FILED MAR 3 2005

SENATE FILE 265
BY COMMITTEE ON LOCAL GOVERNMENT

(SUCCESSOR TO SF 170)

Passed Senate, Date 3-14-05 Passed House, Date _____
Vote: Ayes 50 Nays 0 Vote: Ayes _____ Nays _____
Approved 4/19/05

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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6
7 SENATE FILE 265
8 S-3012
9 1 Amend Senate File 265 as follows:
10 2 1. Page 19, line 30, by inserting after the word
3 "both" the following: "regular and".
11 By ROGER STEWART
12 S-3012 FILED MARCH 8, 2005
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SP 265

TLSB 1709SV 81
sc/gg/14

S.F. 265 H.F. _____

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 <u>from the county treasurer of the county where the</u>
27 <u>mobile home or manufactured home is located</u>. 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 <u>to an applicant who is a lienholder or</u> 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, <u>or, in the case of a</u>
15 <u>mobile home or manufactured home, the county treasurer of the</u>
16 <u>county where the mobile home or manufactured home is located,</u>
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

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

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

4. Each installment of an assessment with interest on the unpaid balance is delinquent from October 1 after its due date~~, including those instances when the last day of September is a Saturday or Sunday,~~ and bears the same delinquent interest as ordinary taxes. However, when the last day of September is a Saturday or Sunday, the unpaid balance of the installment is delinquent from the second business day of October after its due date. When collected, the interest must 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

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

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

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

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

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

1. The person who offers to pay the total amount due, which is a lien on any parcel, for the smallest percentage of the parcel is the purchaser, and when the purchaser designates the percentage of any parcel for which the purchaser will pay 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:

5. For purposes of this section:

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

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

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

446.37 FAILURE TO OBTAIN DEED -- CANCELLATION OF SALE.

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

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

447.8 REDEMPTION AFTER DELIVERY OF DEED.

1. After the delivery of the treasurer's deed, a person entitled to redeem a parcel sold at tax sale shall do so only by an equitable action in the district court of the county 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.

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

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

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

Sec. 21. Section 448.6, Code 2005, is amended by striking 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.

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

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

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

448.12 LIMITATION OF ACTIONS.

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

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

1 ~~prior-to-April-1,-1992,-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 certified mail to the
31 person at the address of the parcel or at the person's last
32 known address if different from the address of the parcel.
33 Such service is deemed completed when the affidavit mailed by
34 certified mail is postmarked for delivery. An affidavit of
35 service shall be attached to, and filed with, the affidavit in

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

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

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

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

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

SENATE FILE 265
BY COMMITTEE ON LOCAL GOVERNMENT

(SUCCESSOR TO SF 170)

(AS AMENDED AND PASSED BY THE SENATE MARCH 14, 2005)

▬▬▬▬▬▬▬▬ - New Language by the Senate

Passed Senate, Date _____ Passed House, Date 4-12-05
Vote: Ayes _____ Nays _____ Vote: Ayes 99 Nays 0
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:
5
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S.F. 265

S.F. 265 H.F. _____

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

311.18 ASSESSMENT DELINQUENT -- INTEREST.

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

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

1. Annually, after the weed commissioner has completed the program of destruction of weeds by reason of noncompliance by persons responsible for the destruction, the board of supervisors shall determine as to each tract of real estate the actual cost of labor and materials used by the commissioner in cutting, burning, or otherwise destroying the weeds, the cost of serving notice, and of special meetings or proceedings, if any. To the total of all sums expended, the board shall add an amount equal to twenty-five percent of that total to compensate for the cost of supervision and administration and assess the resulting sum against the tract of real estate by a special tax, which shall be certified to the county auditor and county treasurer by the clerk of the board of supervisors, and shall be placed upon the tax books, and collected, with interest after delinquent, in the same manner as other unpaid taxes. The tax shall be due on March 1 after assessment, and shall be delinquent from April 1 after due~~, including those instances~~. However, when the last day of March is a Saturday or Sunday, such amount shall be delinquent from the second business day of April. When collected, the moneys shall be paid into the fund from which the costs were 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 <u>from the county treasurer of the county where the</u>
27 <u>mobile home or manufactured home is located</u>. 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 <u>to an applicant who is a lienholder or</u> 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, <u>or, in the case of a</u>
15 <u>mobile home or manufactured home, the county treasurer of the</u>
16 <u>county where the mobile home or manufactured home is located,</u>
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

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

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

4. Each installment of an assessment with interest on the unpaid balance is delinquent from October 1 after its due date~~, including those instances when the last day of September is a Saturday or Sunday,~~ and bears the same delinquent interest as ordinary taxes. However, when the last day of September is a Saturday or Sunday, the unpaid balance of the installment is delinquent from the second business day of October after its due date. When collected, the interest must 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

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

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

Sec. 12. Section 445.5, subsection 2, unnumbered paragraph 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

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

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

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

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

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

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

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

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

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

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

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

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.

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

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

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

Sec. 21. Section 448.6, Code 2005, is amended by striking 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.

