

MAR 9 2005
Place On Calendar

HOUSE FILE 672
BY COMMITTEE ON LOCAL GOVERNMENT

(SUCCESSOR TO HSB 178)

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

A BILL FOR

1 An Act relating to delinquent property taxes and other duties of
2 the county treasurer and including effective date and
3 applicability date provisions.

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

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HF 672

1 Section 1. Section 311.18, Code 2005, is amended to read
2 as follows:

3 311.18 ASSESSMENT DELINQUENT -- INTEREST.

4 The assessed taxes shall become delinquent from October 1
5 after their maturity ~~including those instances.~~ However, when
6 the last day of September is a Saturday or Sunday, the
7 assessed taxes shall become delinquent from the second
8 business day of October. Taxes assessed pursuant to this
9 chapter which become delinquent shall bear the same interest,
10 and be attended with the same rights and remedies for
11 collection, as ordinary taxes.

12 Sec. 2. Section 317.21, subsection 1, Code 2005, is
13 amended to read as follows:

14 1. Annually, after the weed commissioner has completed the
15 program of destruction of weeds by reason of noncompliance by
16 persons responsible for the destruction, the board of
17 supervisors shall determine as to each tract of real estate
18 the actual cost of labor and materials used by the
19 commissioner in cutting, burning, or otherwise destroying the
20 weeds, the cost of serving notice, and of special meetings or
21 proceedings, if any. To the total of all sums expended, the
22 board shall add an amount equal to twenty-five percent of that
23 total to compensate for the cost of supervision and
24 administration and assess the resulting sum against the tract
25 of real estate by a special tax, which shall be certified to
26 the county auditor and county treasurer by the clerk of the
27 board of supervisors, and shall be placed upon the tax books,
28 and collected, with interest after delinquent, in the same
29 manner as other unpaid taxes. The tax shall be due on March 1
30 after assessment, and shall be delinquent from April 1 after
31 ~~due, including those instances.~~ However, when the last day of
32 March is a Saturday or Sunday, such amount shall be delinquent
33 from the second business day of April. When collected, the
34 moneys shall be paid into the fund from which the costs were
35 originally paid.

1 Sec. 3. Section 321.20, unnumbered paragraph 1, Code 2005,
2 is amended to read as follows:

3 Except as provided in this chapter, an owner of a vehicle
4 subject to registration shall make application to the county
5 treasurer of the county of the owner's residence, or if a
6 nonresident, to the county treasurer of the county where the
7 primary users of the vehicle are located, or if a lessor of
8 the vehicle pursuant to chapter 321F which vehicle has a gross
9 vehicle weight of less than ten thousand pounds, to the county
10 treasurer of the county of the lessee's residence, for the
11 registration and issuance of a certificate of title for the
12 vehicle upon the appropriate form furnished by the department.
13 However, upon the transfer of ownership, the owner of a
14 vehicle subject to the proportional registration provisions of
15 chapter 326 shall make application for registration and
16 issuance of a certificate of title to either the department or
17 the appropriate county treasurer. The application shall be
18 accompanied by a fee of ten dollars, and shall bear the
19 owner's signature. A nonresident owner of two or more
20 vehicles subject to registration may make application for
21 registration and issuance of a certificate of title for all
22 vehicles subject to registration to the county treasurer of
23 the county where the primary user of any of the vehicles is
24 located. The owner of a mobile home or manufactured home
25 shall make application for a certificate of title under this
26 section from the county treasurer of the county where the
27 mobile home or manufactured home is located. The application
28 shall contain:

29 Sec. 4. Section 321.42, subsection 2, paragraph b, Code
30 2005, is amended to read as follows:

31 b. After five days, the department or county treasurer
32 shall issue a replacement copy using the applicant's most
33 recent bona fide address; however, the five-day waiting period
34 does not apply to an applicant who is a lienholder or to an
35 applicant who has surrendered the original certificate of

1 title to the department or county treasurer. The replacement
2 copy shall be clearly marked "replacement" and shall include
3 security interests and liens. When a replacement copy has
4 been issued, the previous certificate is void. The department
5 or county treasurer is not authorized to refund fees collected
6 for a replacement title under this section or section 321.52A.

7 Sec. 5. Section 321.46, subsection 1, Code 2005, is
8 amended to read as follows:

9 1. The transferee shall, within thirty calendar days after
10 purchase or transfer, apply for and obtain from the county
11 treasurer of the person's residence or, if a nonresident, the
12 county treasurer of the county where the primary users of the
13 vehicle are located or the county where all other vehicles
14 owned by the nonresident are registered, or, in the case of a
15 mobile home or manufactured home, the county treasurer of the
16 county where the mobile home or manufactured home is located,
17 a new registration and a new certificate of title for the
18 vehicle except as provided in section 321.25, 321.48, or
19 322G.12. The transferee shall present with the application
20 the certificate of title endorsed and assigned by the previous
21 owner and shall indicate the name of the county in which the
22 vehicle was last registered and the registration expiration
23 date.

24 Sec. 6. Section 321.47, unnumbered paragraph 1, Code 2005,
25 is amended to read as follows:

26 If ownership of a vehicle is transferred by operation of
27 law upon inheritance, devise or bequest, dissolution decree,
28 order in bankruptcy, insolvency, replevin, foreclosure or
29 execution sale, abandoned vehicle sale, or when the engine of
30 a motor vehicle is replaced by another engine, or a vehicle is
31 sold or transferred to satisfy an artisan's lien as provided
32 in chapter 577, a landlord's lien as provided in chapter 570,
33 a storage lien as provided in chapter 579, a judgment in an
34 action for abandonment of a manufactured or mobile home as
35 provided in chapter 555B, upon presentation of an affidavit

1 relating to the disposition of a valueless mobile, modular, or
2 manufactured home as provided in chapter 555C, or repossession
3 is had upon default in performance of the terms of a security
4 agreement, the county treasurer in the transferee's county of
5 residence or, in the case of a mobile home or manufactured
6 home, the county treasurer of the county where the mobile home
7 or manufactured home is located, upon the surrender of the
8 prior certificate of title or the manufacturer's or importer's
9 certificate, or when that is not possible, upon presentation
10 of satisfactory proof to the county treasurer of ownership and
11 right of possession to the vehicle and upon payment of a fee
12 of ten dollars and the presentation of an application for
13 registration and certificate of title, may issue to the
14 applicant a registration card for the vehicle and a
15 certificate of title to the vehicle. A person entitled to
16 ownership of a vehicle under a decree of dissolution shall
17 surrender a reproduction of a certified copy of the
18 dissolution and upon fulfilling the other requirements of this
19 chapter is entitled to a certificate of title and registration
20 receipt issued in the person's name.

21 Sec. 7. Section 331.553, subsection 6, Code 2005, is
22 amended to read as follows:

23 6. Require a payor or an agent of a payor to make payment
24 by electronic transfer of the funds through the county
25 treasurer's authorized website when the payment totals ~~one~~
26 ~~hundred~~ fifty thousand dollars or more.

27 Sec. 8. Section 331.553, Code 2005, is amended by adding
28 the following new subsection:

29 NEW SUBSECTION. 7. Treat a payment made by electronic
30 funds transfer as if it were a paper check for purposes of
31 section 554.3512.

32 Sec. 9. Section 384.60, subsection 2, Code 2005, is
33 amended to read as follows:

34 2. On or before the second publication of the notice, the
35 clerk shall send by mail to each property owner whose property

1 is subject to assessment for the improvement, as shown by the
2 records in the office of the county auditor, a copy of the
3 notice. The notice shall also include a statement in
4 substance that assessments may be paid in full or in part
5 without interest within thirty days after the date of the
6 first notice of the final assessment schedule, and thereafter
7 all unpaid special assessments bear interest at the rate
8 specified by the council, but not exceeding that permitted by
9 chapter 74A, computed to the December 1 next following the due
10 dates of the respective installments as provided in section
11 384.65, subsection 3, and each installment will be delinquent
12 from October 1 following its due date, ~~including those~~
13 instances. However, when the last day of September is a
14 Saturday or Sunday, and that amount shall be delinquent from
15 the second business day of October. Delinquent installments
16 will draw ~~additionally~~ the same delinquent interest as
17 ordinary taxes. The notice shall also state substantially
18 that property owners may elect to pay any installment
19 semiannually in advance. If a property is shown by the
20 records to be in the name of more than one owner at the same
21 mailing address, a single notice may be mailed to all owners
22 at that address. Failure to receive a mailed notice is not a
23 defense to the special assessment or interest due on the
24 special assessment.

25 Sec. 10. Section 384.65, subsection 4, Code 2005, is
26 amended to read as follows:

27 4. Each installment of an assessment with interest on the
28 unpaid balance is delinquent from October 1 after its due
29 date, ~~including those instances when the last day of September~~
30 ~~is a Saturday or Sunday,~~ and bears the same delinquent
31 interest as ordinary taxes. However, when the last day of
32 September is a Saturday or Sunday, the unpaid balance of the
33 installment is delinquent from the second business day of
34 October after its due date. When collected, the interest must
35 be credited to the same fund as the special assessment.

1 To avoid interest on delinquent special assessment
2 installments, a payment of the full installment amount must be
3 received by the treasurer on or before the last business day
4 of the month preceding the delinquent date, or mailed with
5 appropriate postage and applicable fees paid, and a United
6 States postal service postmark affixed to the payment
7 envelope, with the postmark bearing a date preceding the
8 delinquent date. Items returned to the sender by the United
9 States postal service for insufficient postage or applicable
10 fees shall be assessed interest, unless the appropriate
11 postage and fees are paid and the items are postmarked again
12 before the delinquent date. However, if the last calendar day
13 of a month falls on a Saturday, Sunday, or a holiday, that
14 amount becomes delinquent on the second business day of the
15 following month.

16 To avoid interest on current or delinquent special
17 assessment installments, for payments made through a county
18 treasurer's authorized website only, if the last day of the
19 month falls on a Saturday, Sunday, or a holiday, the
20 electronic payment must be initiated by midnight on the first
21 business day of the next month. All other electronic payments
22 must be initiated by midnight on the last day of the month
23 preceding the delinquent date.

