

Judge
Gaskill
Zieman

SSB-1168
Local Government
Succeeded By
SF/HF 448

SENATE FILE _____
BY (PROPOSED COMMITTEE ON
LOCAL GOVERNMENT BILL
BY CHAIRPERSON ANGELO)

Passed Senate, Date _____ Passed House, Date _____
Vote: Ayes _____ Nays _____ Vote: Ayes _____ Nays _____
Approved _____

A BILL FOR

1 An Act relating to the purchase of certain parcels with
2 delinquent taxes by a city, county, or the Iowa finance
3 authority, and providing effective and applicability dates.

4 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

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2/8/2002

1 ~~Section 1.72~~ Section 446.19A, Code 1999, is amended to read
2 as follows:

3 446.19A PURCHASE BY COUNTY OR CITY FOR LOW OR MODERATE
4 INCOME HOUSING.

5 ~~Notwithstanding-section-446-18~~ On the day of the regular
6 tax sale or any continuance or adjournment of the tax sale, a
7 city or county or the Iowa finance authority homesteading
8 program may purchase bid for abandoned property assessed as
9 residential property or as commercial multifamily housing
10 which did not sell at an annual tax sale under section 446-7
11 for property a sum equal to the total amount due. When such a
12 bid is received from the city, county, or Iowa finance
13 authority homesteading program, the treasurer shall end the
14 bidding on that parcel and a tax sale certificate shall be
15 issued. Money shall not be paid by the county or other tax-
16 levying or tax-certifying body for the purchase, but each of
17 the tax-levying and tax-certifying bodies having any interest
18 in the taxes shall be charged with the total amount due the
19 tax-levying or tax-certifying body as its just share of the
20 purchase price. Prior to the purchase the city or county
21 shall file with the county treasurer a verified statement that
22 a parcel to be purchased is abandoned and deteriorating in
23 condition or is, or is likely to become, a public nuisance,
24 and that the parcel is suitable for use for low or moderate
25 income housing following rehabilitation. For the purposes of
26 this section, "abandoned" means the same as in section 657A.1.

27 If, during the one-year-and-nine-month period after the
28 date that a parcel is sold pursuant to this chapter, or after
29 the nine-month period from the date that a parcel is sold
30 under section 446.18, 446.38, or 446.39, property assessed as
31 residential property or as commercial multifamily housing
32 property, is identified as abandoned pursuant to a verified
33 statement filed with the county treasurer by a city or county
34 in the form set forth in the immediately preceding paragraph,
35 a city or county may repurchase the tax sale certificate that

1 had been issued for such property by paying to the holder of
2 such certificate the full amount due on the date such
3 repurchase is made.

4 The city or county may sell the certificate of purchase
5 obtained pursuant to this section. Preference shall be given
6 to purchasers who are low or moderate income families or
7 organizations which assist low and moderate income families to
8 obtain housing. For the purpose of this section, "low or
9 moderate income families" has the same meaning as in section
10 403.17. All persons who purchase certificates under this
11 section shall demonstrate the intent to rehabilitate the
12 property for habitation if the property is not redeemed. In
13 the alternative, the county may, if title to the property has
14 vested in the county under section 447.9, dispose of the
15 property in accordance with section 331.361.

16 Sec. 2. Section 447.9, subsection 1, Code 1999, is amended
17 to read as follows:

18 1. After one year and nine months from the date of sale,
19 or after nine months from the date of a sale made under
20 section 446.18, 446.19A, or 446.39, or after nine months from
21 the date that a tax sale certificate is repurchased by a city
22 or county under section 446.19A, the holder of the certificate
23 of purchase may cause to be served upon the person in
24 possession of the parcel, and also upon the person in whose
25 name the parcel is taxed, a notice signed by the certificate
26 holder or the certificate holder's agent or attorney, stating
27 the date of sale, the description of the parcel sold, the name
28 of the purchaser, and that the right of redemption will expire
29 and a deed for the parcel be made unless redemption is made
30 within ninety days from the completed service of the notice.
31 If the person to whom the notice is directed resides in Iowa,
32 the notice shall be served in the manner provided for service
33 of original notices in the rules of civil procedure. The If
34 the person to whom the notice is directed is not a resident of
35 the state, the notice shall be served by both regular mail and

1 certified mail to the person's last known address and such
2 notice is deemed completed when the notice by certified mail
3 is deposited in the mail and postmarked for delivery. The
4 ninety-day redemption period begins as provided in section
5 447.12. When the notice is given by a county as a holder of a
6 certificate of purchase the notice shall be signed by the
7 county treasurer or the county attorney, and when given by a
8 city, it shall be signed by the city officer designated by
9 resolution of the council. When the notice is given by the
10 Iowa finance authority or a city or county agency holding the
11 parcel as part of an Iowa homesteading project, it shall be
12 signed on behalf of the agency or authority by one of its
13 officers, as authorized in rules of the agency or authority.