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

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

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

448.12 LIMITATION OF ACTIONS.

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

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

1 ~~prior to April 1, 1992, 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.
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SENATE FILE 265

AN ACT

RELATING TO DELINQUENT PROPERTY TAXES AND OTHER DUTIES OF THE COUNTY TREASURER AND INCLUDING EFFECTIVE DATE AND APPLICABILITY DATE PROVISIONS.

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

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

311.18 ASSESSMENT DELINQUENT -- INTEREST.

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

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

1. Annually, after the weed commissioner has completed the program of destruction of weeds by reason of noncompliance by persons responsible for the destruction, the board of supervisors shall determine as to each tract of real estate the actual cost of labor and materials used by the commissioner in cutting, burning, or otherwise destroying the weeds, the cost of serving notice, and of special meetings or proceedings, if any. To the total of all sums expended, the board shall add an amount equal to twenty-five percent of that total to compensate for the cost of supervision and administration and assess the resulting sum against the tract

of real estate by a special tax, which shall be certified to the county auditor and county treasurer by the clerk of the board of supervisors, and shall be placed upon the tax books, and collected, with interest after delinquent, in the same manner as other unpaid taxes. The tax shall be due on March 1 after assessment, and shall be delinquent from April 1 after due~~, including those instances~~. However, when the last day of March is a Saturday or Sunday, such amount shall be delinquent from the second business day of April. When collected, the moneys shall be paid into the fund from which the costs were originally paid.

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

Except as provided in this chapter, an owner of a vehicle subject to registration shall make application to the county treasurer of the county of the owner's residence, or if a nonresident, to the county treasurer of the county where the primary users of the vehicle are located, or if a lessor of the vehicle pursuant to chapter 321F which vehicle has a gross vehicle weight of less than ten thousand pounds, to the county treasurer of the county of the lessee's residence, for the registration and issuance of a certificate of title for the vehicle upon the appropriate form furnished by the department. However, upon the transfer of ownership, the owner of a vehicle subject to the proportional registration provisions of chapter 326 shall make application for registration and issuance of a certificate of title to either the department or the appropriate county treasurer. The application shall be accompanied by a fee of ten dollars, and shall bear the owner's signature. A nonresident owner of two or more vehicles subject to registration may make application for registration and issuance of a certificate of title for all vehicles subject to registration to the county treasurer of the county where the primary user of any of the vehicles is located. The owner of a mobile home or manufactured home shall make application for a certificate of title under this

section from the county treasurer of the county where the mobile home or manufactured home is located. The application shall contain:

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

b. After five days, the department or county treasurer shall issue a replacement copy using the applicant's most recent bona fide address; however, the five-day waiting period does not apply to an applicant who is a lienholder or to an applicant who has surrendered the original certificate of title to the department or county treasurer. The replacement copy shall be clearly marked "replacement" and shall include security interests and liens. When a replacement copy has been issued, the previous certificate is void. The department or county treasurer is not authorized to refund fees collected for a replacement title under this section or section 321.52A.

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

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

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

If ownership of a vehicle is transferred by operation of law upon inheritance, devise or bequest, dissolution decree, order in bankruptcy, insolvency, replevin, foreclosure or execution sale, abandoned vehicle sale, or when the engine of a motor vehicle is replaced by another engine, or a vehicle is sold or transferred to satisfy an artisan's lien as provided in chapter 577, a landlord's lien as provided in chapter 570, a storage lien as provided in chapter 579, a judgment in an action for abandonment of a manufactured or mobile home as provided in chapter 555B, upon presentation of an affidavit relating to the disposition of a valueless mobile, modular, or manufactured home as provided in chapter 555C, or repossession is had upon default in performance of the terms of a security agreement, the county treasurer in the transferee's county of residence or, in the case of a mobile home or manufactured home, the county treasurer of the county where the mobile home or manufactured home is located, upon the surrender of the prior certificate of title or the manufacturer's or importer's certificate, or when that is not possible, upon presentation of satisfactory proof to the county treasurer of ownership and right of possession to the vehicle and upon payment of a fee of ten dollars and the presentation of an application for registration and certificate of title, may issue to the applicant a registration card for the vehicle and a certificate of title to the vehicle. A person entitled to ownership of a vehicle under a decree of dissolution shall surrender a reproduction of a certified copy of the dissolution and upon fulfilling the other requirements of this chapter is entitled to a certificate of title and registration receipt issued in the person's name.

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

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

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

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

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

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

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

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

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

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

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

6. a. As an alternative to the semiannual or annual payment of taxes, the county treasurer may accept partial

payments of current year home taxes. ~~A minimum payment amount shall be established by the treasurer.~~ The treasurer shall transfer amounts from each taxpayer's account to be applied to each semiannual tax installment prior to the delinquency dates specified in section 445.37 and the amounts collected shall be apportioned by the tenth of the month following transfer. If, prior to the due date of each semiannual installment, the account balance is insufficient to fully satisfy the installment, the treasurer shall transfer and apply the entire account balance, leaving an unpaid balance of the installment. Interest shall attach on the unpaid balance in accordance with section 445.39. Unless funds sufficient to fully satisfy the delinquency are received, the treasurer shall collect the unpaid balance as provided in sections 445.3 and 445.4 and chapter 446. Any remaining balance in a taxpayer's account in excess of the amount needed to fully satisfy an installment shall remain in the account to be applied toward the next semiannual installment. Any interest income derived from the account shall be deposited in the county's general fund to cover administrative costs. The treasurer shall send a notice with the tax statement or by separate mail to each taxpayer stating that, upon request to the treasurer, the taxpayer may make partial payments of current year home taxes.