24 Sec. 11. Section 435.24, subsection 6, Code 2005, is
25 amended to read as follows:

26 6. a. As an alternative to the semiannual or annual
27 payment of taxes, the county treasurer may accept partial
28 payments of current year home taxes. ~~A-minimum-payment-amount~~
29 ~~shall-be-established-by-the-treasurer.~~ The treasurer shall
30 transfer amounts from each taxpayer's account to be applied to
31 each semiannual tax installment prior to the delinquency dates
32 specified in section 445.37 and the amounts collected shall be
33 apportioned by the tenth of the month following transfer. If,
34 prior to the due date of each semiannual installment, the
35 account balance is insufficient to fully satisfy the

1 installment, the treasurer shall transfer and apply the entire
2 account balance, leaving an unpaid balance of the installment.
3 Interest shall attach on the unpaid balance in accordance with
4 section 445.39. Unless funds sufficient to fully satisfy the
5 delinquency are received, the treasurer shall collect the
6 unpaid balance as provided in sections 445.3 and 445.4 and
7 chapter 446. Any remaining balance in a taxpayer's account in
8 excess of the amount needed to fully satisfy an installment
9 shall remain in the account to be applied toward the next
10 semiannual installment. Any interest income derived from the
11 account shall be deposited in the county's general fund to
12 cover administrative costs. The treasurer shall send a notice
13 with the tax statement or by separate mail to each taxpayer
14 stating that, upon request to the treasurer, the taxpayer may
15 make partial payments of current year home taxes.

16 b. Partial payment of taxes which are delinquent may be
17 made to the county treasurer. ~~A minimum payment amount shall~~
18 ~~be established by the treasurer. The minimum payment must be~~
19 ~~equal to or exceed the interest, fees, and costs attributed to~~
20 ~~the oldest delinquent installment of the tax and~~ For the
21 installment being paid, payment shall first be applied toward
22 any interest, fees, and costs accrued and the remainder
23 applied to the tax due. A partial payment must equal or
24 exceed the interest, fees, and costs of the installment being
25 paid. A partial payment made under this paragraph shall be
26 apportioned in accordance with section 445.57. If the payment
27 does not include the whole of any installment of the
28 delinquent tax, the unpaid tax shall continue to accrue
29 interest pursuant to section 445.39. Partial payment shall
30 not be permitted in lieu of redemption if the property has
31 been sold for taxes under chapter 446 and under any
32 circumstances shall not constitute an extension of the time
33 period for a sale under chapter 446.

34 Sec. 12. Section 445.5, subsection 2, unnumbered paragraph
35 2, Code 2005, is amended to read as follows:

1 The treasurer may negotiate and charge a reasonable fee not
2 to exceed the cost of producing the information for the a
3 requestor described in paragraphs "c" through "e", for a tax
4 statement or tax statement information provided by the
5 treasurer.

6 Sec. 13. Section 445.5, Code 2005, is amended by adding
7 the following new subsection:

8 NEW SUBSECTION. 3A. The titleholder may make written
9 request to the treasurer to have the tax statement delivered
10 to a person or entity in lieu of to the titleholder. A fee
11 shall not be charged by the treasurer for delivering the tax
12 statement to such person in lieu of to the titleholder.

13 Sec. 14. Section 445.36A, Code 2005, is amended to read as
14 follows:

15 445.36A PARTIAL PAYMENTS.

16 1. As an alternative to the semiannual or annual payment
17 of taxes, the county treasurer may accept partial payments of
18 taxes. ~~A minimum payment amount shall be established by the~~
19 ~~treasurer.~~ The treasurer shall transfer amounts from each
20 taxpayer's account to be applied to each semiannual tax
21 installment prior to the delinquency dates specified in
22 section 445.37 and the amounts collected shall be apportioned
23 by the tenth of the month following transfer. If, prior to
24 the due date of each semiannual installment, the account
25 balance is insufficient to fully satisfy the installment, the
26 treasurer shall transfer and apply the entire account balance,
27 leaving an unpaid balance of the installment. Interest shall
28 attach on the unpaid balance in accordance with section
29 445.39. Unless funds sufficient to fully satisfy the
30 delinquency are received, the treasurer shall collect the
31 unpaid balance as provided in sections 445.3 and 445.4 and
32 chapter 446. Any remaining balance in a taxpayer's account in
33 excess of the amount needed to fully satisfy an installment
34 shall remain in the account to be applied toward the next
35 semiannual installment. Any interest income derived from the

1 account shall be deposited in the county's general fund to
2 cover administrative costs. The treasurer shall send a notice
3 with the tax statement or by separate mail to each taxpayer
4 stating that, upon request to the treasurer, the taxpayer may
5 make partial payments of taxes.

6 2. Partial payment of taxes which are delinquent may be
7 made to the county treasurer. ~~A minimum payment amount shall~~
8 ~~be established by the treasurer. The minimum payment must be~~
9 ~~equal to or exceed the interest and costs attributed to the~~
10 ~~oldest delinquent installment of the tax and~~ For the
11 installment being paid, payment shall first be applied to any
12 interest, fees, and costs accrued and the remainder applied to
13 the taxes due. A partial payment must equal or exceed the
14 amount of interest, fees, and costs of the installment being
15 paid. A partial payment made under this subsection shall be
16 apportioned in accordance with section 445.57. If the payment
17 does not include the whole of any installment of the
18 delinquent tax, the unpaid tax shall continue to accrue
19 interest pursuant to section 445.39. Partial payment shall
20 not be permitted in lieu of redemption if the property has
21 been sold for taxes under chapter 446 and under any
22 circumstances shall not constitute an extension of the time
23 period for a sale under chapter 446.

24 Current year taxes may be paid at any time regardless of
25 any outstanding prior year delinquent tax.

26 This section does not apply to the payment of manufactured
27 or mobile home taxes, special assessments, or rates or
28 charges.

29 Sec. 15. Section 446.16, subsection 1, Code 2005, is
30 amended to read as follows:

31 1. The person who offers to pay the total amount due,
32 which is a lien on any parcel, for the smallest percentage of
33 the parcel is the purchaser, and when the purchaser designates
34 the percentage of any parcel for which the purchaser will pay
35 the total amount due, the percentage thus designated shall

1 give the person an undivided interest upon the issuance of a
2 treasurer's deed, as provided in chapter 448. If two or more
3 persons have placed an equal bid and the bids are the smallest
4 percentage offered, the county treasurer shall use a random
5 selection process to select the bidder to whom a certificate
6 of purchase will be issued. The percentage that may be
7 designated by any purchaser under this subsection shall not be
8 less than one percent.

9 Sec. 16. Section 446.19A, subsections 1 through 4, Code
10 2005, are amended to read as follows:

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

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

33 3. If after the date that a parcel is sold pursuant to
34 this chapter, or after the date that a parcel is sold under
35 section 446.18, 446.38, or 446.39, the parcel assessed as

1 residential property or as commercial multifamily housing
2 property is identified as abandoned or as a vacant lot
3 pursuant to a verified statement filed with the county
4 treasurer by a city or county in the form set forth in
5 subsection 2, a city or county may require the assignment of
6 the tax sale certificate that had been issued for such parcel
7 by paying to the holder of such certificate the total amount
8 due on the date the assignment of the certificate is made to
9 the county or city and recorded with the county treasurer. If
10 a certificate holder fails to assign the certificate of
11 purchase to the city or county, the county treasurer is
12 authorized to issue a duplicate certificate of purchase, which
13 shall take the place of the original certificate, and assign
14 the duplicate certificate to the city or county. If the
15 certificate is not assigned by the county or city pursuant to
16 subsection 4, the county or city, whichever is applicable, is
17 liable for the tax sale interest that was due the certificate
18 holder pursuant to section 447.1, as of the date of
19 assignment.

20 4. a. The city or county may assign the tax sale
21 certificate obtained pursuant to this section. Persons who
22 purchase certificates from the city or county under this
23 subsection are liable for the total amount due the certificate
24 holder pursuant to section 447.1.

25 b. All persons who purchase certificates from the city or
26 county under this subsection shall demonstrate the intent to
27 rehabilitate the abandoned property for habitation or build a
28 residential structure on the vacant lot if the property is not
29 redeemed. In the alternative, the county or city may, if
30 title to the property has vested in the county or city under
31 section 448.1, dispose of the property in accordance with
32 section 331.361 or 364.7, as applicable.

33 Sec. 17. Section 446.19A, subsection 5, Code 2005, is
34 amended by striking the subsection and inserting in lieu
35 thereof the following:

1 5. For purposes of this section:

2 a. "Abandoned property" means a lot or parcel containing a
3 building which is used or intended to be used for residential
4 purposes and which has remained vacant and has been in
5 violation of the housing code of the city in which the
6 property is located or of the housing code applicable in the
7 county in which the property is located if outside the limits
8 of a city, for a period of six consecutive months.

9 b. "Vacant lot" means a lot or parcel located in a city or
10 outside the limits of a city in a county that contains no
11 buildings or structures and that is zoned to allow for
12 residential structures.

13 Sec. 18. Section 446.37, Code 2005, is amended to read as
14 follows:

15 446.37 FAILURE TO OBTAIN DEED -- CANCELLATION OF SALE.

16 After three years have elapsed from the time of any tax
17 sale, and ~~action-has-not-been-completed-during-the-time-which~~
18 ~~qualifies-the-holder-of-a-certificate-to-obtain-a-deed~~ the
19 holder of a certificate has not filed an affidavit of service
20 of notice of expiration of right of redemption under section
21 447.12, the county treasurer shall cancel the sale from the
22 county system. However, this if the filing of affidavit of
23 service is stayed by operation of law, the time period for the
24 filing of the affidavit shall not expire until the later of
25 six months after the stay has been lifted or three years from
26 the time of the tax sale. This section does not apply to
27 certificates of purchase at tax sale which are held by a
28 county.

29 Sec. 19. Section 447.8, Code 2005, is amended by striking
30 the section and inserting in lieu thereof the following:

31 447.8 REDEMPTION AFTER DELIVERY OF DEED.

