeable resolution not be reached, the Treasurer may reject the buyer and any associates from participating in the sale and/or future sales. All bids placed, whether intentional or not, are the responsibility of the bidder and may not be withdrawn.

4. Successful bidders will receive a report when the sale has closed. Investors will then have **24 hours to pay** by eCheck/ACH debit through the link provided on the Govease website. 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 24 hours following notification from the Treasurer to repay with guaranteed funds or the tax sale certificate(s) purchased will be canceled. A \$30.00 service fee will be assessed on any payments returned due to insufficient funds. The Treasurer reserves the right to require guaranteed funds for any future payments from the tax sale bidder and/or may be disqualified from future tax sales.

5. Please allow up to 15 business days to receive your certificate(s). 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.

The tax sale certificate is assignable by endorsement and entry into the county system in the office of the Treasurer from which the certificate was issued. For each assignment transaction, the Treasurer shall charge the assignee an assignment transaction fee of \$100.00 to be deposited to the county general fund. The assignment transaction fee shall not be added to the amount necessary to redeem.

6. The 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 tax sale remains unredeemed after this period has expired, the purchaser may begin the process to obtain a Tax Deed to the parcel.

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 tax sale. (Parcels eligible for regular tax sale have been advertised only once.) Polk County requires proof of valid costs incurred by the certificate holders for cost of service.

PUBLIC BIDDER TAX SALE

The 90-day Notice or Right of Redemption may be issued nine months from the date of the tax sale. (Parcels eligible for public bidder tax sale have been advertised for two years and are indicated with an asterisk (*) on the published tax sale list.)

FAILURE TO OBTAIN DEED – CANCELLATION OF SALE

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

7. The Treasurer is required to notify the titleholder of record of the tax sale acquisition.
8. A tax sale purchaser may pay subsequent taxes and special assessments on the same parcel on which s/he holds the tax sale certificate. **Please note, the Polk County Treasurer's Office requires all subsequent payments be made online at MyAccount.IowaTaxAndTags.org.** Once an account has been created and you are logged into your account, please review the 'Getting Started' section on the user account dashboard for step-by-step instructions on how to pay subsequent tax. Payment options include e-Check, credit card or debit card which includes a non-refundable \$0.30 per transaction administrative fee. An additional convenience fee for credit and debit cards also applies. It is the investor's responsibility to review the parcels listed within the website and to confirm all applicable parcels are included in the online display. Please contact our office if you need additional assistance.

Taxes for a subsequent year may be paid beginning one month and fourteen days following the date from which an installment becomes delinquent. Only items delinquent in the current fiscal year or prior may be paid as a "subsequent payment". Special assessments due in future years cannot be paid until the fiscal year in which they become due. Failure to report subsequent payments will result in their omission from the redemption calculation.

9. A redemption is not valid unless received by the Treasurer prior to the close of business on the 90th day from the date of completed service (except County held certificates). 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 or 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.
- 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. 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. Costs filed with the 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.

Costs incurred by the tax sale certificate holder may not be filed prior to the filing of the affidavit of service with the Treasurer.

10. The purchaser is responsible for checking parcels on which s/he holds the certificate of purchase for redemption and can access a list of redeemed tax sales at:
<https://taxsale.polkcountyiowa.gov/Reports/AvailableRedemptionFunds>

The Polk County Treasurer's Cash Management Division directly deposits the redemption proceeds into the buyer's designated checking account upon surrender of the Tax Sale Certificate, either in person or by mail.

- Reimbursements will not be processed until the first business day following the redemption date shown on the county system.
- The Cash Management Division mails a copy of the Redemption Certificate reflecting the total amount of the redemption to the certificate holder.
- Certificate holders should retain the redemption certificate copy for income tax purposes.

If a tax sale certificate has been lost or destroyed, a duplicate tax sale certificate can be issued. The cost of a duplicate tax sale certificate is \$20.

- Please call the Polk County Treasurer's Cash Management Division at (515) 286-3035 to request a duplicate tax sale certificate.

In the event you have been reimbursed for a redemption and the tax sale redeemer's check is not honored, you will be required to return the funds to the Treasurer's Office. The tax sale certificate will be returned to you 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.

11. The fee for the issuance of a Treasurer's Tax Sale Deed is \$25.00 per parcel.
12. The certificate of purchase, the \$25.00 Treasurer's Tax Sale Deed issuance fee, and recording fees shall be submitted to the Polk County Treasurer within 90 calendar days after the redemption period expires. The Treasurer shall cancel the certificate for any tax sale certificate holder who fails to comply.

13.If it is determined that any item was erroneously sold, the certificate of purchase will be canceled. The certificate holder shall return the 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 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 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, 2023 and June 16, 2024, and all their assignments.

Iowa Code Chapters 446, 447, and 448 as amended are pertinent chapters to Tax Sales, Tax Redemption, and Tax Deeds. The Iowa Code is available on-line at www.legis.iowa.gov/. Prospective buyers should consult with legal counsel to determine their legal rights and remedies and to protect their interest as a tax sale buyer.

Mary L. Wells
Polk County Treasurer