14 Sec. 3. EFFECTIVE AND APPLICABILITY DATE. This Act, being
15 deemed of immediate importance, takes effect upon enactment
16 and applies to parcels first offered for sale at the tax sale
17 held in June 1999, and in subsequent years.

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EXPLANATION

19 This bill allows a city, county, or the Iowa finance
20 authority under its homesteading program to bid on parcels
21 containing abandoned property at the annual tax sale. Current
22 law allows these entities to bid on such parcels after the
23 parcel has been offered at tax sale and not been sold. The
24 bill defines abandoned property as property that has remained
25 vacant and in violation of the applicable local housing code
26 for a period of six months or more.

27 The bill provides that once one of these three entities
28 bids the full amount due on a parcel, all bidding on that
29 parcel shall end and the county shall issue a tax sale
30 certificate to the county, city, or the finance authority.

31 The bill provides that the redemption period on a parcel
32 containing abandoned property that is bid on and purchased by
33 a city, county, or the finance authority shall be nine months
34 from the date of sale rather than one year and nine months
35 from the date of sale. The bill further provides that notice

1 of the right of expiration of redemption shall be served on
2 the person in possession of the property and the person listed
3 as the taxpayer on the property by personal service if that
4 person is a resident of Iowa. Current law provides that
5 service of this notice be made by regular and certified mail
6 to both residents and nonresidents of the state.

7 The bill takes effect upon enactment and applies to parcels
8 offered for sale at the tax sale held in June 1999, and in
9 subsequent years.

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REPRINTED

FILED MAR 15 1999

SENATE FILE 448
BY COMMITTEE ON LOCAL GOVERNMENT

(SUCCESSOR TO SSB 1168)

Passed Senate, Date ^(p. 846) 3/30/99 Passed House, Date ^(p. 1042) 4-5-99
Vote: Ayes 46 Nays 0 Vote: Ayes 97 Nays 0
Approved April 15, 1999

A BILL FOR

1 An Act relating to the purchase of certain parcels with
2 delinquent taxes by a city or county, and providing effective
3 and applicability dates.

4 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

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~~████████████████████~~ SENATE FILE 448

S-3095

1 Amend Senate File 448 as follows:
2 1. Page 1, by striking lines 16 through 18 and
3 inserting the following: "total amount due."

Adopted 3/30/95 (p. 846) By JOHN JUDGE

S-3095 FILED MARCH 17, 1999

SF 448

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1 Section 1. Section 446.19A, Code 1999, is amended by
2 striking the section and inserting in lieu thereof the
3 following:

4 446.19A PURCHASE BY COUNTY OR CITY FOR LOW OR MODERATE
5 INCOME HOUSING.

6 1. The board of supervisors of a county may adopt an
7 ordinance authorizing the county and each city in the county
8 to bid on and purchase delinquent taxes and to assign tax sale
9 certificates of abandoned property. This section may only be
10 used by a county or by a city in the county if such an
11 ordinance is in effect.

12 2. On the day of the regular tax sale or any continuance
13 or adjournment of the tax sale, the county or a city may bid
14 for abandoned property assessed as residential property or as
15 commercial multifamily housing property a sum equal to the
16 total amount due. When such a bid is received from the county
17 or city, the treasurer shall end the bidding on that parcel
18 and a tax sale certificate shall be issued to that entity.
19 Money shall not be paid by the county or city for the
20 purchase, but each of the tax-levying and tax-certifying
21 bodies having any interest in the taxes shall be charged with
22 the total amount due the tax-levying or tax-certifying body as
23 its just share of the purchase price. Prior to the purchase,
24 the county or city shall file with the county treasurer a
25 verified statement that a parcel to be purchased is abandoned
26 and deteriorating in condition or is, or is likely to become,
27 a public nuisance, and that the parcel is suitable for use for
28 low or moderate income housing following rehabilitation.

