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SENATE FILE 170 LOCAL GOVERNMENT  
BY ANGELO

Passed Senate, Date \_\_\_\_\_ Passed House, Date \_\_\_\_\_  
Vote: Ayes \_\_\_\_\_ Nays \_\_\_\_\_ Vote: Ayes \_\_\_\_\_ Nays \_\_\_\_\_  
Approved \_\_\_\_\_

**A BILL FOR**

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

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

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SF 170  
LOCAL GOVERNMENT

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-these-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-these-instances.~~ However, when the last day of  
32 March is a Saturday or Sunday, such amount shall be delinquent  
33 from the second business day of April. When collected, the  
34 moneys shall be paid into the fund from which the costs were  
35 originally paid.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

23 445.36A PARTIAL PAYMENTS.

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

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

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

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

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

1 charges.

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

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

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

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

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

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

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

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

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

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

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

9 5. For purposes of this section:

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

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

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

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

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

1 county.

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

4 447.8 REDEMPTION AFTER DELIVERY OF DEED.

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

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

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

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

1 matter of law.

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

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

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

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

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

8 447.13 COST -- FEE -- REPORT.

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

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

1 shall be added to the amount necessary to redeem.

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

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

9 448.6 ACTION TO CHALLENGE TREASURER'S DEED.

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

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

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

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

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

1 or years named in the deed.

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

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

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

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

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

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

31 448.12 LIMITATION OF ACTIONS.

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

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

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

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

13 448.15 AFFIDAVIT BY TAX-TITLE HOLDER.

14 1. Immediately After taking possession of the parcel,

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

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

23 I, ....., being first duly sworn, on oath depose and  
24 say that on ..... (date) the county treasurer issued a tax  
25 deed to ..... (grantee) for  
26 the following described parcel: .....  
27 .....;

28 that the tax deed was filed for record in the office of the  
29 county recorder of ..... county, Iowa, on ..... (date), and  
30 appears in the records of the office in ..... county as  
31 recorded in Book .... Page .... of the ..... Records; and  
32 that ..... claims title to an undivided .... percent interest  
33 in the parcel by virtue of the tax deed, or purported tax  
34 title.

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

1 the parcel adverse to the title or purported title by virtue  
2 of the tax deed referred to shall file a claim with the  
3 recorder of the county where the parcel is located, within one  
4 hundred twenty days after the filing of this affidavit, the  
5 claim to set forth the nature of the interest, also the time  
6 and manner in which the interest claimed was acquired. A  
7 person who files such a claim shall commence an action to  
8 enforce the claim within sixty days after the filing of the  
9 claim. If a claimant fails to file a claim within one hundred  
10 twenty days after the filing of this affidavit, or files a  
11 claim but fails to commence an action to enforce the claim  
12 within sixty days after the filing of the claim, the claim  
13 thereafter shall be forfeited and cancelled without any  
14 further notice or action, and the claimant thereafter shall be  
15 forever barred and estopped from having or claiming any right,  
16 title, or interest in the parcel adverse to the tax title or  
17 purported tax title.

18 .....  
19 Subscribed and sworn to before me this .... day of .....  
20 (month), ... (year).  
21 .....  
22 Notary Public in and for  
23 ..... County, Iowa.

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

29 3. For purposes of this section, if a tax deed or  
30 instrument purporting to be a tax deed has been issued to  
31 convey an undivided interest in the parcel of less than one  
32 hundred percent, the owner or holder of the tax title or  
33 purported tax title shall be deemed to be in possession and  
34 entitled to file the affidavit in subsection 1. However,  
35 before filing the affidavit, the owner or holder of the tax

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

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

14 448.16 CLAIMS ADVERSE TO TAX TITLE BARRED.

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

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

1 possession.

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

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

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

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

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

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

25 EXPLANATION

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

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

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

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

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

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

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

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

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

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

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

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

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

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

1 date.

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

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

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

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

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

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