32 1. After the delivery of the treasurer's deed, a person
33 entitled to redeem a parcel sold at tax sale shall do so only
34 by an equitable action in the district court of the county
35 where the parcel is located. The action may be maintained

1 only by a person who was entitled to redeem the parcel during
2 the ninety-day redemption period in section 447.12, except
3 that such a person may assign the person's right of redemption
4 or right to maintain the action to another person.

5 In order to establish the right to redeem, the person
6 maintaining the action shall be required to prove to the court
7 either that the person maintaining the action or a predecessor
8 in interest was not properly served with notice in accordance
9 with the requirements of sections 447.9 through 447.12, or
10 that the person maintaining the action or a predecessor in
11 interest acquired an interest in or possession of the parcel
12 during the ninety-day redemption period in section 447.12. A
13 person shall not be entitled to maintain such action by
14 claiming that a different person was not properly served with
15 notice of expiration of right of redemption, if the person
16 seeking to maintain the action, or the person's predecessor in
17 interest, if applicable, was properly served with the notice.
18 A person is not allowed to redeem a parcel sold for delinquent
19 taxes in any other manner after the execution and delivery of
20 the treasurer's deed.

21 2. The person maintaining the action shall name as
22 defendants all persons claiming an interest in the parcel
23 derived from the tax sale, as shown by the record.

24 3. If the court determines that notice was properly
25 served, the court shall enter judgment holding that all rights
26 of redemption are terminated and that the validity of the tax
27 title or purported tax title is conclusively established as a
28 matter of law.

29 4. If the court determines that notice was not properly
30 served and that the person maintaining the action is entitled
31 to redeem, the court shall so order. The order shall
32 determine the rights, claims, and interests of all parties,
33 including liens for taxes and claims for improvements made on
34 or to the parcel by the person claiming under the tax title.
35 The order shall establish the amount necessary to effect

1 redemption. The redemption amount shall include the amount
2 for redemption computed in accordance with section 447.1,
3 including interest computed up to and including the date of
4 payment of the total redemption amount to the clerk of court;
5 the amount of all costs added to the redemption amount in
6 accordance with section 447.13; and, in the event that the
7 person claiming under the tax title has made improvements on
8 or to the parcel after the treasurer's deed was issued, an
9 amount equal to the value of all such improvements. The order
10 shall direct that the person maintaining the action shall pay
11 to the clerk of court, within thirty days after the date of
12 the order, the total redemption amount established in the
13 order.

14 5. Upon timely receipt of the payment, the court shall
15 enter judgment declaring the treasurer's deed to be invalid
16 and determining the resulting rights, claims, and interests of
17 all parties to the action. In its judgment, the court shall
18 direct the clerk of court to deliver the entire amount of the
19 redemption payment to the person who previously claimed title
20 under the treasurer's deed.

21 If the person maintaining the action fails to timely
22 deliver payment of the total redemption amount to the clerk of
23 court, the court shall enter judgment holding that all rights
24 of redemption are terminated and that the validity of the tax
25 title or purported tax title is conclusively established as a
26 matter of law. No subsequent action shall be brought to
27 challenge the treasurer's deed or to recover the parcel.

28 6. If an affidavit is filed pursuant to section 448.15 and
29 if the time period for filing a claim under section 448.16
30 expires with no claims having been filed, all persons are
31 thereafter barred and estopped from commencing an action under
32 this section.

33 Sec. 20. Section 447.13, Code 2005, is amended to read as
34 follows:

35 447.13 COST -- FEE -- REPORT.

1 The cost of serving the notice, including the cost of
2 sending certified mail notices, and the cost of publication
3 under section 447.10, if publication is required, shall be
4 added to the amount necessary to redeem. The cost of a record
5 search shall also be added to the amount necessary to redeem.
6 However, if the certificate holder is other than a county, the
7 search must be performed by an abstractor who is an active
8 participant in the title guaranty program under section 16.91
9 or by an attorney licensed to practice law in the state of
10 Iowa, and the amount of the cost of the record search that may
11 be added to the amount necessary to redeem shall not exceed
12 three hundred dollars.

13 PARAGRAPH DIVIDED. The county treasurer shall file the
14 proof of service and statement of costs and record these costs
15 against the parcel. The certificate holder or the holder's
16 agent shall report in writing to the treasurer the amount of
17 authorized costs incurred, and the treasurer shall file the
18 statement. Costs not filed with the treasurer before a
19 redemption is complete shall not be collected by the treasurer
20 and may be recovered through a court action against the parcel
21 owner by the certificate holder. If the parcel is held by a
22 city or county, a city or county agency, or the Iowa finance
23 authority, for use in an Iowa homesteading project, whether or
24 not the parcel is the subject of a conditional conveyance
25 granted under the project, the costs incurred for repairs and
26 rehabilitation work required and undertaken in order to make
27 the parcel meet applicable building or housing code standards
28 shall be added to the amount necessary to redeem.

29 ~~For tax sale certificates of purchase held by a county, the~~
30 ~~cost of a record search and the cost of serving the notice,~~
31 ~~including the cost of mailing certified mail notices and the~~
32 ~~cost of publication under section 447.10, if publication is~~
33 ~~required, shall be added to the amount necessary to redeem.~~

34 Sec. 21. Section 448.6, Code 2005, is amended by striking
35 the section and inserting in lieu thereof the following:

1 448.6 ACTION TO CHALLENGE TREASURER'S DEED.

2 1. A deed executed by the county treasurer in conformity
3 with the requirements of sections 448.2 and 448.3 shall be
4 presumed to effect a valid title conveyance, and the
5 treasurer's deed may be challenged only by an equitable action
6 in the district court in the county in which the parcel is
7 located. If the action seeks an order of the court to allow
8 redemption after delivery of the treasurer's deed based on
9 improper service of notice of expiration of right of
10 redemption, the action shall be brought in accordance with
11 section 447.8. If the action is not brought on that basis,
12 the action shall be controlled by the provisions of this
13 section.

14 2. A person shall not be permitted to maintain the action
15 unless the person establishes that the person, or the person
16 under whom the person claims title, had title to the parcel at
17 the time of the sale, or that the title was obtained from the
18 United States or this state after the sale, and that all
19 amounts due upon the parcel for the applicable tax years have
20 been paid by that person or by the person under whom that
21 person claims title.

22 3. The person maintaining the action shall name as
23 defendants the holder of the tax title and the treasurer of
24 the county in which the parcel is located.

25 4. The person challenging the deed shall be required to
26 prove, in order to invalidate the deed, any of the following:

27 a. That the parcel was not subject to taxes for the year
28 or years named in the deed.

29 b. That the taxes had been paid before the sale.

30 c. That the parcel had been redeemed from the sale and
31 that the redemption was made for the use and benefit of
32 persons having the right of redemption.

33 d. That there had been an entire omission to list or
34 assess the parcel, or to levy the taxes, or to give notice of
35 the sale, or to sell the parcel.

1 5. If the court determines that the person challenging the
2 treasurer's deed has established one or more of the elements
3 required under subsection 4 to be proven in order to
4 invalidate the deed, the court shall enter judgment declaring
5 the deed to be invalid. The judgment shall order the
6 treasurer to refund to the person claiming under the tax title
7 all sums paid to the treasurer for the purchase of the tax
8 sale certificate and for any subsequent taxes paid by the
9 certificate holder. If the person claiming under the tax
10 title is determined by the court to have made improvements to
11 the parcel, the court shall enter judgment in favor of the
12 person claiming under the tax title for an amount equal to the
13 value of such improvements made after the treasurer's deed was
14 issued, and such judgment shall be a lien on the parcel until
15 paid.

16 6. If an affidavit is filed pursuant to section 448.15,
17 and if the time period for filing a claim under section 448.16
18 expires with no claims having been filed, all persons are
19 thereafter barred and estopped from commencing an action under
20 this section.

21 Sec. 22. Section 448.12, Code 2005, is amended to read as
22 follows:

23 448.12 LIMITATION OF ACTIONS.

24 An action under section 447.8 or 448.6 for the recovery
25 of a parcel sold for the nonpayment of taxes shall not be
26 brought after three years from the execution and recording of
27 the county treasurer's deed, ~~unless the owner is, at the time~~
28 ~~of the sale, a minor, a person with mental illness, or an~~
29 ~~inmate in an adult correctional institution, in which case the~~
30 ~~action must be brought within three years after the disability~~
31 ~~is removed.~~

32 ~~This section, as amended by 1991 Iowa Acts, chapter 191,~~
33 ~~section 111, is effective for parcels sold at tax sales~~
34 ~~occurring on or after April 1, 1992, and for disabilities~~
35 ~~removed on or after April 1, 1992. -- For tax sales occurring~~

1 ~~prior-to-April-17-19927-the-provisions-of-this-section-in~~
2 ~~effect-on-the-date-of-the-tax-sale-apply-~~

3 Sec. 23. Section 448.15, Code 2005, is amended to read as
4 follows:

5 448.15 AFFIDAVIT BY TAX-TITLE HOLDER.

6 1. Immediately After taking possession of the parcel,
7 after the issuance and recording of a tax deed or an
8 instrument purporting to be a tax deed issued by a county
9 treasurer of this state, the then owner or holder of the title
10 or purported title may file with the county recorder of the
11 county in which the parcel is located an affidavit
12 substantially in the following form:

13 State of Iowa,)
14 County.) ss.

15 I,, being first duly sworn, on oath depose and
16 say that on (date) the county treasurer issued a tax
17 deed to (grantee) for
18 the following described parcel:
19;
20 that the tax deed was filed for record in the office of the
21 county recorder of county, Iowa, on (date), and
22 appears in the records of the office in county as
23 recorded in Book Page of the Records; and
24 that claims title to an undivided percent interest
25 in the parcel by virtue of the tax deed, or purported tax
26 title.

