

September 2013

# TAX SALE TIMES



Tax Sale Resources is revolutionizing the tax sale industry by making accurate tax sale information and premier resources easily accessible to investors and other tax sale industry professionals.



## CHECK OUT THESE STATES

**Indiana:** Indiana is a mixed tax lien and deed sale state. Their tax lien sales kicked off in August and continue through October. Instead of an interest rate, investors earn a penalty which varies from 10% to 15% with a one year redemption period. They also grant interest to the overbid amounts and on any subsequent taxes which is also at a 10% return. For more information on sale dates visit:

[http://www.taxsaleresources.com/NewsAndUpdate.aspx?state\\_id=17](http://www.taxsaleresources.com/NewsAndUpdate.aspx?state_id=17)

**South Carolina:** TSR is now scheduling sales for South Carolina which are held October through December. The sales usually take place on the first Monday of each month. This is a redeemable deed state with a one year redemption period and a 3% return every quarter. Tax sales in South Carolina are also known as Forfeited Land Commission Sales. For more information visit:

[http://www.taxsaleresources.com/NewsAndUpdate.aspx?state\\_id=45](http://www.taxsaleresources.com/NewsAndUpdate.aspx?state_id=45)

**Illinois:** Illinois has the highest rate of return in the country with 18% every six months. Its redemption period is 2 - 2 1/2 years depending on what type of property the parcel qualifies as; however, the interest rate is bid down at the sale. For more information on sale dates, please go to:

[http://www.taxsaleresources.com/Jurisdictionspage.aspx?state\\_id=16](http://www.taxsaleresources.com/Jurisdictionspage.aspx?state_id=16)

**Pennsylvania:** Pennsylvania is a tax deed state with three types of sales: upset, judicial, and repository. We are continually monitoring the upset sales this fall for the top 10 counties. If you are interested in a particular data-appended list, please request one directly at [support@taxsaleresources.com](mailto:support@taxsaleresources.com). For more information visit:

[http://www.taxsaleresources.com/NewsAndUpdate.aspx?state\\_id=42](http://www.taxsaleresources.com/NewsAndUpdate.aspx?state_id=42)

**Colorado:** Colorado is a tax lien state. The premium bid method is used in this state, so although it has a lower interest rate, you are guaranteed that interest rate. All sales are held October through November. For information on sale dates visit:

[http://www.taxsaleresources.com/NewsAndUpdate.aspx?state\\_id=7](http://www.taxsaleresources.com/NewsAndUpdate.aspx?state_id=7)

**West Virginia:** West Virginia conducts both tax lien and tax deed sales. The interest on tax liens is 12% per annum (1% per month) and the redemption period is 17 months. Liens that are not sold at the tax lien sale are certified to the state. The tax lien sales are held from mid-October to late November. For the latest updates, please go to:

[http://www.taxsaleresources.com/NewsAndUpdate.aspx?state\\_id=54](http://www.taxsaleresources.com/NewsAndUpdate.aspx?state_id=54)

For more information about upcoming tax sale states, please visit us at [www.taxsaleresources.com](http://www.taxsaleresources.com) OR check out our blog at <http://thetaxsaleresource.wordpress.com/>.



## INDUSTRY NEWS

We would like to share interesting information, news, and events going on throughout the tax sale industry. Please follow the link to each of the following and note the sources.

- **Settlements in tax lien class action suit get preliminary approval:** [http://www.nj.com/hunterdon-county-democrat/index.ssf/2013/08/settlements\\_in\\_tax\\_lien\\_class.html](http://www.nj.com/hunterdon-county-democrat/index.ssf/2013/08/settlements_in_tax_lien_class.html)
- **Court to decide property lien issue:** <http://www.sapulpaheraldonline.com/articles/2013/09/05/news/doc5228b3034ebd8596565786.txt>
- **Manager: Unpaid taxes 'no hang-up' for Metropolitan Hotel revamp:** <http://www.islandpacket.com/2013/09/04/2666375/manager-unpaid-taxes-no-hang-up.html>

## FALL TAX SALES – ONLINE & LIVE

by: Joanne Musa

### ***Fall is the season for tax sales!***

Some people think of the winter as tax sale season because of the Arizona online tax lien sales in February. Others think of the spring as the tax sale season due to the Florida online tax sales in May and June. But the real tax sale season is the fall. Why the fall? Because from September through December there are tax lien and tax deed sales going on all over the country, both live and online.



### ***Fall Tax Lien Sales***

You'll find plenty of live tax lien sales in the fall in Indiana, Illinois, and New Jersey. And each of these states has a different method of bidding. In Indiana premium is bid for liens. In Illinois, the interest rate is bid down, and in New Jersey the interest rate is bid down and then premium can be bid for liens. All of these tax sales – with the exception of only two counties in Indiana, are live tax sales, meaning you must attend the sale in order to bid. If you're planning on investing in Indiana or in New Jersey you can get customized software to track your liens and automate your investing. You can find out more about Tax Lien Manager software at <http://TaxLienLady.com/TLM>.

