

DELINQUENT TAX SALE

ALL BIDDERS ARE ADVISED TO READ ALL LAWS PERTAINING TO TAX SALES WITH EMPHASIS ON THE REVISED STATUTES OF MISSOURI CHAPTER 140. THIS DOCUMENT IS FOR YOUR INFORMATION AND REFERENCE ONLY, NOT PRESENTED AS LEGAL ADVICE.

- Any real estate that has a delinquent tax for three years **must** be offered for sale to discharge the lien for the delinquent and unpaid taxes
- The tax sale is held annually, on the fourth Monday in August, commencing at 10:00 a.m. at the Barton County Courthouse.
- Delinquent taxes with penalty, interest and costs may be paid to the County Collector at any time until before the date of the sale.
- The list of properties subject to sale is published in the Lamar Democrat for three consecutive weeks with the last insertion at least fifteen days prior to the fourth Monday in August. Copies of the list can be obtained for a small fee.
- Each parcel offered for sale is individually identified by a brief legal description and a site address if available. Bidders are recommended to research the property and physically locate the property prior to the sale.
- Tax sale bidders **must sign an affidavit** stating that he/she is not currently delinquent on any property taxes. Failure to sign such affidavit, as well as signing a false affidavit, may invalidate property purchase. The affidavit form is available at the Collector's Office and must be completed no later than 9:30 a.m. on the date of the sale.
- Non-residents of Missouri **may not bid** unless special arrangements have been made with the Collector prior to the sale. This appointment must be approved by the Collector by 9:30 a.m. on the date of the sale. The agent must sign the affidavit mentioned above. After sale, the certificate of purchase will be issued to the designated agent who then has the responsibility of conveying the property to the nonresident purchaser.
- The Barton County Collector or his/her appointed agent conducts the tax sale. Bidding begins for the amount of taxes, penalties, and sale costs.
- Buyer **must sign an affidavit** stating that he/she is not currently delinquent on any tax payments on any property except property being sold. Failure to sign such affidavit, as well as signing a false affidavit, may invalidate property purchase. The affidavit form is available at the Collector's Office and must be completed no later than 9:30 a.m. date of sale.
- The Barton County Collector or his/her appointed agent conducts the tax sale. Bidding begins for the amount of taxes, penalties and sale costs.
- Buyers **must be present to bid**. The Buyer must pay the total purchase price plus tax sale costs and recorder's fees to the collector's office **immediately** at the close of the sale. Payment can be in the form of cashier's check, bank draft, credit/debit cards, preapproved personal checks, and/or cash. If the purchaser fails to pay his bid, the land shall be offered again and a penalty shall be required of the defaulting bidder.
- Each parcel offered for sale is individually identified by a brief legal description.
- The successful bidder must pay the total purchase price plus tax sale and Recorder's fees to the Collector's office **immediately** at the close of the sale. Cashier's check, bank draft and/or cash are accepted. Personal checks may be accepted with prior approval.
- If the purchaser fails to pay his bid a penalty shall be required of the defaulting bidder
§140.280(2)

- The Collector will issue a Certificate of Purchase to the purchaser following the sale. The Certificate of Purchase ***must be retained for one year or until property is redeemed, at which time it must be surrendered to the County Collector.***
- The original property owner may redeem the property at any time within one year from the sale date or until a Collector's deed is issued.
- If property is redeemed, the Certificate holder must return the **original** Tax Sale Certificate before redemption proceeds will be disbursed to the purchaser.
- The purchaser may assign ownership of the Tax Sale Certificate of Purchase by completing the assignment portion on the Certificate. The assignee may not have delinquent taxes and must be a resident of the state of Missouri. Such assignment must be notarized and presented to the Collector's Office to be recorded.
 - Liens are not extinguished at the time of sale or during any period of redemption

PROPERTY REDEMPTION

- Property owners or interested persons can redeem a tract of land sold for delinquent taxes within one year from the issuance of a Certificate of Purchase and up until the issuance of a Collector's Deed.
- To redeem property after sale at a first or second offering, the redeemer must pay to the collector the total amount paid, including interest and costs, listed in the certificate of purchase, interest on the purchase price at the certificate rate; except no interest is due on any surplus paid by the purchaser, reimbursement for all subsequent taxes paid by the purchaser together with interest thereon at eight percent , cost of recording the certificate of purchase, cost of recording the release, cost of any title search, the redemption fee, and the cost of any mailings required.
- To redeem property purchased at Third Offering, the redemption period is limited to 90 days after notice of right to redeem and all amounts listed above must be paid.
- Upon Purchase of property at any tax sale beyond the third offering, there is no right to redemption and no title search or notice requirement.
- The Collector's Office will notify the Certificate of Purchase holder when the property has been redeemed. The Certificate of Purchase must be surrendered to the Collector before the holder will be reimbursed the bid amount plus interest and costs. Accrual of interest stops on the date of redemption. The Collector will provide a check to the Certificate of Purchase holder for the purchase price, taxes paid, and interest.
- A Certificate of Redemption will be issued to the owner of record when property is redeemed. The Tax Sale Certificate of Purchase holder will receive a copy of the Certificate of Redemption.