27 Any person claiming any right, title, or interest in or to
28 the parcel adverse to the title or purported title by virtue
29 of the tax deed referred to shall file a claim with the
30 recorder of the county where the parcel is located, within one
31 hundred twenty days after the filing of this affidavit, the
32 claim to set forth the nature of the interest, also the time
33 and manner in which the interest claimed was acquired. A
34 person who files such a claim shall commence an action to
35 enforce the claim within sixty days after the filing of the

1 claim. If a claimant fails to file a claim within one hundred
2 twenty days after the filing of this affidavit, or files a
3 claim but fails to commence an action to enforce the claim
4 within sixty days after the filing of the claim, the claim
5 thereafter shall be forfeited and cancelled without any
6 further notice or action, and the claimant thereafter shall be
7 forever barred and estopped from having or claiming any right,
8 title, or interest in the parcel adverse to the tax title or
9 purported tax title.

10
11 Subscribed and sworn to before me this day of
12 (month), ... (year).
13
14 Notary Public in and for
15 County, Iowa.

16 2. An owner or holder of a title or purported title who
17 has entered into a lease agreement conveying possessory rights
18 in the parcel to a tenant in possession shall be deemed to be
19 in possession for purposes of filing an affidavit under this
20 section.

21 3. For purposes of this section, if a tax deed or
22 instrument purporting to be a tax deed has been issued to
23 convey an undivided interest in the parcel of less than one
24 hundred percent, the owner or holder of the tax title or
25 purported tax title shall be deemed to be in possession and
26 entitled to file the affidavit in subsection 1. However,
27 before filing the affidavit, the owner or holder of the tax
28 title or purported tax title shall serve a copy of the
29 affidavit on any other person in possession of the parcel by
30 sending a copy of the affidavit by both regular and certified
31 mail to the person at the address of the parcel or at the
32 person's last known address if different from the address of
33 the parcel. Such service is deemed completed when the
34 affidavit mailed by certified mail is postmarked for delivery.
35 An affidavit of service shall be attached to, and filed with,

1 the affidavit in subsection 1. The affidavit of service shall
2 include the names and addresses of all persons served and the
3 time of mailing.

4 Sec. 24. Section 448.16, Code 2005, is amended to read as
5 follows:

6 448.16 CLAIMS ADVERSE TO TAX TITLE BARRED.

7 1. When the affidavit described in section 448.15 is filed
8 it shall be notice to all persons, and any person claiming any
9 right, title, or interest in or to the parcel described
10 adverse to the title or purported title by virtue of the tax
11 deed referred to, shall file a claim with the county recorder
12 of the county in which the parcel is located within one
13 hundred twenty days after the filing of the affidavit, which
14 claim shall set forth the nature of the interest, the time
15 when and the manner in which the interest was acquired.

16 2. At the expiration of the period of one hundred twenty
17 days, if no such claim has been filed, the validity of the tax
18 title or purported tax title shall be conclusively established
19 as a matter of law, and all persons shall thereafter be
20 forever barred and estopped from having or claiming any right,
21 title, or interest in the parcel adverse to the tax title or
22 purported tax title, ~~and no~~ including but not limited to any
23 claim alleging improper service of notice of expiration of
24 right of redemption. An action shall not thereafter be
25 brought to ~~recover the parcel, and the then tax title owner or~~
26 ~~owner of the purported~~ challenge the tax deed or tax title
27 ~~shall also have acquired title to the parcel by adverse~~
28 possession.

29 3. An action to enforce a claim filed under subsection 1
30 shall be commenced within sixty days after the date of filing
31 the claim. The action may be commenced by the claimant, or a
32 person under whom the claimant claims title, under either
33 section 447.8 or 448.6. If an action by the claimant, or such
34 other person, is not filed within sixty days after the filing
35 of the claim, the claim thereafter shall be forfeited and

1 cancelled without any further notice or action, and the
2 claimant, or the person under whom the claimant claims title,
3 thereafter shall be forever barred and estopped from having or
4 claiming any right, title, or interest in the parcel adverse
5 to the tax title or purported tax title.

6 Sec. 25. Section 448.7, Code 2005, is repealed.

7 Sec. 26. EFFECTIVE DATE AND APPLICABILITY DATE PROVISIONS.

8 1. This Act, being deemed of immediate importance, takes
9 effect upon enactment.

10 2. The section of the Act amending section 446.37 applies
11 to tax sale certificates of purchase in existence before the
12 effective date of the Act, notwithstanding section 447.14, and
13 to tax sale certificates of purchase issued on or after the
14 effective date of the Act.

15 3. The remainder of this Act applies to parcels sold at
16 tax sales occurring on or after June 1, 2005.

17 EXPLANATION

18 This bill makes various changes relating to delinquent
19 property taxes and other duties of county treasurers relating
20 to payment of property taxes and special assessments and
21 issuance of certain types of motor vehicle registrations and
22 certificates of title.

23 The bill requires application for registration and issuance
24 of title for mobile homes or manufactured homes from the
25 county treasurer of the county where the home is located. The
26 bill also provides that if title in a mobile home or
27 manufactured home is transferred by operation of law, the new
28 registration and certificate of title shall be applied for
29 from the county treasurer of the county where the home is
30 located.

31 The bill provides that a lienholder who applies for a
32 replacement certificate of title is not subject to the five-
33 day waiting period.

34 Current law provides that a county treasurer may require a
35 payor to make payment by electronic transfer of funds if the

1 payment totals \$100,000 or more. The bill lowers this amount
2 to \$50,000 and requires that payment be made through the
3 county treasurer's authorized website.

4 The bill allows a county treasurer to treat payment made by
5 electronic funds transfer the same as a paper check for
6 purposes of charging a \$30 surcharge, and providing notice
7 that a surcharge will be charged, for those electronic funds
8 transfers that fail to clear because of insufficient funds.

9 The bill adds to the Code sections on payment of special
10 assessments, cost of weed destruction, and secondary road
11 assessments the same payment date provisions as are in the
12 Code for payment of property taxes. These payments are
13 collected in the same manner as property taxes.

14 The bill removes the minimum payment requirement for
15 partial payment of mobile/manufactured home taxes and ordinary
16 property taxes and provides instead that any partial payment
17 must equal or exceed the interest, fees, and costs accrued on
18 the installment and the payment made shall first be applied
19 toward any interest, fees, and costs accrued before being
20 applied to the tax due.

21 The bill provides that the reasonable fee that may be
22 charged by the treasurer to certain persons or entities that
23 request a property tax statement does not apply when the
24 requestor is a lessee or contract purchaser of the property.
25 The bill also provides that the titleholder of property may
26 make written request to the county treasurer to deliver the
27 property tax statement to another person in lieu of delivery
28 to the titleholder and no fee shall be charged by the
29 treasurer for doing so.

30 The bill provides that when a tax sale purchaser designates
31 a percentage of the parcel for which the purchaser will pay
32 the full amount of delinquent taxes, that percentage shall not
33 be less than one percent.

34 The bill amends the section of the Code which allows a
35 county to adopt an ordinance authorizing the county and cities

1 in the county to bid on and purchase delinquent taxes on
2 abandoned property and to assign the tax sale certificate to a
3 person who intends to rehabilitate the property for
4 habitation. The bill adds vacant lots to the kind of property
5 on which a city or county may bid and defines "vacant lot" as
6 a lot or parcel containing no buildings or structures but
7 which is zoned to allow for residential structures. The bill
8 also strikes the internal reference to Code section 657A.1 to
9 "abandoned property" and defines the term. The bill provides
10 that if the holder of a tax sale certificate of purchase for
11 abandoned property or a vacant lot refuses to assign the
12 certificate to a city or county when such a request is made,
13 the county treasurer may issue a duplicate certificate of
14 purchase and assign the duplicate to the city or county.

15 The bill provides that if, within three years of the tax
16 sale, a tax sale certificate holder has not filed an affidavit
17 of service of notice of expiration of right of redemption, the
18 county treasurer shall cancel the tax sale from the system.
19 If the filing of the affidavit has been stayed by operation of
20 law, the time period is the later of six months after the stay
21 has been lifted or three years. This portion of the bill
22 applies to tax sale certificates in existence on the effective
23 date of the bill and to those issued on or after the effective
24 date.

25 The bill rewrites the section of the Code relating to
26 redemption of a parcel sold at tax sale after delivery of the
27 treasurer's deed to the tax sale certificate holder. The
28 section is written to specify that an action to allow
29 redemption of a parcel may only be brought by a person who had
30 the right to redeem the parcel prior to execution of the
31 treasurer's deed or a person to whom that person assigned that
32 right. The rewritten section further provides that in order
33 to establish the right to redeem after delivery of a
34 treasurer's deed, the person bringing the action is required
35 to prove that notice of expiration of right to redemption was

1 not served upon the person by the certificate holder or that
2 the person acquired the interest in the parcel after the
3 affidavit was served on another person. The bill provides
4 that if the court determines that the person has the right to
5 redeem the parcel, the redemption amount shall include the
6 value of improvements made by the treasurer's deed holder
7 after the deed was issued.

8 The bill provides that the cost of a record search and the
9 cost of sending certified mail notices relating to redemption
10 of a parcel shall be included in the costs that must be paid
11 in order to redeem. Currently, those costs are included only
12 if the certificate holder is a county. However, the bill
13 places limitations on the costs of a record search that may be
14 recovered if the certificate holder is other than a county.

15 The bill rewrites into one section the two sections of the
16 Code relating to an action brought to challenge a treasurer's
17 deed. The bill retains the bases for challenging a
18 treasurer's deed that is in current Code. The bill changes
19 the time when a treasurer's deed holder must file the
20 affidavit putting people on notice that the deed has been
21 issued to when the deed holder takes possession of the parcel,
22 rather than immediately after the deed is issued and recorded.
23 The bill requires any person seeking to challenge the deed to
24 file a claim with the county recorder and to bring the action
25 within 60 days of filing the claim. If no claim was filed, or
26 if no action was brought on a claim, within the 60-day time
27 period, the person is barred from bringing a claim. If the
28 court finds in favor of the person challenging the deed, the
29 court may order that the person pay to the holder of the deed
30 the cost of improvements made after the deed was issued.

31 The bill takes effect upon enactment and, with one
32 exception, applies to parcels sold at tax sales occurring on
33 or after June 1, 2005.