If you're looking for online tax lien sales, then Colorado is the state for you. Many of the Colorado counties have online tax sales. The interest rate for Colorado tax liens changes with the prime rate each year and this year is at 10%. Premium is bid and you do not get any interest on premium, nor do you get your premium back in Colorado when the lien redeems. If you want to invest in tax liens but you live in a deed state and don't want to travel to a tax lien state, you might want to try the Colorado online tax sales. You can get detailed training on how to invest in the Colorado online tax lien sales at <http://ColoradoTaxLiensOnline.com>.

### ***Fall Tax Deed Sales***

What if you're interested in tax deed sales? There are plenty of tax deed sales in the fall as well, both online and live. Pennsylvania counties conduct their "upset" tax sales in the fall. These sales are live, not online, but you have to do careful due diligence before purchasing a deed at the upset tax sale, because if you purchase a property in this sale you are responsible for any liens or judgments on the property. The state of Michigan has online tax deed sales in the fall and though some of them are already over (they happen in September), each county will conduct a second "no reserve" tax sale where the minimum bid on the properties in the sale is reduced. And don't forget that the Florida tax deed sales go on throughout the year, and some of them are online. Some Florida counties have tax deed sales as often as once a week! Need help with the online tax deed sales? Check out the Online Tax Deed Sales course at <http://OnlineTaxDeeds.com>.

### ***Redeemable Deed Sales***

Redeemable deed sales also go on throughout the year in Texas and Georgia. States including Connecticut, Tennessee, and South Carolina counties have their tax sales in the fall. None of the redeemable deed states have online tax sales, so you have to show up in order to bid at any of these tax sales. As you can see there is no shortage of fall tax sales, so whatever your preference, tax deeds or tax liens, online or live, you can find a tax sale this season.

If you would like me to help you build your profitable tax lien or tax deed portfolio this fall, then join my live training that starts on September 11, 2013. Find out more about what it takes to build a profitable portfolio of tax liens or tax deeds in this free replay of the webinar preview for the Build Your Profitable Tax Lien Portfolio Workshop. Get the webinar replay at [www.taxlienslady.com/WebinarTraining](http://www.taxlienslady.com/WebinarTraining).

**About the Author:** Joanne Musa is the owner and founder of <http://www.TaxLienLady.com/> and is known as the most trusted authority on tax lien investing in America. She has taught thousands of people around the world how to profit from tax delinquent properties in the U.S.

## INDUSTRY TOOLS



There are a couple of tax sale industry events coming up this fall that you don't want to miss!

**National Tax Lien Association:** Registration is open for the NTLA's 2013 Fall Symposium in New York City **October 16th-17th, 2013**. This event has been in action for over a decade and brings over 100 participants and expert panelists from all sectors to share ideas and enhance the knowledge of all attendees. Tax lien investors, attorneys, investment bankers, and government officials will also discuss the remaining challenges and lessons to be learned.

The National Tax Lien Association is the only nationwide Association that represents all aspects of the tax lien industry, from governmental agencies, investors and servicers, to lenders, accountants, attorneys, rating agencies and more.

This year's agenda is loaded with experienced tax lien fund managers, tax lien financing partners, rating agencies, and government officials to help all parties more fully understand this asset class. The NTLA is working hard to advance the needs of the tax lien marketplace, and you are an important part of that work.

For more information, or to register please visit <http://www.thentla.com/?page=2013FallSymposium> .



### **Tax Lien Lady & Platinum Properties Investment**

**Group:** Join the Tax Lien Lady and the Platinum Investment Properties Group for the Next 2013 Tax Lien Investing Workshop & Conference **Monday, November 4, 2013** at the Anaheim Hilton in Anaheim California.

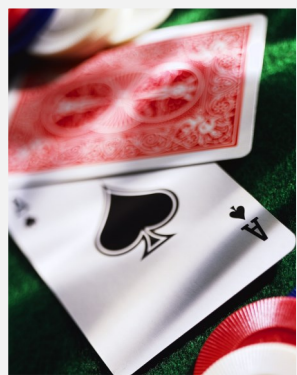
*Learn About The 3 Most Profitable States For Investing:*

- Illinois Tax Liens: Illinois is the most profitable tax lien state - get returns of up to 36% per year?
- Texas Redeemable Deeds: 25% redemption penalty if redeemed in the first year, 50% redemption penalty if redeemed in the second year!
- Georgia Redeemable Deeds: 20% return, Foreclose in 12 months

*This Seminar Is For You If:*

- You want to learn how to make money with tax liens or tax deeds
- You're looking for a safe alternative investment to the stock market
- You need to protect your retirement
- You're looking for ways to invest from home
- You're a foreigner and you want to invest in US tax liens or deeds
- You don't have time to invest yourself and want someone else to do the work for you

For more information, or to register please visit <http://taxlieninvestingconference.com/?salesletters=anaheim-conference> .