b. Partial payment of taxes which are delinquent may be made to the county treasurer. ~~A minimum payment amount shall be established by the treasurer. The minimum payment must be equal to or exceed the interest, fees, and costs attributed to the oldest delinquent installment of the tax and~~ For the installment being paid, payment shall first be applied toward any interest, fees, and costs accrued and the remainder applied to the tax due. A partial payment must equal or exceed the interest, fees, and costs of the installment being paid. A partial payment made under this paragraph shall be apportioned in accordance with section 445.57. If the payment does not include the whole of any installment of the delinquent tax, the unpaid tax shall continue to accrue

interest pursuant to section 445.39. Partial payment shall not be permitted in lieu of redemption if the property has been sold for taxes under chapter 446 and under any circumstances shall not constitute an extension of the time period for a sale under chapter 446.

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

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

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

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

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

445.36A PARTIAL PAYMENTS.

1. As an alternative to the semiannual or annual payment of taxes, the county treasurer may accept partial payments of taxes. ~~A minimum payment amount shall be established by the treasurer.~~ The treasurer shall transfer amounts from each taxpayer's account to be applied to each semiannual tax installment prior to the delinquency dates specified in section 445.37 and the amounts collected shall be apportioned by the tenth of the month following transfer. If, prior to the due date of each semiannual installment, the account balance is insufficient to fully satisfy the installment, the treasurer shall transfer and apply the entire account balance, leaving an unpaid balance of the installment. Interest shall attach on the unpaid balance in accordance with section 445.39. Unless funds sufficient to fully satisfy the

delinquency are received, the treasurer shall collect the unpaid balance as provided in sections 445.3 and 445.4 and chapter 446. Any remaining balance in a taxpayer's account in excess of the amount needed to fully satisfy an installment shall remain in the account to be applied toward the next semiannual installment. Any interest income derived from the account shall be deposited in the county's general fund to cover administrative costs. The treasurer shall send a notice with the tax statement or by separate mail to each taxpayer stating that, upon request to the treasurer, the taxpayer may make partial payments of taxes.

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

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

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

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

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

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

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

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

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

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

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

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

5. For purposes of this section:

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

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

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

446.37 FAILURE TO OBTAIN DEED -- CANCELLATION OF SALE.

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

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

447.8 REDEMPTION AFTER DELIVERY OF DEED.

1. After the delivery of the treasurer's deed, a person entitled to redeem a parcel sold at tax sale shall do so only

by an equitable action in the district court of the county where the parcel is located. The action may be maintained only by a person who was entitled to redeem the parcel during the ninety-day redemption period in section 447.12, except that such a person may assign the person's right of redemption or right to maintain the action to another person.

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

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

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

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

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

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

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

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

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

447.13 COST -- FEE -- REPORT.

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

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

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

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

448.6 ACTION TO CHALLENGE TREASURER'S DEED.

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

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

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

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

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

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

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

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

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

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

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

448.12 LIMITATION OF ACTIONS.

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

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

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

448.15 AFFIDAVIT BY TAX-TITLE HOLDER.

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

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

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

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

within sixty days after the filing of the claim, the claim thereafter shall be forfeited and cancelled without any further notice or action, and the claimant thereafter shall be forever barred and estopped from having or claiming any right, title, or interest in the parcel adverse to the tax title or purported tax title.

.....

Subscribed and sworn to before me this .... day of ..... (month), ... (year).

.....

Notary Public in and for

..... County, Iowa.

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

3. For purposes of this section, if a tax deed or instrument purporting to be a tax deed has been issued to convey an undivided interest in the parcel of less than one hundred percent, the owner or holder of the tax title or purported tax title shall be deemed to be in possession and entitled to file the affidavit in subsection 1. However, before filing the affidavit, the owner or holder of the tax title or purported tax title shall serve a copy of the affidavit on any other person in possession of the parcel by sending a copy of the affidavit by both regular and certified mail to the person at the address of the parcel or at the person's last known address if different from the address of the parcel. Such service is deemed completed when the affidavit mailed by certified mail is postmarked for delivery. An affidavit of service shall be attached to, and filed with, the affidavit in subsection 1. The affidavit of service shall include the names and addresses of all persons served and the time of mailing.

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

448.16 CLAIMS ADVERSE TO TAX TITLE BARRED.

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

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

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

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

Sec. 26. EFFECTIVE DATE AND APPLICABILITY DATE PROVISIONS.

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

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

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

JOHN P. KIBBIE
President of the Senate

CHRISTOPHER C. RANTS
Speaker of the House

I hereby certify that this bill originated in the Senate and is known as Senate File 265, Eighty-first General Assembly.

MICHAEL E. MARSHALL
Secretary of the Senate

Approved 4/19, 2005

THOMAS J. VILSACK
Governor