34
35

Chair Tjepkes
Arnold
Haskell

Succeeded By
S: 0672

HSB 178
LOCAL GOVERNMENT

HOUSE FILE _____
BY (PROPOSED COMMITTEE ON
LOCAL GOVERNMENT BILL BY
CHAIRPERSON VAN ENGELENHOVEN)

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

A BILL FOR

1 An Act relating to delinquent property taxes and other duties of
2 the county treasurer and including effective date and
3 applicability date provisions.

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

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1 Section 1. Section 311.18, Code 2005, is amended to read
2 as follows:

3 311.18 ASSESSMENT DELINQUENT -- INTEREST.

4 The assessed taxes shall become delinquent from October 1
5 after their maturity ~~including those instances.~~ However, when
6 the last day of September is a Saturday or Sunday, the
7 assessed taxes shall become delinquent from the second
8 business day of October. Taxes assessed pursuant to this
9 chapter which become delinquent shall bear the same interest,
10 and be attended with the same rights and remedies for
11 collection, as ordinary taxes.

12 Sec. 2. Section 317.21, subsection 1, Code 2005, is
13 amended to read as follows:

14 1. Annually, after the weed commissioner has completed the
15 program of destruction of weeds by reason of noncompliance by
16 persons responsible for the destruction, the board of
17 supervisors shall determine as to each tract of real estate
18 the actual cost of labor and materials used by the
19 commissioner in cutting, burning, or otherwise destroying the
20 weeds, the cost of serving notice, and of special meetings or
21 proceedings, if any. To the total of all sums expended, the
22 board shall add an amount equal to twenty-five percent of that
23 total to compensate for the cost of supervision and
24 administration and assess the resulting sum against the tract
25 of real estate by a special tax, which shall be certified to
26 the county auditor and county treasurer by the clerk of the
27 board of supervisors, and shall be placed upon the tax books,
28 and collected, with interest after delinquent, in the same
29 manner as other unpaid taxes. The tax shall be due on March 1
30 after assessment, and shall be delinquent from April 1 after
31 ~~due, including those instances.~~ However, when the last day of
32 March is a Saturday or Sunday, such amount shall be delinquent
33 from the second business day of April. When collected, the
34 moneys shall be paid into the fund from which the costs were
35 originally paid.

1 Sec. 3. Section 321.20, unnumbered paragraph 1, Code 2005,
2 is amended to read as follows:

3 Except as provided in this chapter, an owner of a vehicle
4 subject to registration shall make application to the county
5 treasurer of the county of the owner's residence, or if a
6 nonresident, to the county treasurer of the county where the
7 primary users of the vehicle are located, or if a lessor of
8 the vehicle pursuant to chapter 321F which vehicle has a gross
9 vehicle weight of less than ten thousand pounds, to the county
10 treasurer of the county of the lessee's residence, for the
11 registration and issuance of a certificate of title for the
12 vehicle upon the appropriate form furnished by the department.
13 However, upon the transfer of ownership, the owner of a
14 vehicle subject to the proportional registration provisions of
15 chapter 326 shall make application for registration and
16 issuance of a certificate of title to either the department or
17 the appropriate county treasurer. The application shall be
18 accompanied by a fee of ten dollars, and shall bear the
19 owner's signature. A nonresident owner of two or more
20 vehicles subject to registration may make application for
21 registration and issuance of a certificate of title for all
22 vehicles subject to registration to the county treasurer of
23 the county where the primary user of any of the vehicles is
24 located. The owner of a mobile home or manufactured home
25 shall make application for a certificate of title under this
26 section from the county treasurer of the county where the
27 mobile home or manufactured home is located. The application
28 shall contain:

29 Sec. 4. Section 321.42, subsection 2, paragraph b, Code
30 2005, is amended to read as follows:

31 b. After five days, the department or county treasurer
32 shall issue a replacement copy using the applicant's most
33 recent bona fide address; however, the five-day waiting period
34 does not apply to an applicant who is a lienholder or to an
35 applicant who has surrendered the original certificate of

1 title to the department or county treasurer. The replacement
2 copy shall be clearly marked "replacement" and shall include
3 security interests and liens. When a replacement copy has
4 been issued, the previous certificate is void. The department
5 or county treasurer is not authorized to refund fees collected
6 for a replacement title under this section or section 321.52A.

7 Sec. 5. Section 321.46, subsection 1, Code 2005, is
8 amended to read as follows:

9 1. The transferee shall, within thirty calendar days after
10 purchase or transfer, apply for and obtain from the county
11 treasurer of the person's residence or, if a nonresident, the
12 county treasurer of the county where the primary users of the
13 vehicle are located or the county where all other vehicles
14 owned by the nonresident are registered, or, in the case of a
15 mobile home or manufactured home, the county treasurer of the
16 county where the mobile home or manufactured home is located,
17 a new registration and a new certificate of title for the
18 vehicle except as provided in section 321.25, 321.48, or
19 322G.12. The transferee shall present with the application
20 the certificate of title endorsed and assigned by the previous
21 owner and shall indicate the name of the county in which the
22 vehicle was last registered and the registration expiration
23 date.

24 Sec. 6. Section 321.47, unnumbered paragraph 1, Code 2005,
25 is amended to read as follows:

26 If ownership of a vehicle is transferred by operation of
27 law upon inheritance, devise or bequest, dissolution decree,
28 order in bankruptcy, insolvency, replevin, foreclosure or
29 execution sale, abandoned vehicle sale, or when the engine of
30 a motor vehicle is replaced by another engine, or a vehicle is
31 sold or transferred to satisfy an artisan's lien as provided
32 in chapter 577, a landlord's lien as provided in chapter 570,
33 a storage lien as provided in chapter 579, a judgment in an
34 action for abandonment of a manufactured or mobile home as
35 provided in chapter 555B, upon presentation of an affidavit

1 relating to the disposition of a valueless mobile, modular, or
2 manufactured home as provided in chapter 555C, or repossession
3 is had upon default in performance of the terms of a security
4 agreement, the county treasurer in the transferee's county of
5 residence or, in the case of a mobile home or manufactured
6 home, the county treasurer of the county where the mobile home
7 or manufactured home is located, upon the surrender of the
8 prior certificate of title or the manufacturer's or importer's
9 certificate, or when that is not possible, upon presentation
10 of satisfactory proof to the county treasurer of ownership and
11 right of possession to the vehicle and upon payment of a fee
12 of ten dollars and the presentation of an application for
13 registration and certificate of title, may issue to the
14 applicant a registration card for the vehicle and a
15 certificate of title to the vehicle. A person entitled to
16 ownership of a vehicle under a decree of dissolution shall
17 surrender a reproduction of a certified copy of the
18 dissolution and upon fulfilling the other requirements of this
19 chapter is entitled to a certificate of title and registration
20 receipt issued in the person's name.

21 Sec. 7. Section 331.553, subsection 6, Code 2005, is
22 amended to read as follows:

23 6. Require a payor or an agent of a payor to make payment
24 by electronic transfer of the funds through the county
25 treasurer's authorized website when the payment totals ~~one~~
26 ~~hundred~~ twenty-five thousand dollars or more.

27 Sec. 8. Section 331.553, Code 2005, is amended by adding
28 the following new subsection:

29 NEW SUBSECTION. 7. Treat a payment made by electronic
30 funds transfer as if it were a paper check for purposes of
31 section 554.3512.

32 Sec. 9. Section 384.60, subsection 2, Code 2005, is
33 amended to read as follows:

34 2. On or before the second publication of the notice, the
35 clerk shall send by mail to each property owner whose property

1 is subject to assessment for the improvement, as shown by the
2 records in the office of the county auditor, a copy of the
3 notice. The notice shall also include a statement in
4 substance that assessments may be paid in full or in part
5 without interest within thirty days after the date of the
6 first notice of the final assessment schedule, and thereafter
7 all unpaid special assessments bear interest at the rate
8 specified by the council, but not exceeding that permitted by
9 chapter 74A, computed to the December 1 next following the due
10 dates of the respective installments as provided in section
11 384.65, subsection 3, and each installment will be delinquent
12 from October 1 following its due date, ~~including those~~
13 instances. However, when the last day of September is a
14 Saturday or Sunday, and that amount shall be delinquent from
15 the second business day of October. Delinquent installments
16 will draw ~~additionally~~ the same delinquent interest as
17 ordinary taxes. The notice shall also state substantially
18 that property owners may elect to pay any installment
19 semiannually in advance. If a property is shown by the
20 records to be in the name of more than one owner at the same
21 mailing address, a single notice may be mailed to all owners
22 at that address. Failure to receive a mailed notice is not a
23 defense to the special assessment or interest due on the
24 special assessment.

25 Sec. 10. Section 384.65, subsection 4, Code 2005, is
26 amended to read as follows:

27 4. Each installment of an assessment with interest on the
28 unpaid balance is delinquent from October 1 after its due
29 ~~date, including those instances when the last day of September~~
30 ~~is a Saturday or Sunday,~~ and bears the same delinquent
31 interest as ordinary taxes. However, when the last day of
32 September is a Saturday or Sunday, the unpaid balance of the
33 installment is delinquent from the second business day of
34 October after its due date. When collected, the interest must
35 be credited to the same fund as the special assessment.

1 To avoid interest on delinquent special assessment
2 installments, a payment of the full installment amount must be
3 received by the treasurer on or before the last business day
4 of the month preceding the delinquent date, or mailed with
5 appropriate postage and applicable fees paid, and a United
6 States postal service postmark affixed to the payment
7 envelope, with the postmark bearing a date preceding the
8 delinquent date. Items returned to the sender by the United
9 States postal service for insufficient postage or applicable
10 fees shall be assessed interest, unless the appropriate
11 postage and fees are paid and the items are postmarked again
12 before the delinquent date. However, if the last calendar day
13 of a month falls on a Saturday, Sunday, or a holiday, that
14 amount becomes delinquent on the second business day of the
15 following month.