29 3. If after the date that a parcel is sold pursuant to
30 this chapter, or after the date that a parcel is sold under
31 section 446.18, 446.38, or 446.39, the parcel assessed as
32 residential property or as commercial multifamily housing
33 property is identified as abandoned pursuant to a verified
34 statement filed with the county treasurer by a city or county
35 in the form set forth in subsection 2, a city or county may

1 require the assignment of the tax sale certificate that had
2 been issued for such parcel by paying to the holder of such
3 certificate the total amount due on the date the assignment of
4 the certificate is made to the county or city and recorded
5 with the county treasurer. If the certificate is not assigned
6 by the county or city pursuant to subsection 4, the county or
7 city, whichever is applicable, is liable for the tax sale
8 interest that was due the certificate holder pursuant to
9 section 447.1, as of the date of assignment.

10 4. a. The city or county may assign the tax sale
11 certificate obtained pursuant to this section. Preference
12 shall be given to purchasers who are low or moderate income
13 families or organizations which assist low or moderate income
14 families to obtain housing. Persons who purchase certificates
15 from the city or county under this subsection are liable for
16 the total amount due the certificate holder pursuant to
17 section 447.1.

18 b. All persons who purchase certificates from the city or
19 county under this subsection shall demonstrate the intent to
20 rehabilitate the property for habitation if the property is
21 not redeemed. In the alternative, the county or city may, if
22 title to the property has vested in the county or city under
23 section 448.1, dispose of the property in accordance with
24 section 331.361 or 364.7, as applicable.

25 5. For the purposes of this section, "abandoned" means the
26 same as in section 657A.1. For the purposes of this section,
27 "low or moderate income families" has the same meaning as in
28 section 403.17.

29 Sec. 2. Section 447.9, subsection 1, Code 1999, is amended
30 to read as follows:

31 1. After one year and nine months from the date of sale,
32 or after nine months from the date of a sale made under
33 section 446.18, 446.19A, or 446.39, the holder of the
34 certificate of purchase may cause to be served upon the person
35 in possession of the parcel, and also upon the person in whose

1 name the parcel is taxed, a notice signed by the certificate
2 holder or the certificate holder's agent or attorney, stating
3 the date of sale, the description of the parcel sold, the name
4 of the purchaser, and that the right of redemption will expire
5 and a deed for the parcel be made unless redemption is made
6 within ninety days from the completed service of the notice.
7 The notice shall be served by both regular mail and certified
8 mail to the person's last known address and such notice is
9 deemed completed when the notice by certified mail is
10 deposited in the mail and postmarked for delivery. The
11 ninety-day redemption period begins as provided in section
12 447.12. When the notice is given by a county as a holder of a
13 certificate of purchase the notice shall be signed by the
14 county treasurer or the county attorney, and when given by a
15 city, it shall be signed by the city officer designated by
16 resolution of the council. When the notice is given by the
17 Iowa finance authority or a city or county agency holding the
18 parcel as part of an Iowa homesteading project, it shall be
19 signed on behalf of the agency or authority by one of its
20 officers, as authorized in rules of the agency or authority.

21 Sec. 3. EFFECTIVE AND APPLICABILITY DATE. This Act, being
22 deemed of immediate importance, takes effect upon enactment
23 and applies to parcels first offered for sale at the tax sale
24 held in June 1999, and in subsequent years.

25 EXPLANATION

26 This bill allows a city or county to bid on parcels
27 containing abandoned property, which is residential or
28 commercial multifamily housing property, at the annual tax
29 sale. Current law allows these entities to bid on parcels
30 after the parcel has been offered at tax sale and not been
31 sold. The bill defines abandoned property as property that
32 has remained vacant and in violation of the applicable local
33 housing code for a period of six consecutive months or more.
34 The bill also allows cities and counties to purchase tax sale
35 certificates from a holder of such a certificate.

1 The bill allows cities or counties to assign tax sale
2 certificates for abandoned property to low income or moderate
3 income families or to organizations which assist low income or
4 moderate income families in obtaining housing.

5 The bill provides that the redemption period on a parcel
6 containing abandoned property that is bid on and purchased by
7 a city or county shall be nine months from the date of sale
8 rather than one year and nine months from the date of sale.

9 The bill takes effect upon enactment and applies to parcels
10 offered for sale at the tax sale held in June 1999, and in
11 subsequent years.

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Substituted for H.R. 1000
4-5-99
(p. 1041)

SENATE FILE 448
BY COMMITTEE ON LOCAL GOVERNMENT

(SUCCESSOR TO SSB 1168)

(AS AMENDED AND PASSED BY THE SENATE MARCH 30, 1999)

_____ - New Language by the Senate

Passed Senate, Date ^(p. 846) 3/30/99 Passed House, Date ^(p. 1042) 4-5-99
Vote: Ayes 46 Nays 0 Vote: Ayes 97 Nays 0
Approved April 15, 1999

A BILL FOR

1 An Act relating to the purchase of certain parcels with
2 delinquent taxes by a city or county, and providing effective
3 and applicability dates.

