

Tax Forfeiture

What is tax forfeiture?

Tax forfeiture is the process by which the state takes ownership of a property if property taxes are not paid. In Minnesota the tax forfeiture process generally takes up to 5 years for homestead classified properties and up to 3 years for non homestead property.

How do I receive information on tax forfeiture properties?

The Olmsted County Web site will have updated information on all properties for sale. Tax forfeiture properties will be published in the legal newspaper of Olmsted County, which is the Rochester Post Bulletin and at

<http://www.co.olmsted.mn.us/prl/propertyrecords/TaxForfeitedProperty/Pages/default.aspx>

What is the process for bidding on a property?

All parcels are offered at public auction and sold to the highest bidder. The minimum bid acceptable is the basic sale price that is shown on the List of Tax Forfeited Land. The minimum bid set by the county board of commissioners, plus any extra charges for special assessments levied after forfeiture and for any cost of County compliance with city or township ordinances.

The Basic Sale Price could change from the amount shown on the list of Tax Forfeited Land based on any additional County Compliance Costs accrued to the date of sale.

Bidding instructions will be available on the Olmsted County website.

When are tax forfeiture sales scheduled?

Sales are scheduled as the need arises.

Can I cancel my bid once it has been submitted?

No

Additional Fees and Costs >>>

In addition to the basic sale price, a 3% surcharge for the state assurance account will be collected at the time of the sale. The following extra fees will be collected when the basic sale price is paid in full: a state deed fee of \$25, a deed filing fee of \$46, and a state deed tax equal to the greater of \$1.65 or 0.33% of the basic sale price.

What properties are for sale?

All properties for sale are published in the legal newspaper of Olmsted County, and the Olmsted County website.

Is there a repurchase period allowed for previous owners?

Previous owners cannot reclaim a parcel once the property has been placed for sale.

How do I receive title to the property?

The buyer will receive a receipt at the time of the sale. The Department of Revenue will issue a state quitclaim deed after full payment is made.

All property is sold "as is" and may not conform to local building and zoning ordinances. Olmsted County makes no warranty that the land is "buildable." All sales are final, no refunds or exchanges are permitted. Sale Appraisal Price and purchase price of land does NOT reflect the Taxable Market Value of the Property.

Olmsted County highly recommends that you thoroughly research any tax-forfeited parcels before purchase.

Special Assessments: Before and After Forfeiture >>>

The balance of any special assessments that were levied before forfeiture and canceled at forfeiture and not included in the basic sale price may be reassessed by the municipality.

Any special assessments that were levied after forfeiture and certified to the Olmsted County Property Records and Licensing Department have been added to the appraised value and must be paid by the purchaser as part of the basic sale price.

What happens to parcels not sold at the public sale?

All properties that are not sold at the public sale are placed on a list of available properties in Olmsted County. The list can be obtained through the Property Records & Licensing Office or the Olmsted County Website. All parcels are available for sale at the established minimum bid price approved by the Olmsted County Board of Commissioners.

For further information contact >>>

Olmsted County Property Records & Licensing
Records and Revenue Division
507 328-7636



Late Payments
Delinquent Taxes
Tax Forfeiture



A dynamic, world-class county delivering excellence ever day

Olmsted County
151 4th Street SE
Rochester, MN 55904

www.olmstedcounty.com

Late Real Property Tax

Tax Payment Due Dates >>>

Real Property statements are mailed at the end of March annually
First Half due May 15
Second Half due October 15
<i>Exception: Agricultural-Second Half due November 15</i>
Manufactured home statements are mailed July 15 annually
First Half due August 31
Second Half due November 15

Late Payment Penalties >>>

Property Type:	2012										2013
	May 16	June 1	July 1	Aug 1	Sep 1	Oct 1	Oct 16	Nov 1	Nov 16	Dec 1	Jan 2
Homestead and Cabins											
1 st half	2%	4%	5%	6%	7%	8%	8%	8%	8%	8%	10%
2 nd half							2%	6%	6%	8%	10%
Both Unpaid							5%	7%	7%	8%	10%
Non-Homestead											
1 st half	4%	8%	9%	10%	11%	12%	12%	12%	12%	12%	14%
2 nd half							4%	8%	8%	12%	14%
Both Unpaid							8%	10%	10%	12%	14%
Personal Property	8%	8%	8%	8%	8%	8%	8%	8%	8%	8%	8%
Manufactured Homes											
1 st half					8%	8%	8%	8%	8%	8%	8%
2 nd half								8%	8%	8%	8%

Late vs. Delinquent Taxes? >>>

What is the difference between *late* and *delinquent* property taxes?

When taxes on real property remain unpaid during the year they are due the taxes are defined as "late" and penalties are accrued. Real property taxes become "delinquent" on the first business day in January after the year the taxes are due. Penalties are added to the tax and interest begins to calculate at the rate determined by the Legislature. (M.S. 279.03)

Delinquent Taxes

When do real estate property taxes become delinquent?

Real property taxes become delinquent on the first business day in January following the year when the taxes and penalties were due.

Example: Property owner did not pay their property taxes in 2011. As of December 31st these property taxes are considered LATE and are subject to late penalties (please see Chart.) Property taxes unpaid as of January 2, 2012 now become delinquent.

Are parcels with delinquent taxes for sale for the amount of taxes due?

No

Will paying the delinquent taxes on a parcel give you a title interest in the property?

No

If more than one year of taxes becomes delinquent, is a "tax judgment" taken on each year?

No. Only the first year of delinquent tax has a "tax judgment" entered.

If a parcel of property has more than one year of delinquent taxes can the oldest year of tax be paid first?

No. Delinquent taxes are paid in inverse order of delinquency. This protects the "tax judgment" entered the first year taxes became delinquent and allows enforcement of the tax lien and the expiration of redemption period.

Can delinquent taxes be paid if the current year taxes are unpaid?

Yes

What happens if taxes become delinquent?

If taxes remain unpaid a "tax judgment" is entered against the property for the delinquent amount due.

What does "tax judgment" mean?

A "tax judgment means a lien is attached to the property by the court and the property will later be "bid in for the state". This means the State of Minnesota holds a future vested interest subject only to the payment of the taxes.

When does "tax judgment" happen?

"Tax judgment" parcels are "bid in for the state" on the 2nd Monday in May. This begins the 3 or 5 year redemption period determined by the classifications of the property.

When does "tax judgment" happen? >>>

Method 1 is to publish the notice of delinquent taxes and the delinquent tax list in a newspaper designated by the County Board.

Method 2 is made by mailing a personalized delinquent tax letter and a copy of the notice of delinquent taxes to the property owners, taxpayers of record and other interested parties who have filed under M.S. 276.041.