16 To avoid interest on current or delinquent special
17 assessment installments, for payments made through a county
18 treasurer's authorized website only, if the last day of the
19 month falls on a Saturday, Sunday, or a holiday, the
20 electronic payment must be initiated by midnight on the first
21 business day of the next month. All other electronic payments
22 must be initiated by midnight on the last day of the month
23 preceding the delinquent date.

24 Sec. 11. Section 435.24, subsection 6, Code 2005, is
25 amended to read as follows:

26 6. a. As an alternative to the semiannual or annual
27 payment of taxes, the county treasurer may accept partial
28 payments of current year home taxes. ~~A-minimum-payment-amount~~
29 ~~shall-be-established-by-the-treasurer.~~ The treasurer shall
30 transfer amounts from each taxpayer's account to be applied to
31 each semiannual tax installment prior to the delinquency dates
32 specified in section 445.37 and the amounts collected shall be
33 apportioned by the tenth of the month following transfer. If,
34 prior to the due date of each semiannual installment, the
35 account balance is insufficient to fully satisfy the

1 installment, the treasurer shall transfer and apply the entire
2 account balance, leaving an unpaid balance of the installment.
3 Interest shall attach on the unpaid balance in accordance with
4 section 445.39. Unless funds sufficient to fully satisfy the
5 delinquency are received, the treasurer shall collect the
6 unpaid balance as provided in sections 445.3 and 445.4 and
7 chapter 446. Any remaining balance in a taxpayer's account in
8 excess of the amount needed to fully satisfy an installment
9 shall remain in the account to be applied toward the next
10 semiannual installment. Any interest income derived from the
11 account shall be deposited in the county's general fund to
12 cover administrative costs. The treasurer shall send a notice
13 with the tax statement or by separate mail to each taxpayer
14 stating that, upon request to the treasurer, the taxpayer may
15 make partial payments of current year home taxes.

16 b. Partial payment of taxes which are delinquent may be
17 made to the county treasurer. ~~A minimum payment amount shall~~
18 ~~be established by the treasurer. The minimum payment must be~~
19 ~~equal to or exceed the interest, fees, and costs attributed to~~
20 ~~the oldest delinquent installment of the tax and~~ For the
21 installment being paid, payment shall first be applied toward
22 any interest, fees, and costs accrued and the remainder
23 applied to the tax due. A partial payment must equal or
24 exceed the interest, fees, and costs of the installment being
25 paid. A partial payment made under this paragraph shall be
26 apportioned in accordance with section 445.57. If the payment
27 does not include the whole of any installment of the
28 delinquent tax, the unpaid tax shall continue to accrue
29 interest pursuant to section 445.39. Partial payment shall
30 not be permitted in lieu of redemption if the property has
31 been sold for taxes under chapter 446 and under any
32 circumstances shall not constitute an extension of the time
33 period for a sale under chapter 446.

34 Sec. 12. Section 445.5, subsection 2, unnumbered paragraph
35 2, Code 2005, is amended to read as follows:

1 The treasurer may negotiate and charge a reasonable fee not
2 to exceed the cost of producing the information for the a
3 requestor described in paragraphs "c" through "e", for a tax
4 statement or tax statement information provided by the
5 treasurer.

6 Sec. 13. Section 445.5, Code 2005, is amended by adding
7 the following new subsection:

8 NEW SUBSECTION. 3A. The titleholder may make written
9 request to the treasurer to have the tax statement delivered
10 to a person or entity in lieu of to the titleholder. A fee
11 shall not be charged by the treasurer for delivering the tax
12 statement to such person in lieu of to the titleholder.

13 Sec. 14. Section 445.36, Code 2005, is amended by adding
14 the following new subsection:

15 NEW SUBSECTION. 3. The treasurer may charge a reasonable
16 fee for processing a payment made by a person or entity listed
17 in section 445.5, subsection 2, paragraphs "c" through "e", or
18 the person's or entity's duly authorized agent, if such a
19 payment is made by any other means than through the
20 treasurer's authorized website.

21 Sec. 15. Section 445.36A, Code 2005, is amended to read as
22 follows:

23 445.36A PARTIAL PAYMENTS.

24 1. As an alternative to the semiannual or annual payment
25 of taxes, the county treasurer may accept partial payments of
26 taxes. ~~A minimum payment amount shall be established by the~~
27 ~~treasurer.~~ The treasurer shall transfer amounts from each
28 taxpayer's account to be applied to each semiannual tax
29 installment prior to the delinquency dates specified in
30 section 445.37 and the amounts collected shall be apportioned
31 by the tenth of the month following transfer. If, prior to
32 the due date of each semiannual installment, the account
33 balance is insufficient to fully satisfy the installment, the
34 treasurer shall transfer and apply the entire account balance,
35 leaving an unpaid balance of the installment. Interest shall

1 attach on the unpaid balance in accordance with section
2 445.39. Unless funds sufficient to fully satisfy the
3 delinquency are received, the treasurer shall collect the
4 unpaid balance as provided in sections 445.3 and 445.4 and
5 chapter 446. Any remaining balance in a taxpayer's account in
6 excess of the amount needed to fully satisfy an installment
7 shall remain in the account to be applied toward the next
8 semiannual installment. Any interest income derived from the
9 account shall be deposited in the county's general fund to
10 cover administrative costs. The treasurer shall send a notice
11 with the tax statement or by separate mail to each taxpayer
12 stating that, upon request to the treasurer, the taxpayer may
13 make partial payments of taxes.

14 2. Partial payment of taxes which are delinquent may be
15 made to the county treasurer. ~~A minimum payment amount shall~~
16 ~~be established by the treasurer. The minimum payment must be~~
17 ~~equal to or exceed the interest and costs attributed to the~~
18 ~~oldest delinquent installment of the tax and~~ For the
19 installment being paid, payment shall first be applied to any
20 interest, fees, and costs accrued and the remainder applied to
21 the taxes due. A partial payment must equal or exceed the
22 amount of interest, fees, and costs of the installment being
23 paid. A partial payment made under this subsection shall be
24 apportioned in accordance with section 445.57. If the payment
25 does not include the whole of any installment of the
26 delinquent tax, the unpaid tax shall continue to accrue
27 interest pursuant to section 445.39. Partial payment shall
28 not be permitted in lieu of redemption if the property has
29 been sold for taxes under chapter 446 and under any
30 circumstances shall not constitute an extension of the time
31 period for a sale under chapter 446.

32 Current year taxes may be paid at any time regardless of
33 any outstanding prior year delinquent tax.

34 This section does not apply to the payment of manufactured
35 or mobile home taxes, special assessments, or rates or

1 charges.

2 Sec. 16. Section 446.16, subsection 1, Code 2005, is
3 amended to read as follows:

4 1. The person who offers to pay the total amount due,
5 which is a lien on any parcel, for the smallest percentage of
6 the parcel is the purchaser, and when the purchaser designates
7 the percentage of any parcel for which the purchaser will pay
8 the total amount due, the percentage thus designated shall
9 give the person an undivided interest upon the issuance of a
10 treasurer's deed, as provided in chapter 448. If two or more
11 persons have placed an equal bid and the bids are the smallest
12 percentage offered, the county treasurer shall use a random
13 selection process to select the bidder to whom a certificate
14 of purchase will be issued. The percentage that may be
15 designated by any purchaser under this subsection shall not be
16 less than one percent.

17 Sec. 17. Section 446.19A, subsections 1 through 4, Code
18 2005, are amended to read as follows:

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

25 2. On the day of the regular tax sale or any continuance
26 or adjournment of the tax sale, the county or a city may bid
27 for abandoned property assessed as residential property or as
28 commercial multifamily housing property or for a vacant lot a
29 sum equal to the total amount due. Money shall not be paid by
30 the county or city for the purchase, but each of the tax-
31 levying and tax-certifying bodies having any interest in the
32 taxes shall be charged with the total amount due the tax-
33 levying or tax-certifying body as its just share of the
34 purchase price. Prior to the purchase, the county or city
35 shall file with the county treasurer a verified statement that

1 a parcel to be purchased is abandoned ~~and-deteriorating-in~~
2 ~~condition-or-is,-or-is-likely-to-become,-a-public-nuisance~~
3 property, and that the parcel is suitable for use as housing
4 following rehabilitation or that a parcel to be purchased is a
5 vacant lot.

6 3. If after the date that a parcel is sold pursuant to
7 this chapter, or after the date that a parcel is sold under
8 section 446.18, 446.38, or 446.39, the parcel assessed as
9 residential property or as commercial multifamily housing
10 property is identified as abandoned or as a vacant lot
11 pursuant to a verified statement filed with the county
12 treasurer by a city or county in the form set forth in
13 subsection 2, a city or county may require the assignment of
14 the tax sale certificate that had been issued for such parcel
15 by paying to the holder of such certificate the total amount
16 due on the date the assignment of the certificate is made to
17 the county or city and recorded with the county treasurer. If
18 a certificate holder fails to assign the certificate of
19 purchase to the city or county, the county treasurer is
20 authorized to issue a duplicate certificate of purchase, which
21 shall take the place of the original certificate, and assign
22 the duplicate certificate to the city or county. If the
23 certificate is not assigned by the county or city pursuant to
24 subsection 4, the county or city, whichever is applicable, is
25 liable for the tax sale interest that was due the certificate
26 holder pursuant to section 447.1, as of the date of
27 assignment.

28 4. a. The city or county may assign the tax sale
29 certificate obtained pursuant to this section. Persons who
30 purchase certificates from the city or county under this
31 subsection are liable for the total amount due the certificate
32 holder pursuant to section 447.1.

33 b. All persons who purchase certificates from the city or
34 county under this subsection shall demonstrate the intent to
35 rehabilitate the abandoned property for habitation or build a

1 residential structure on the vacant lot if the property is not
2 redeemed. In the alternative, the county or city may, if
3 title to the property has vested in the county or city under
4 section 448.1, dispose of the property in accordance with
5 section 331.361 or 364.7, as applicable.