## KNOW WHEN TO HOLD'M AND KNOW WHEN TO FOLD'M

*In Indiana, force redeeming certificates is often your best option when faced with a loss.*

**by: Scott Richards; Attorney at Law**

The purchase of tax liens in the state of Indiana can be very profitable, and a buyer's ability to redeem a property themselves or a force redemption helps investors minimize any losses considerably.

In Indiana, tax liens are sold at auction to the highest bidder. The difference between the minimum bid and the amount for which a certificate is sold is known as the surplus. This surplus is help by the county and refunded to the tax sale investor if the certificate is redeemed.

There is a one year period of redemption in Indiana. This one year is absolute in most cases. Some exceptions exist for situations such as those dealing with Bankruptcy and the Internal Revenue Service. Anyone is allowed to redeem a tax lien certificate, including the person who purchased it at auction. IC 6-1.1-25-1

Because anyone can force redeem and the one year redemption period is absolute, it is important for investors to recognize which certificates they do not want to convert to deeds.

Let's say an investor pays \$51,000 for a certificate whose minimum bid is \$1000.00 (meaning the surplus bid is \$50,000.00). If the property underlying the certificate has serious structural or other issues and the investor takes deed to the property, the investor may lose the entire investment if stuck with a worthless property. If however, an investor redeems the certificate before one year and the certificate is not converted to a tax deed, the investor would recover their surplus bid.

When converting purchased tax sale certificates to deeds, many analogies to the game of poker can be made.

I have no reason to doubt many stories where a tax lien was purchased, converted to a deed, and eventually the property was sold for a massive profit. Any poker player can get dealt four aces and win a pot. Recognizing when not to go all in with a certificate, by converting the certificate to a tax deed, requires just as much skill and common sense as picking winners. After all, how many \$50,000 losses can a company absorb?

Here are some hints to deciding whether to redeem a certificate that goes beyond the numbers. These things should be done a day or two before the redemption period expires.

1) Stop by the underlying property a day or two before the last day of redemption and determine if there are any problems with the condition; in Indiana you have the right to go on property if it is vacant. Throughout the redemption period the property may have been destroyed by a natural disaster or fire. On vacant properties, look in windows to see if there is any evidence of removal of the plumbing or wiring; a hole is often carved into a wall where these things are removed.

*This article is continued on Page 5...*



## KNOW WHEN TO HOLD'M AND KNOW WHEN TO FOLD'M...Continued

*In Indiana, force redeeming certificates is often your best option when faced with a loss.*

**by: Scott Richards; Attorney at Law**

2) Determine what the liabilities are; assessments and additional taxes, before taking the redemption period expires. These liabilities do not get removed by the issuance of a tax deed. At times these liabilities may create a no win scenario.

3) With especially large investments such as a commercial building, get a structural engineer to give you an opinion of what repairs if any need to be made to a property. This can save you from walking into a potential hornet's nest of problems.

**About the Author: Scott Richards** has participated in the Indiana Tax Sale for more than 23 years and is a graduate of the Thomas Cooley School of Law and served on the Law Review. He is the managing partner with William R. Richards, P.C Indianapolis Indiana.

### TSR BLOG HIGHLIGHT

#### **A Guide to Pennsylvania Tax Sales**

Pennsylvania is a tax deed state. The tax sales are handled on the county level by the tax claim office or the county treasurer. When taxes are delinquent for more than one year, the treasurer files a lien on the property. Once the property is delinquent for two years the county will sell it in what is known as an "upset sale." The upset price, or minimum bid, includes the delinquent taxes, municipal liens, and court costs. Purchasers of parcels at the upset sale are responsible for all liens on the property (including mortgage and mechanics liens) as well as current taxes and must also pay a realty transfer fee (2% of the assessed value). The upset sale is usually held in the fall. Some counties will allow private bids on properties that are not sold in the upset sale. As in the upset sale the purchaser is responsible for all liens on the property.

A "judicial sale" may also be held once a year. It is usually in the spring but may be any time after the upset sale. The judicial sale consists of properties that have not been sold at the upset sale or by private bid. These properties are sold free and clear of any liens. The purchaser is still responsible for current taxes and the realty transfer fee.

Please visit <http://thetaxsaleresource.wordpress.com/> to read the rest of TSR's Blog!

### MEMBER SUBMISSIONS

This is a monthly newsletter for our members and industry professionals to share information concerning the tax sale industry as well as what is happening at TSR. We appreciate feedback!

We welcome your news submissions, comments, suggestions or helpful tips. Please e-mail us at [news@taxsaleresources.com](mailto:news@taxsaleresources.com) with your thoughts and be sure to include where you are from!

### NEED HELP?

Our investment professionals are constantly gathering information and updating the database to ensure our investing activities are successful. If we do not have the county available or the specific information you are looking for, please let us know. We will research your request and add the information at no extra charge.

If you have any other questions, comments, concerns or suggestions regarding Tax Sale Resources, please [contact us](#).