

## Frequently Asked Questions: Commissioners' Certificate Sales

Who is entitled to redeem the property?

Any person may redeem property sold in a commissioners' certificate sale before the expiration of the redemption period.

What happens if I am a successful bidder on the property at a commissioners' certificate sale and I do not pay the bid amount to the county?

A lien buyer who fails to pay the amount bid shall pay a civil penalty of twenty-five percent (25%) of the amount of the bid. The county prosecuting attorney is authorized to initiate an action in the name of the state treasurer to recover the civil penalty.

How is the minimum bid determined?

The county commissioners have set the minimum bids for the liens on the properties. The minimum bid is lower than what the liens were offered for at the tax sale conducted under IC 6-1.1-24-5. The bids were approved at a public meeting held by the county commissioners.

When can I take possession of the property?

Until a lien buyer is issued a tax deed for the property pursuant to a court order, a lien buyer does not have any right to take possession of the property.

How do I get title to the property?

You should consult an attorney regarding the noticing requirements under Indiana's tax sale statutes as well as the requirements for petitioning the court having jurisdiction over the commissioners' certificate sale for the issuance of a tax deed.

What if someone gets hurt on the property during the redemption period?

The lien buyer is not the owner of the property during the redemption period. For this reason, the lien buyer is not responsible for any accidents or injuries that occur on the property during the redemption period.

Does the purchaser have the right to secure the property?

The lien buyer has no right to secure the property prior to the issuance of a tax deed by the county auditor pursuant to a court order. If the lien buyer enters the premises before he or she is issued a tax deed, the lien buyer is trespassing.

Who conducts the commissioners' certificate sales in Indiana?

These sales are the responsibility of the county commissioners. SRI assists these public officials and follows all policies established by these elected officials and applicable statutes.

When can I apply for tax deed?

If the property for which a lien buyer purchased a tax sale certificate at a commissioners' certificate sale is not redeemed during redemption period, the lien buyer must comply with additional statutory requirements in order to obtain a tax deed. These requirements are codified, generally, at IC 6-1.1-25-4.6. **After the expiration of the redemption period but not later than three (3) months after the expiration of the period of redemption**, the lien buyer or its assignee may file a verified petition with the court having jurisdiction over the sale for an order directing the county auditor to issue a tax deed to the lien buyer. **In addition to the filing of the petition, lien buyers are required to send notice of the petition to the same parties and in the same manner as provided in IC 6-1.1-25-4.5.** Lien buyers are strongly encouraged to hire an attorney to assist them with the legal steps required to obtain a tax deed. If a lien buyer fails to file the verified petition described in IC 6-1.1-25-4.6 **within three (3) months after the expiration of the period of redemption**, the lien buyer's lien against the property terminates.

Can a certificate be assigned?

A certificate of sale is assignable. However, an assignment is not valid unless it is endorsed on the certificate of sale, acknowledged before an officer authorized to take acknowledgments of deeds, and registered in the office of the county auditor. When a certificate of sale is assigned,

the assignee acquires the same rights and obligations that the original purchaser acquired.

What if taxes become due after I purchase the certificate at a commissioners' certificate sale? Am I responsible to pay after the sale?

During the redemption period, lien buyers are strongly encouraged to pay all subsequent taxes and special assessments on the tax sale properties they purchased. If a lien buyer pays taxes and special assessments on the property after the sale, the lien buyer must follow the form 137 B process to ensure that the lien buyer is reimbursed if the property is redeemed. Immediately upon paying any subsequent taxes and special assessments on the property, the lien buyer should provide a receipt to the County Auditor's office and file a form 137 B. If the lien buyer has paid subsequent taxes and special assessments, and properly filed a form 137 B, the lien buyer will be entitled to reimbursement for all such taxes and special assessments plus interest at the rate of 10% *per annum*, upon redemption. **If the property is not redeemed during the redemption period, the lien buyer will not be reimbursed for any subsequent taxes and special assessments. If the property is redeemed before the lien buyer files a form 137 B for subsequent taxes and special assessments, the lien buyer will not be reimbursed.**

Are there any other expenses in addition to the cost of the lien?

If tax sale property is redeemed during the redemption period, the lien buyer may be reimbursed for its attorney's fees and costs of giving notice under IC 6-1.1-25-4.5, as well as the cost of a title search. This reimbursement of a lien buyer's actual paid expenses is subject to a maximum or ceiling amount established by the court having jurisdiction over the sale. The maximum amounts for reimbursement are stated in the introduction to the auction and the Auditor's office will have a copy of the court order setting the maximum amounts for title search and attorneys' fees reimbursement. **Please note that lien buyers shall only be entitled to reimbursement if they file a form 137 B with the County Auditor prior to time**

**that the property is redeemed. Lien buyers must present proof of payment of reimbursable expenses when they file a form 137 B. If the property is not redeemed during the redemption period, a lien buyer will not be entitled to any reimbursement of attorneys' fees, costs of giving notice under IC 6-1.1-25-4.5 or a title search. Again, if the property is redeemed before a lien buyer files a form 137 B, the lien buyer will not be reimbursed.**

If the lien purchased is redeemed, will I get my money back?