6 Sec. 18. Section 446.19A, subsection 5, Code 2005, is
7 amended by striking the subsection and inserting in lieu
8 thereof the following:

9 5. For purposes of this section:

10 a. "Abandoned property" means a lot or parcel containing a
11 building which is used or intended to be used for residential
12 purposes and which has remained vacant and has been in
13 violation of the housing code of the city in which the
14 property is located or of the housing code applicable in the
15 county in which the property is located if outside the limits
16 of a city, for a period of six consecutive months.

17 b. "Vacant lot" means a lot or parcel located in a city or
18 outside the limits of a city in a county that contains no
19 buildings or structures and that is zoned to allow for
20 residential structures.

21 Sec. 19. Section 446.37, Code 2005, is amended to read as
22 follows:

23 446.37 FAILURE TO OBTAIN DEED -- CANCELLATION OF SALE.

24 After three years have elapsed from the time of any tax
25 sale, and ~~action-has-not-been-completed-during-the-time-which~~
26 ~~qualifies-the-holder-of-a-certificate-to-obtain-a-deed~~ the
27 holder of a certificate has not filed an affidavit of service
28 of notice of expiration of right of redemption under section
29 447.12, the county treasurer shall cancel the sale from the
30 county system. However, this if the filing of affidavit of
31 service is stayed by operation of law, the time period for the
32 filing of the affidavit shall not expire until the later of
33 six months after the stay has been lifted or three years from
34 the time of the tax sale. This section does not apply to
35 certificates of purchase at tax sale which are held by a

1 county.

2 Sec. 20. Section 447.8, Code 2005, is amended by striking
3 the section and inserting in lieu thereof the following:

4 447.8 REDEMPTION AFTER DELIVERY OF DEED.

5 1. After the delivery of the treasurer's deed, a person
6 entitled to redeem a parcel sold at tax sale shall do so only
7 by an equitable action in the district court of the county
8 where the parcel is located. The action may be maintained
9 only by a person who was entitled to redeem the parcel during
10 the ninety-day redemption period in section 447.12, except
11 that such a person may assign the person's right of redemption
12 or right to maintain the action to another person.

13 In order to establish the right to redeem, the person
14 maintaining the action shall be required to prove to the court
15 either that the person maintaining the action or a predecessor
16 in interest was not properly served with notice in accordance
17 with the requirements of sections 447.9 through 447.12, or
18 that the person maintaining the action or a predecessor in
19 interest acquired an interest in or possession of the parcel
20 during the ninety-day redemption period in section 447.12. A
21 person shall not be entitled to maintain such action by
22 claiming that a different person was not properly served with
23 notice of expiration of right of redemption, if the person
24 seeking to maintain the action, or the person's predecessor in
25 interest, if applicable, was properly served with the notice.
26 A person is not allowed to redeem a parcel sold for delinquent
27 taxes in any other manner after the execution and delivery of
28 the treasurer's deed.

29 2. The person maintaining the action shall name as
30 defendants all persons claiming an interest in the parcel
31 derived from the tax sale, as shown by the record.

32 3. If the court determines that notice was properly
33 served, the court shall enter judgment holding that all rights
34 of redemption are terminated and that the validity of the tax
35 title or purported tax title is conclusively established as a

1 matter of law.

2 4. If the court determines that notice was not properly
3 served and that the person maintaining the action is entitled
4 to redeem, the court shall so order. The order shall
5 determine the rights, claims, and interests of all parties,
6 including liens for taxes and claims for improvements made on
7 or to the parcel by the person claiming under the tax title.
8 The order shall establish the amount necessary to effect
9 redemption. The redemption amount shall include the amount
10 for redemption computed in accordance with section 447.1,
11 including interest computed up to and including the date of
12 payment of the total redemption amount to the clerk of court;
13 the amount of all costs added to the redemption amount in
14 accordance with section 447.13; and, in the event that the
15 person claiming under the tax title has made improvements on
16 or to the parcel after the treasurer's deed was issued, an
17 amount equal to the value of all such improvements. The order
18 shall direct that the person maintaining the action shall pay
19 to the clerk of court, within thirty days after the date of
20 the order, the total redemption amount established in the
21 order.

22 5. Upon timely receipt of the payment, the court shall
23 enter judgment declaring the treasurer's deed to be invalid
24 and determining the resulting rights, claims, and interests of
25 all parties to the action. In its judgment, the court shall
26 direct the clerk of court to deliver the entire amount of the
27 redemption payment to the person who previously claimed title
28 under the treasurer's deed.

29 If the person maintaining the action fails to timely
30 deliver payment of the total redemption amount to the clerk of
31 court, the court shall enter judgment holding that all rights
32 of redemption are terminated and that the validity of the tax
33 title or purported tax title is conclusively established as a
34 matter of law. No subsequent action shall be brought to
35 challenge the treasurer's deed or to recover the parcel.

1 6. If an affidavit is filed pursuant to section 448.15 and
2 if the time period for filing a claim under section 448.16
3 expires with no claims having been filed, all persons are
4 thereafter barred and estopped from commencing an action under
5 this section.

6 Sec. 21. Section 447.13, Code 2005, is amended to read as
7 follows:

8 447.13 COST -- FEE -- REPORT.

9 The cost of servicing the notice, including the cost of
10 sending certified mail notices, and the cost of publication
11 under section 447.10, if publication is required, shall be
12 added to the amount necessary to redeem. The cost of a record
13 search shall also be added to the amount necessary to redeem.
14 However, if the certificate holder is other than a county, the
15 search must be performed by an abstractor who is an active
16 participant in the title guaranty program under section 16.91
17 or by an attorney licensed to practice law in the state of
18 Iowa, and the amount of the cost of the record search that may
19 be added to the amount necessary to redeem shall not exceed
20 three hundred dollars.

21 PARAGRAPH DIVIDED. The county treasurer shall file the
22 proof of service and statement of costs and record these costs
23 against the parcel. The certificate holder or the holder's
24 agent shall report in writing to the treasurer the amount of
25 authorized costs incurred, and the treasurer shall file the
26 statement. Costs not filed with the treasurer before a
27 redemption is complete shall not be collected by the treasurer
28 and may be recovered through a court action against the parcel
29 owner by the certificate holder. If the parcel is held by a
30 city or county, a city or county agency, or the Iowa finance
31 authority, for use in an Iowa homesteading project, whether or
32 not the parcel is the subject of a conditional conveyance
33 granted under the project, the costs incurred for repairs and
34 rehabilitation work required and undertaken in order to make
35 the parcel meet applicable building or housing code standards

1 shall be added to the amount necessary to redeem.

2 ~~For tax sale certificates of purchase held by a county, the~~
3 ~~cost of a record search and the cost of serving the notice,~~
4 ~~including the cost of mailing certified mail notices and the~~
5 ~~cost of publication under section 447.10, if publication is~~
6 ~~required, shall be added to the amount necessary to redeem.~~

7 Sec. 22. Section 448.6, Code 2005, is amended by striking
8 the section and inserting in lieu thereof the following:

9 448.6 ACTION TO CHALLENGE TREASURER'S DEED.

10 1. A deed executed by the county treasurer in conformity
11 with the requirements of sections 448.2 and 448.3 shall be
12 presumed to effect a valid title conveyance, and the
13 treasurer's deed may be challenged only by an equitable action
14 in the district court in the county in which the parcel is
15 located. If the action seeks an order of the court to allow
16 redemption after delivery of the treasurer's deed based on
17 improper service of notice of expiration of right of
18 redemption, the action shall be brought in accordance with
19 section 447.8. If the action is not brought on that basis,
20 the action shall be controlled by the provisions of this
21 section.

22 2. A person shall not be permitted to maintain the action
23 unless the person establishes that the person, or the person
24 under whom the person claims title, had title to the parcel at
25 the time of the sale, or that the title was obtained from the
26 United States or this state after the sale, and that all
27 amounts due upon the parcel for the applicable tax years have
28 been paid by that person or by the person under whom that
29 person claims title.

30 3. The person maintaining the action shall name as
31 defendants the holder of the tax title and the treasurer of
32 the county in which the parcel is located.

33 4. The person challenging the deed shall be required to
34 prove, in order to invalidate the deed, any of the following:

35 a. That the parcel was not subject to taxes for the year

1 or years named in the deed.

2 b. That the taxes had been paid before the sale.

3 c. That the parcel had been redeemed from the sale and
4 that the redemption was made for the use and benefit of
5 persons having the right of redemption.

6 d. That there had been an entire omission to list or
7 assess the parcel, or to levy the taxes, or to give notice of
8 the sale, or to sell the parcel.

9 5. If the court determines that the person challenging the
10 treasurer's deed has established one or more of the elements
11 required under subsection 4 to be proven in order to
12 invalidate the deed, the court shall enter judgment declaring
13 the deed to be invalid. The judgment shall order the
14 treasurer to refund to the person claiming under the tax title
15 all sums paid to the treasurer for the purchase of the tax
16 sale certificate and for any subsequent taxes paid by the
17 certificate holder. If the person claiming under the tax
18 title is determined by the court to have made improvements to
19 the parcel, the court shall enter judgment in favor of the
20 person claiming under the tax title for an amount equal to the
21 value of such improvements made after the treasurer's deed was
22 issued, and such judgment shall be a lien on the parcel until
23 paid.

24 6. If an affidavit is filed pursuant to section 448.15,
25 and if the time period for filing a claim under section 448.16
26 expires with no claims having been filed, all persons are
27 thereafter barred and estopped from commencing an action under
28 this section.

29 Sec. 23. Section 448.12, Code 2005, is amended to read as
30 follows:

31 448.12 LIMITATION OF ACTIONS.

32 An action under section 447.8 or 448.6 for the recovery
33 of a parcel sold for the nonpayment of taxes shall not be
34 brought after three years from the execution and recording of
35 the county treasurer's deed, ~~unless the owner is, at the time~~

1 of-the-sale, a minor, a person with mental illness, or an
2 inmate in an adult correctional institution, in which case the
3 action must be brought within three years after the disability
4 is removed.

5 This section, as amended by 1991 Iowa Acts, chapter 191,
6 section 111, is effective for parcels sold at tax sales
7 occurring on or after April 1, 1992, and for disabilities
8 removed on or after April 1, 1992. For tax sales occurring
9 prior to April 1, 1992, the provisions of this section in
10 effect on the date of the tax sale apply.