COLLECTOR'S DEED

The Certificate of Purchase creates only a lien on the property. But, the Collector's Deed acts to transfer title to the property. If the property sold at the tax sale has not been redeemed during the one year redemption period, the holder of the Tax Sale Certificate may apply for and receive a Collector's Deed to the property. A Collector's Deed can be issued to the Certificate holder provided the following has occurred.

- The legal holder of the certificate is named as the original tax sale purchaser or the assignee on the original tax sale certificate
- All taxes due on the property must be paid.
- A title search by a licensed attorney or a licensed title company, on the property has been made by the purchaser no more than 120 days prior to the day when the purchaser applies for the Collector's Deed and said title search must be furnished to the Collector.
- For first, second, and third offering sales, the purchaser must notify interested parties (these parties should be listed in the title search mentioned above and are defined in Section 140.405 RSMo. Supp. 2010) of the right to redeem at least ninety days prior to the date when a purchaser is authorized to acquire a Collector's Deed. The purchaser must have notified any interested parties, by both first class mail and certified mail, return receipt requested, at their last known address, of the purchaser's right to redeem such person's publicly recorded security or claim to said property. The letter sent to any interested persons shall clearly state the intention of the purchaser to acquire a deed and of the holder's right to prevent the issuing of the deed within 90 days of the date of notification to the Collector and must include the words "or be forever barred". Verification of such mailings must be furnished to the collector. If first class mail is returned and the certified mail is not signed for, then the purchaser must attempt additional notice and certify what additional notice was attempted.
- On Third offering sales the purchaser must send notice within 45 days of sale and 90 days before receiving deed which will be a total of 135 days after sale date before the purchaser may receive a Collector's Deed.
- If the search revealed no lien holders, the Certificate holder shall notify the Collector by affidavit that no publicly recorded deed of trust, mortgage, lease, lien, or claim exists.
- Purchasers in 1st, 2nd, and 3rd offering sales must provide an affidavit that every notice requirement has been met. Attached to the affidavit must be a copy of the title search and copies of the mailings (first class envelope, certified mail notice, addressed envelopes as they appeared immediately before mailing, certified mail receipt as it appeared upon its return, and any returned regular mailed envelopes).
- Purchasers in 1st and 2nd offering tax sales are entitled to a Collector's Deed when the 90 days' notice requirements have been met, the affidavit mentioned above has been filed, and the one year redemption period has expired. Purchasers in 3rd year offering tax sale are entitled to a Collector's Deed when the 90 day notice (mailed within 45 days of the sale) has been met and the affidavit mentioned above has been filed.
- To receive a Collector's Deed all purchasers must pay to Collector all appropriate fees including recording and collection fees. Purchasers must also have and surrender the Certificate of Purchase.
- Purchasers at offerings subsequent to the third offering are entitled to immediate issuance of the Collector's Deed provided that the purchaser first pay his bid and all past due taxes on the property arising after the date of advertisement for this particular sale.

RISKS OF TAX SALE

- **Failure to comply with the 90 day notice of right to redeem, prior to the 1 year anniversary of tax sale, requirements results in the purchaser's loss of all interest and investment in the real estate.**
- **Failure of the purchaser to obtain a Collector's Deed to be executed and placed on record in the proper county within two years from the date of the Tax Sale Certificate results in the loss of the purchaser's lien on the property.**
- **If the purchaser allows taxes to become delinquent, he forfeits all liens on the property.**
- One possible limitation placed on property purchased at tax sale is by the title companies providing title insurance. The insurance underwriters place a restriction on the property that it was acquired at a tax sale. This restriction may limit the ability to obtain a loan on the property or to sell the property. One explanation for this long-term restriction is set out in RSMo 140.350 stating that infants, incapacitated, or disabled persons may redeem their property within one year after expiration of such disability. Some ways to overcome this restriction is that the purchaser, certificate holder, may contact the previous owner to sign a quit claim deed or warranty deed, which would convey clear title and remove this restriction. The purchaser, certificate holder, may also file for quiet title in the Circuit Court, which would remove this restriction. It is strongly recommended by the Collector's office to seek legal advice regarding further information on your rights as a tax sale purchaser. The purchaser of any tract of land, homesteads excepted, shall at any time after ONE YEAR from the tax sale be entitled to the immediate possession of the premises, however, any present owner or occupant may make written agreement with the purchaser as to their rights. During the year the owner or occupant of the tax sale property has the right to stay in possession of the property. **NO REIMBURSEMENTS OF COSTS FOR ANY IMPROVEMENT** made by the purchaser within the one year redemption period will be given to the purchaser if this property is redeemed.

REVISED July 2013