4 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

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S.F. 448

1 Section 1. Section 446.19A, Code 1999, is amended by
2 striking the section and inserting in lieu thereof the
3 following:

4 446.19A PURCHASE BY COUNTY OR CITY FOR LOW OR MODERATE
5 INCOME HOUSING.

6 1. The board of supervisors of a county may adopt an
7 ordinance authorizing the county and each city in the county
8 to bid on and purchase delinquent taxes and to assign tax sale
9 certificates of abandoned property. This section may only be
10 used by a county or by a city in the county if such an
11 ordinance is in effect.

12 2. On the day of the regular tax sale or any continuance
13 or adjournment of the tax sale, the county or a city may bid
14 for abandoned property assessed as residential property or as
15 commercial multifamily housing property a sum equal to the
16 total amount due. Money shall not be paid by the county or
17 city for the purchase, but each of the tax-levying and tax-
18 certifying bodies having any interest in the taxes shall be
19 charged with the total amount due the tax-levying or tax-
20 certifying body as its just share of the purchase price.
21 Prior to the purchase, the county or city shall file with the
22 county treasurer a verified statement that a parcel to be
23 purchased is abandoned and deteriorating in condition or is,
24 or is likely to become, a public nuisance, and that the parcel
25 is suitable for use for low or moderate income housing
26 following rehabilitation.

27 3. If after the date that a parcel is sold pursuant to
28 this chapter, or after the date that a parcel is sold under
29 section 446.18, 446.38, or 446.39, the parcel assessed as
30 residential property or as commercial multifamily housing
31 property is identified as abandoned pursuant to a verified
32 statement filed with the county treasurer by a city or county
33 in the form set forth in subsection 2, a city or county may
34 require the assignment of the tax sale certificate that had
35 been issued for such parcel by paying to the holder of such

1 certificate the total amount due on the date the assignment of
2 the certificate is made to the county or city and recorded
3 with the county treasurer. If the certificate is not assigned
4 by the county or city pursuant to subsection 4, the county or
5 city, whichever is applicable, is liable for the tax sale
6 interest that was due the certificate holder pursuant to
7 section 447.1, as of the date of assignment.

8 4. a. The city or county may assign the tax sale
9 certificate obtained pursuant to this section. Preference
10 shall be given to purchasers who are low or moderate income
11 families or organizations which assist low or moderate income
12 families to obtain housing. Persons who purchase certificates
13 from the city or county under this subsection are liable for
14 the total amount due the certificate holder pursuant to
15 section 447.1.

16 b. All persons who purchase certificates from the city or
17 county under this subsection shall demonstrate the intent to
18 rehabilitate the property for habitation if the property is
19 not redeemed. In the alternative, the county or city may, if
20 title to the property has vested in the county or city under
21 section 448.1, dispose of the property in accordance with
22 section 331.361 or 364.7, as applicable.

23 5. For the purposes of this section, "abandoned" means the
24 same as in section 657A.1. For the purposes of this section,
25 "low or moderate income families" has the same meaning as in
26 section 403.17.

27 Sec. 2. Section 447.9, subsection 1, Code 1999, is amended
28 to read as follows:

29 1. After one year and nine months from the date of sale,
30 or after nine months from the date of a sale made under
31 section 446.18, 446.19A, or 446.39, the holder of the
32 certificate of purchase may cause to be served upon the person
33 in possession of the parcel, and also upon the person in whose
34 name the parcel is taxed, a notice signed by the certificate
35 holder or the certificate holder's agent or attorney, stating

1 the date of sale, the description of the parcel sold, the name
2 of the purchaser, and that the right of redemption will expire
3 and a deed for the parcel be made unless redemption is made
4 within ninety days from the completed service of the notice.
5 The notice shall be served by both regular mail and certified
6 mail to the person's last known address and such notice is
7 deemed completed when the notice by certified mail is
8 deposited in the mail and postmarked for delivery. The
9 ninety-day redemption period begins as provided in section
10 447.12. When the notice is given by a county as a holder of a
11 certificate of purchase the notice shall be signed by the
12 county treasurer or the county attorney, and when given by a
13 city, it shall be signed by the city officer designated by
14 resolution of the council. When the notice is given by the
15 Iowa finance authority or a city or county agency holding the
16 parcel as part of an Iowa homesteading project, it shall be
17 signed on behalf of the agency or authority by one of its
18 officers, as authorized in rules of the agency or authority.

