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## **Frequently Asked Questions About Property Tax Foreclosure**

### **Does Washington State sell Tax Lien Certificates?**

- No. Washington State is not a tax lien state. We are a tax deed state.

### **How does tax foreclosure work in the State of Washington?**

- The County Treasurer is required by state law to start a tax foreclosure on any real property which has a tax payment due that is three or more years delinquent. The Treasurer's Office, with the assistance of the Prosecuting Attorney's Office, must file a Certificate of Delinquency with the Whitman County Superior Court. This starts the tax foreclosure process. The Treasurer's Office usually begins this process in May of each year. The Treasurer's Office must notify all lien holders of the tax foreclosure via certified mail. The Treasurer's Office gets this information by ordering title reports. A list of owners and lien holders is also published in a local newspaper. If the tax is not paid, prior to the scheduled auction day, the property goes to sale.

### **How many tax sale auctions do the Whitman County Treasurer's Office have a year?**

- The Treasurer's Office holds only one real property tax sale a year, which is normally scheduled in early December and held via an internet-based auction.

### **Do I need to register with the Whitman County Treasurer's Office to become a bidder?**

- No. Our auction is done via the internet through a third party. Registration, log in capabilities, and bidding is done through this third party. As a bidder, you must also follow the rules and regulations of the company handling the auction. Go to the Treasurer's web page to link to the auction site.

**If I am the winning bidder, what forms of payment are accepted by the Treasurer's Office?**

- The Treasurer's Office only accepts certified checks(no personal checks allowed), cashier's checks, money orders, and wires. Winning bidders are notified and given payment instructions.

**Does the County finance for tax foreclosure properties?**

- No. You must make payment in full by the date instructed in the Terms of Sale.

**How long does it take to get a deed if I am the winning bidder?**

- A tax deed will be issued within thirty days of the end of auction. The end of auction is when the Treasurer deems the entire auction is closed, not when the winning bidder may have paid for the property they won. The tax deed will be mailed to the winning bidder at the address provided after they are notified they won.

**If I am a winning bidder and don't like what I bought, can I just not pay or get a refund?**

- No. A bid on a property is an irrevocable offer to purchase property. The Treasurer has the right to pursue all available legal remedies. You may also be banned from all future tax foreclosure sales and banned from the company that we use for our online tax sale.

**What happens to all the liens on a property that is sold at tax sale?**

- In Washington State, the tax lien is the highest priority, see RCW 84.60.010. It is understood that most other liens are extinguished from a tax sale. However, the Treasurer's Office makes ***no guarantees, warranties, or implications*** that a lien holder may or can dispute their lien. There are specific liens that do survive a tax sale. ***You may want to consult an attorney for legal advice.***

### **Does the Treasurer's Office know much about the properties in tax foreclosure?**

- The Whitman County Treasurer's Office knows very little about the properties in tax foreclosure. Our responsibility is to collect taxes owed to the County. All the information we use comes from other departments and title reports. Our office knows nothing about condition, land use, or whether structures on properties are livable. Our office is also unable to give any legal advice.

### **What if people are living on or using a piece of property I purchased at tax sale?**

- All tax foreclosure sales are *"buyer beware, as is, where is."* If you purchase a property at tax sale and people are on the property, it is between you and the parties on the property to resolve. The Treasurer is unable to assist in any way.

### **What happens to properties that do not sell at tax sale?**

- They become trust property of the County.

### **What exactly are surplus funds from a tax sale?**

- When property goes to tax sale, the Treasurer's only obligation is to collect the back taxes, interest, penalties, and costs. Any difference between the minimum bid, and sale price is called surplus funds. The Treasurer is responsible to pay the surplus funds to the owner of record at the time the lawsuit began. The owner has three years to request these funds. If after three years no request has been made, the surplus is deposited to the County's general fund.

### **Before I make a bid, can I go onto the property and look?**

- Understand that a tax foreclosure sale is not like a bank foreclosure. The property is privately owned until a new deed is issued. By going onto property during the tax foreclosure process, you may be trespassing on private property.

### **Some of the properties are bare land, can they be built upon?**

- In Washington State, all property is taxable unless specifically exempt by law. This means there are many different types of real property, which can include; private roadways, easement properties, oyster and clam beds, wet lands, zoning issues, hills and mountainous topography, property under water, and other properties which have specifications for use per plat maps. You must do your own due diligence and be sure that property you are purchasing can be used for your intentions. A property is not necessarily buildable merely because it is being taxed.

### **Will I be able to resell or get title insurance on property purchased at tax sale?**

- You can sell property purchased from a tax foreclosure; however, many title companies will not insure the property for up to three years. One reason is there is a three-year redemption period for a person of interest whom is a minor or a person deemed incompetent. You may get a quiet title action by going through Superior Court. A title company may insure after a quiet title action is complete, but it is the decision of the title company.

### **What are market improvements?**

- Market improvements are something being assessed on real property that is a structure of some sort. These may include but are not limited to; houses, mobile homes, barns, garages, lean tos, sheds, and others. This is why, when reviewing the assessed values of property, you may come across a land value and a market improvement value. When added together it is the total value of the property. Be aware, just because land has a market improvement value, does not mean it is a house or a buildable lot.

### **Can anyone pay taxes on a property in tax foreclosure to get the property out of the tax foreclosure process?**

- No. Only a person or entity with a legal interest may pay the taxes to redeem property from the tax foreclosure process.

**I have noticed sometimes there is a property in foreclosure with a tax year more than three years delinquent, how can this be?**

- Although, the Treasurer's Office is required to start a tax foreclosure on property with a tax payment three years or more delinquent, in some cases a property can have protection from the tax foreclosure process. It may be possible for a property owner to have been protected by federal law if they have filed for bankruptcy. Bankruptcy cases may last for several years, and while in this status, no collection efforts may take place. It is also possible that a property was previously in tax foreclosure, but had to be pulled from foreclosure for legal purposes. Also, when we start foreclosure, we foreclose on the full year of taxes. So, if we are foreclosing on the tax year 2012 and/or prior, and the owner paid the first half of 2012, it would not qualify until then next year. Therefore, you would see the second half 2012 tax and the full year of 2013 tax on the Certificate of Delinquency the year we started the foreclosure process.

**May I get on a mailing list for notifications of upcoming auctions?**

- No. Whitman County Treasurer's Office does not maintain a mailing list.