

Tax Deeds

The Tax Deed Process – Overview

Idaho Code Sections (63-1003 – 63-1011)

About Real Property Tax Delinquencies (63-1011)

Any delinquency on real property taxes constitutes a perpetual lien against the property in favor of the county for all taxes, late charges and interest. The lien stands until all delinquent amounts owing are paid in full.

Property tax delinquency takes a top priority over all other liens (“..a first and prior perpetual lien”).

Tax Lien Certificates are not sold in the State of Idaho. Some states “sell” tax lien certificates to parties willing to pay the tax delinquency – Idaho does not. We do not provide information to investors regarding the law and practices of other states regarding tax delinquencies.

“Redemption” of the lien(s) occurs when all delinquent taxes are paid in full.

The Tax Deed Process:

In January the Treasurer/Tax Collector begins working to identify all three-year real property delinquencies and gives notice to the owner and all “parties in interest” that Latah County will take a tax deed to the parcel if the delinquency is not paid.

The Taxpayer **must pay the third-year delinquency in full** to stop the Tax Deed Process. Partial payments will be accepted and applied at any time but will not stop the Tax Deed action until the third-year delinquency is paid in full.

After January 1st the date for tax deed hearing is set. The tax deed hearing will be held in either January or February. As soon as the hearing is scheduled the tax deed calendar is created, working backward from the hearing date. The Tax Deed Calendar includes the following events (Idaho Code Reference in italics indicates statutory requirements – other steps are policies of the Latah County Treasurer’s Office which satisfy statutory requirements of notification and due diligence)

- On Tax Deed Parcels, the law requires that all parties in interest be notified. The title report lists parties holding recorded legal interest in the property. (2-3 weeks prior to Pending Issue)
- Title searches/reports ordered.
- PENDING ISSUE fee is attached to the amount owing. The law allows the Treasurer’s office to attach this fee to recover the costs of the tax deed process. Total fees are estimated at \$500 including service, title search, etc.
- NOTICE OF PENDING ISSUE of TAX DEED mailed to owner and interested parties. (63-1005(2a) ... *such service of notice to be made no more than (5) five months nor less than (2) months before the time set for the tax deed to issue.*
- Tax Deed names, addresses and property description are published in the MOSCOW-PULLMAN DAILY NEWS (63-1005(2b) ... *such publication must be made at least once a week for four (4) consecutive weeks, the last publication of which is to be no more than two (2) nor less than fourteen (14) days before the time set for the tax deed to issue.*
- DEADLINE FOR RECORDING OF AFFIDAVIT OF COMPLIANCE (63-1005(8-9) *At least (5) five days before the tax deed issue, the county treasurer shall make an affidavit of compliance stating that he or she has complied with the conditions of issuance of notice*

of pending issue ... such affidavit shall be delivered to the county recorder to be entered on the records of his or her office...

- TAX DEED HEARING. (63-1005)

LATAH COUNTY MAKES NO REPRESENTATION OF GUARANTEE AS TO THE ACCESSIBILITY, VALUE OR USABILITY OF THE PROPERTIES TO BE AUCTIONED.

Tax Deed Frequently Asked Questions

How is the tax deed property sold?

The Board of County Commissioners control the decision to sell property acquired through tax deed. Idaho Code (31-808) requires that the tax deed parcels be sold or offered for sale ".....at public auction either for cash or upon such terms as the board of county commissioners may determine, and the same must be sold to the highest bidder. The board of county commissioners may reserve the right to reject all bids." Should the county be unable to sell at a public auction any real or personal property belonging to the county, including property acquired by tax deed, it may sell the property without further notice by public or private sale upon such terms and conditions as the county deems necessary.

Idaho Code further states: "The board of county commissioners may, by resolution, declare certain odd lot parcels of property owned by the county, all or portions of which are not needed for public purposes, as excess to county needs. Odd lot parcels declared in excess may be sold to adjacent property owners for fair market value that is estimated by a land appraiser licensed to appraise property in the state of Idaho. If, after thirty (30) days' written notice, the adjoining property owner or owners do not desire to purchase the excess property, the board of county commissioners may sell the property to any other interested party for not less than fair market value." (31-808B)

The commissioners may employ an odd lot declaration by resolution, under special circumstances when a sale is necessary outside the regularly scheduled public auction. These sales are subject to disclosure requirements and must be accomplished through public hearings with the agenda published as required by law.

Does the taxing authority sell tax lien certificates or deeds?

Tax lien certificates or deeds are not sold in Idaho.

When and where are public auctions held? How do I find out if an auction is scheduled?

Public auctions are usually scheduled sometime between January and May. The public auction may be held in person at the Latah County Courthouse, 522 S. Adams Street, Moscow ID, online via one of the approved public auction websites, or such other venue chosen by the board of commissioners. Approximately ten (10) business days prior to the sale a notice will appear in the Moscow-Pullman Daily News legal notice section, providing a list of properties to be sold, a legal description and or street address for each property. The legal notice will also list the time, location and terms of sale along with whether it will be an in-person or online sale.

All bidders must register and pay a refundable deposit to bid at the public auction; whether in-person or online.

Once the properties are sold at public auction, Latah County will issue and record a Quit Claim Deed in the successful bidder's name. The Quit Claim Deed will be mailed to the new owner within 30 days after the sale.

All properties are sold "AS IS," "WHERE IS," and with NO WARRANTIES.

Can I get more detailed information on the properties to be sold?

Location maps, photos and basic information on individual parcels will be listed on the Latah County Treasurer's Webpage, www.latahcountyid.gov/treasurer, at least 30 days prior to the sale date. Bidder registration forms, terms and conditions, a standard disclaimer and other information will also be posted on the webpage. For more information, you may email the Treasurer anytime at Treasurer@latahcountyid.gov or call the Treasurer's office at 208-883-2296 during regular business hours.

What is the rate of interest on delinquent taxes?

Interest on delinquent taxes accrues at 1% per month.

What is the redemption period for tax deed properties?

Property taken, through the tax deed process, may be redeemed by the owners or legal parties in interest within one (1) year of the tax deed issuance, or until the property is sold by the commissioners, whichever comes first. After the sale, there is a one (1) year period in which the property may be redeemed if the tax deed process is proven to be irregular.

What are the rules of sale for "Bid-In" properties?

This is not applicable in Idaho.

Reminders About Your Tax Payments

Be Aware of Due Dates

Be aware of the important dates and deadlines for payments, applications for property tax relief and assessment appeals. It is particularly important that you be aware of your property tax due dates. Tax bills are mailed on each parcel, however, failure to receive a tax bill does not excuse the taxpayer from paying the taxes, late charge, and interest accrued, if any.

Address Change

Be sure to notify the Assessor's office whenever your mailing address changes.

Mailing Tax Payments

When mailing a tax payment, make sure the envelope is U.S. postmarked on or before the due date. Some US Post Offices no longer date stamp mail. If a date stamp is not present or illegible and arrives after the tax due date, penalties and interest will be applied.