19 Sec. 3. EFFECTIVE AND APPLICABILITY DATE. This Act, being
20 deemed of immediate importance, takes effect upon enactment
21 and applies to parcels first offered for sale at the tax sale
22 held in June 1999, and in subsequent years.

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AN ACT

RELATING TO THE PURCHASE OF CERTAIN PARCELS WITH DELINQUENT TAXES BY A CITY OR COUNTY, AND PROVIDING EFFECTIVE AND APPLICABILITY DATES.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

Section 1. Section 446.19A, Code 1999, is amended by striking the section and inserting in lieu thereof the following:

446.19A PURCHASE BY COUNTY OR CITY FOR LOW OR MODERATE INCOME HOUSING.

1. The board of supervisors of a county may adopt an ordinance authorizing the county and each city in the county to bid on and purchase delinquent taxes and to assign tax sale certificates of abandoned property. This section may only be used by a county or by a city in the county if such an ordinance is in effect.

2. On the day of the regular tax sale or any continuance or adjournment of the tax sale, the county or a city may bid for abandoned property assessed as residential property or as commercial multifamily housing property a sum equal to the total amount due. Money shall not be paid by the county or city for the purchase, but each of the tax-levying and tax-certifying bodies having any interest in the taxes shall be charged with the total amount due the tax-levying or tax-

certifying body as its just share of the purchase price. Prior to the purchase, the county or city shall file with the county treasurer a verified statement that a parcel to be purchased is abandoned and deteriorating in condition or is, or is likely to become, a public nuisance, and that the parcel is suitable for use for low or moderate income housing following rehabilitation.

3. If after the date that a parcel is sold pursuant to this chapter, or after the date that a parcel is sold under section 446.18, 446.38, or 446.39, the parcel assessed as residential property or as commercial multifamily housing property is identified as abandoned pursuant to a verified statement filed with the county treasurer by a city or county in the form set forth in subsection 2, a city or county may require the assignment of the tax sale certificate that had been issued for such parcel by paying to the holder of such certificate the total amount due on the date the assignment of the certificate is made to the county or city and recorded with the county treasurer. If the certificate is not assigned by the county or city pursuant to subsection 4, the county or city, whichever is applicable, is liable for the tax sale interest that was due the certificate holder pursuant to section 447.1, as of the date of assignment.

4. a. The city or county may assign the tax sale certificate obtained pursuant to this section. Preference shall be given to purchasers who are low or moderate income families or organizations which assist low or moderate income families to obtain housing. Persons who purchase certificates from the city or county under this subsection are liable for the total amount due the certificate holder pursuant to section 447.1.

b. All persons who purchase certificates from the city or county under this subsection shall demonstrate the intent to rehabilitate the property for habitation if the property is not redeemed. In the alternative, the county or city may, if

title to the property has vested in the county or city under section 448.1, dispose of the property in accordance with section 331.361 or 364.7, as applicable.

5. For the purposes of this section, "abandoned" means the same as in section 657A.1. For the purposes of this section, "low or moderate income families" has the same meaning as in section 403.17.

Sec. 2. Section 447.9, subsection 1, Code 1999, is amended to read as follows:

1. After one year and nine months from the date of sale, or after nine months from the date of a sale made under section 446.18, ~~446.19A~~, or 446.39, the holder of the certificate of purchase 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. The ninety-day redemption period begins as provided in section 447.12. When the notice is given by a county as a holder of a certificate of purchase the notice shall be signed by the county treasurer or the county attorney, and when given by a city, it shall be signed by the city officer designated by resolution of the council. When the notice is given by the Iowa finance authority or a city or county agency holding the parcel as part of an Iowa homesteading project, it shall be signed on behalf of the agency or authority by one of its officers, as authorized in rules of the agency or authority.

Sec. 3. EFFECTIVE AND APPLICABILITY DATE. This Act, being deemed of immediate importance, takes effect upon enactment and applies to parcels first offered for sale at the tax sale held in June 1999, and in subsequent years.

MARY E. KRAMER
President of the Senate

RON J. CORBETT
Speaker of the House

I hereby certify that this bill originated in the Senate and is known as Senate File 448, Seventy-eighth General Assembly.

MICHAEL E. MARSHALL
Secretary of the Senate

Approved April 15, 1999

THOMAS J. VILSACK
Governor