11 Sec. 24. Section 448.15, Code 2005, is amended to read as
12 follows:

13 448.15 AFFIDAVIT BY TAX-TITLE HOLDER.

14 1. Immediately After taking possession of the parcel,
15 after the issuance and recording of a tax deed or an
16 instrument purporting to be a tax deed issued by a county
17 treasurer of this state, the then owner or holder of the title
18 or purported title may file with the county recorder of the
19 county in which the parcel is located an affidavit
20 substantially in the following form:

21 State of Iowa,)
22 County.) ss.

23 I,, being first duly sworn, on oath depose and
24 say that on (date) the county treasurer issued a tax
25 deed to (grantee) for
26 the following described parcel:
27;
28 that the tax deed was filed for record in the office of the
29 county recorder of county, Iowa, on (date), and
30 appears in the records of the office in county as
31 recorded in Book Page of the Records; and
32 that claims title to an undivided percent interest
33 in the parcel by virtue of the tax deed, or purported tax
34 title.

35 Any person claiming any right, title, or interest in or to

1 title or purported tax title shall serve a copy of the
2 affidavit on any other person in possession of the parcel by
3 sending a copy of the affidavit by both certified mail to the
4 person at the address of the parcel or at the person's last
5 known address if different from the address of the parcel.
6 Such service is deemed completed when the affidavit mailed by
7 certified mail is postmarked for delivery. An affidavit of
8 service shall be attached to, and filed with, the affidavit in
9 subsection 1. The affidavit of service shall include the
10 names and addresses of all persons served and the time of
11 mailing.

12 Sec. 25. Section 448.16, Code 2005, is amended to read as
13 follows:

14 448.16 CLAIMS ADVERSE TO TAX TITLE BARRED.

15 1. When the affidavit described in section 448.15 is filed
16 it shall be notice to all persons, and any person claiming any
17 right, title, or interest in or to the parcel described
18 adverse to the title or purported title by virtue of the tax
19 deed referred to, shall file a claim with the county recorder
20 of the county in which the parcel is located within one
21 hundred twenty days after the filing of the affidavit, which
22 claim shall set forth the nature of the interest, the time
23 when and the manner in which the interest was acquired.

24 2. At the expiration of the period of one hundred twenty
25 days, if no such claim has been filed, the validity of the tax
26 title or purported tax title shall be conclusively established
27 as a matter of law, and all persons shall thereafter be
28 forever barred and estopped from having or claiming any right,
29 title, or interest in the parcel adverse to the tax title or
30 purported tax title, and-no including but not limited to any
31 claim alleging improper service of notice of expiration of
32 right of redemption. An action shall not thereafter be
33 brought to recover-the-parcel,-and-the-then-tax-title-owner-or-
34 owner-of-the-purported challenge the tax deed or tax title
35 shall-also-have-acquired-title-to-the-parcel-by-adverse

1 possession.

2 3. An action to enforce a claim filed under subsection 1
3 shall be commenced within sixty days after the date of filing
4 the claim. The action may be commenced by the claimant, or a
5 person under whom the claimant claims title, under either
6 section 447.8 or 448.6. If an action by the claimant, or such
7 other person, is not filed within sixty days after the filing
8 of the claim, the claim thereafter shall be forfeited and
9 cancelled without any further notice or action, and the
10 claimant, or the person under whom the claimant claims title,
11 thereafter shall be forever barred and estopped from having or
12 claiming any right, title, or interest in the parcel adverse
13 to the tax title or purported tax title.

14 Sec. 26. Section 448.7, Code 2005, is repealed.

15 Sec. 27. EFFECTIVE DATE AND APPLICABILITY DATE PROVISIONS.

16 1. This Act, being deemed of immediate importance, takes
17 effect upon enactment.

18 2. The section of the Act amending section 446.37 applies
19 to tax sale certificates of purchase in existence before the
20 effective date of the Act, notwithstanding section 447.14, and
21 to tax sale certificates of purchase issued on or after the
22 effective date of the Act.

23 3. The remainder of this Act applies to parcels sold at
24 tax sales occurring on or after June 1, 2005.

25 EXPLANATION

26 This bill makes various changes relating to delinquent
27 property taxes and other duties of county treasurers relating
28 to payment of property taxes and special assessments and
29 issuance of certain types of motor vehicle registrations and
30 certificates of title.

31 The bill allows an application for registration and
32 issuance of title for mobile homes or manufactured homes from
33 the county treasurer of the county where the home is located
34 in addition to the county where the owner resides. The bill
35 also provides that if title in a mobile home or manufactured

1 home is transferred by operation of law, the new registration
2 and certificate of title shall be applied for from the county
3 treasurer of the county where the home is located.

4 The bill provides that a lienholder who applies for a
5 replacement certificate of title is not subject to the five-
6 day waiting period.

7 Current law provides that a county treasurer may require a
8 payor to make payment by electronic transfer of funds if the
9 payment totals \$100,000 or more. The bill lowers this amount
10 to \$25,000 and requires that payment be made through the
11 county treasurer's authorized website.

12 The bill allows a county treasurer to treat payment made by
13 electronic funds transfer the same as a paper check for
14 purposes of charging a \$30 surcharge, and providing notice
15 that a surcharge will be charged, for those electronic funds
16 transfers that fail to clear because of insufficient funds.

17 The bill adds to the Code sections on payment of special
18 assessments, cost of weed destruction, and secondary road
19 assessments the same payment date provisions as are in the
20 Code for payment of property taxes. These payments are
21 collected in the same manner as property taxes.

22 The bill removes the minimum payment requirement for
23 partial payment of mobile/manufactured home taxes and ordinary
24 property taxes and provides instead that any partial payment
25 must equal or exceed the interest, fees, and costs accrued on
26 the installment and the payment made shall first be applied
27 toward any interest, fees, and costs accrued before being
28 applied to the tax due.

29 The bill provides that the reasonable fee that may be
30 charged by the treasurer to certain persons or entities that
31 request a property tax statement does not apply when the
32 requestor is a lessee or contract purchaser of the property.
33 The bill also provides that the titleholder of property may
34 make written request to the county treasurer to deliver the
35 property tax statement to another person in lieu of delivery

1 to the titleholder and no fee shall be charged by the
2 treasurer for doing so.

3 The bill provides that the treasurer may charge a fee for
4 processing a property tax payment made by mortgagees and
5 certain financial institutions if the payment is made by any
6 other means than through the treasurer's authorized website.

7 The bill provides that when a tax sale purchaser designates
8 a percentage of the parcel for which the purchaser will pay
9 the full amount of delinquent taxes, that percentage shall not
10 be less than one percent.

11 The bill amends the section of the Code which allows a
12 county to adopt an ordinance authorizing the county and cities
13 in the county to bid on and purchase delinquent taxes on
14 abandoned property and to assign the tax sale certificate to a
15 person who intends to rehabilitate the property for
16 habitation. The bill adds vacant lots to the kind of property
17 on which a city or county may bid and defines "vacant lot" as
18 a lot or parcel containing no buildings or structures but
19 which is zoned to allow for residential structures. The bill
20 also strikes the internal reference to Code section 657A.1 to
21 "abandoned property" and defines the term. The bill provides
22 that if the holder of a tax sale certificate of purchase for
23 abandoned property or a vacant lot refuses to assign the
24 certificate to a city or county when such a request is made,
25 the county treasurer may issue a duplicate certificate of
26 purchase and assign the duplicate to the city or county.

27 The bill provides that if, within three years of the tax
28 sale, a tax sale certificate holder has not filed an affidavit
29 of service of notice of expiration of right of redemption, the
30 county treasurer shall cancel the tax sale from the system.
31 If the filing of the affidavit has been stayed by operation of
32 law, the time period is the later of six months after the stay
33 has been lifted or three years. This portion of the bill
34 applies to tax sale certificates in existence on the effective
35 date of the bill and to those issued on or after the effective

1 date.

2 The bill rewrites the section of the Code relating to
3 redemption of a parcel sold at tax sale after delivery of the
4 treasurer's deed to the tax sale certificate holder. The
5 section is written to specify that an action to allow
6 redemption of a parcel may only be brought by a person who had
7 the right to redeem the parcel prior to execution of the
8 treasurer's deed or a person to whom that person assigned that
9 right. The rewritten section further provides that in order
10 to establish the right to redeem after delivery of a
11 treasurer's deed, the person bringing the action is required
12 to prove that notice of expiration of right to redemption was
13 not served upon the person by the certificate holder or that
14 the person acquired the interest in the parcel after the
15 affidavit was served on another person. The bill provides
16 that if the court determines that the person has the right to
17 redeem the parcel, the redemption amount shall include the
18 value of improvements made by the treasurer's deed holder
19 after the deed was issued.

20 The bill provides that the cost of a record search and the
21 cost of sending certified mail notices relating to redemption
22 of a parcel shall be included in the costs that must be paid
23 in order to redeem. Currently, those costs are included only
24 if the certificate holder is a county. However, the bill
25 places limitations on the costs of a record search that may be
26 recovered if the certificate holder is other than a county.

27 The bill rewrites into one section the two sections of the
28 Code relating to an action brought to challenge a treasurer's
29 deed. The bill retains the bases for challenging a
30 treasurer's deed that is in current Code. The bill changes
31 the time when a treasurer's deed holder must file the
32 affidavit putting people on notice that the deed has been
33 issued to when the deed holder takes possession of the parcel,
34 rather than immediately after the deed is issued and recorded.
35 The bill requires any person seeking to challenge the deed to

1 file a claim with the county recorder and to bring the action
2 within 60 days of filing the claim. If no claim was filed, or
3 if no action was brought on a claim, within the 60-day time
4 period, the person is barred from bringing a claim. If the
5 court finds in favor of the person challenging the deed, the
6 court may order that the person pay to the holder of the deed
7 the cost of improvements made after the deed was issued.

8 The bill takes effect upon enactment and, with one
9 exception, applies to parcels sold at tax sales occurring on
10 or after June 1, 2005.

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