You will receive all of your purchase price back plus ten percent (10%) interest thereon and reimbursement for all properly filed 137B costs.

What is the redemption period?

The period of redemption is one hundred twenty (120) days after the date of the sale.

Is a copy of the county rules and state statutes regarding the tax sale available for purchase?

No. All rules, handouts and links to statutes are available free of charge.

Is a current property list available?

A real time list is available on this site typically about fifty (50) days prior to the sale.

What happens to properties if they do not sell?

Unsold certificates will be held by the commissioners. The commissioners may offer the certificates in another public auction, pursue title to the properties or do nothing with the certificate.

Will you allow purchases of tax liens by mail, phone, or by fax?

No, you or your authorized representative must attend the public auction to bid on properties in a county tax sale.

What will I receive to verify the purchase?

After a lien buyer pays the amount of the winning bid, the lien buyer will be assigned a certificate of sale for each property purchased. If the property is redeemed during the redemption period, the lien buyer must surrender the certificate of sale to the county auditor in order to receive the funds the lien

buyer is owed as a result of the redemption. It is critical that lien buyers safeguard the tax sale certificate(s) they are assigned.

If a foreclosure is necessary, will the county assist in this matter?

The concept of foreclosure is not part of the tax sale process in the State of Indiana and is not contemplated by its tax sale laws, IC 6-1.1-24, *et seq.* and IC 6-1.1-25, *et seq.*

What taxes are written off by the issuance of the tax deed?

The amount of taxes that will be written off by the issuance of a tax deed is the difference between the minimum bid at the tax sale conducted under IC 6-1.1-24-5 (on the top left of the assigned certificate) and the amount paid at the commissioners certificate sale (the amount on the back of the assigned tax sale certificate).

Am I liable for taxes that accrue subsequent to the sale?

Yes, the purchaser is liable for the taxes and special assessments that accrue subsequent to the issuance of the tax sale certificate to the county commissioners.

Will other liens be cleared from the property as a result of the sale?

No liens or encumbrances are extinguished by virtue of a commissioners' certificate sale. The event that may potentially extinguish various liens and encumbrances is the issuance of a tax deed. A tax deed executed under IC 6-1.1-25-4.6 vests in the grantee an estate in fee simple absolute, free and clear of all liens and encumbrances created or suffered before or after the tax sale except those liens granted priority under federal law, and the lien of the state or a political subdivision for taxes and special assessments that accrue subsequent to the sale. However, the estate is subject to all easements, covenants, declarations, and other deed restrictions and laws governing land use, including all zoning restrictions and liens and encumbrances created or suffered by the purchaser at the tax sale.

Will the sale be final?

Sales are final. Once the auctioneer says, "sold," the lien on the property is awarded to the highest bidder and the buyer is obligated to pay for that lien.

What type of bidding process will be used?

This is an open auction format. The minimum bid will be advertised in the local newspaper and is the lowest amount that can be accepted by law. The tax sale certificate represents the lien and will be awarded based upon the highest bid and the satisfactory form of payment. Please refer to the Commissioners' Certificate Sale Lien Buyer Handout on this site.

When is the payment due?

Each county sets its own payment terms. The payment terms will be announced during the introduction to the auction, so pay close attention. In any event, lien buyers must pay the amount of their bids in a form of funds acceptable to the county and by the deadline established in the introduction to the auction. In most cases, payments must be made to the county by certified funds on the day of the sale.

What type of payment is required?

Each county sets its own payment terms. The payment terms will be announced during the introduction to the auction, so pay close attention. In any event, lien buyers must pay the amount of their bids in a form of funds acceptable to the county and by the deadline established in the introduction to the auction. In most cases, payments must be made to the county by certified funds on the day of the sale.

How often do you advertise sales

The tax lien sales are advertised at least five weeks before the scheduled sale. They are advertised for three consecutive weeks. You may refer to the Sale Dates page of this site for the first scheduled advertising date.

Where & when will the auction / sale be advertised?

Advertising is placed in one or more local newspapers. You will find the name of the newspaper and the scheduled dates for

advertising on the Property Information page of this site.

How are properties put on commissioners' certificate sales?

Properties become eligible for tax sale when taxes or assessments are delinquent from the prior year's spring collection. Those properties offered in a commissioners' certificate sale did not sell at the immediately preceding county tax sale held under IC 6-1.1-24-5.

How often are commissioners' certificate sales held?

Typically, certificates are sold once a year and the sales can be held anytime during a year, based upon the first collection of taxes.

What is the date & time of the next commissioners' certificate sale?

Information regarding upcoming tax sales is available on this site.