

TO: Kane County Tax Buyers

FROM: John A. Cunningham, Kane County Clerk

SUBJECT: 2014 Tax Sale

DATE:

The following are guidelines for the 2014 Tax Sale to be held on Monday, October 26th, 2015.

Take Notices

- 1 A Take Notice fee of \$16.11(subject to change) will be added to the sale. The Tax Buyer is required to pay this cost at the time the Take Notices are filed with, and mailed by, the Kane County Clerk's Tax Redemption Department. This cost is subject to change if postage increases.
- 2 The Tax Buyer will receive an additional \$4.00 when redemption has been made. This is an additional fee collected for the Tax Buyer's preparation of the Take Notice. This additional amount must be added to the total redemption amount on each Take Notice. There will also be a \$68.40 Clerk fee (which is also added to the total redemption amount on each Take Notice.) Please remember this when you, are calling for redemptions.
- 3 Illinois Revised State Statutes chapter 35 paragraph 200/225 indicates the state mandated requirements for the Take Notices, and Kane requires the following:
 - A. Take Notices must be **completely filled out**,
 - B. The mailing address has to be 2 ¾" from the top of the Take Notice, single-spaced and flush with the left 1" margin.
4. Take Notices that are being mailed to a trust account must include the entire trust number to enable the financial institution to identify the account.

5. Prior to bringing the completed Take Notices to the Kane County Clerk's Tax Redemption Department for mailing, all Take Notices on **redeemed** parcels should be removed.
6. When calculating the penalty, the computer sets the decimal position at 4 places and rounds up by adding .0099. Buyers are made aware of this to prevent any discrepancies between the amount on their Take Notice and the amount generated by our computer.
7. We set the redemption date for two years, the tax buyer must extend the redemption period according to state statutes. **OR** Notify the county clerk of the parcel numbers of residential properties so that we can extend.
8. The expiration periods are as follows:
 - A. Residential units with 1 to 6 units are entitled to 2½ years (use codes 011, 040, 8011, 8040) with the exception of those parcels with six- month certificates.
 - B. All other property, including farm land, has a redemption period of 2 years (all other use codes) with the exception of those parcels with six- month certificates.
 - C. Extensions are not to exceed three years.
9. When extending the expiration date of certificates, the Tax Buyer should submit a list to the Clerk's office at least one working day prior to the expiration date. The list must include the certificate number, the parcel number and the date to which it is extended.

Redemptions

1. The Kane County Clerk's Tax Redemption Department will begin accepting redemptions approximately two weeks after the sale. However, buyer payouts will not begin for approximately three weeks.
2. Tax Sale Certificates will be available for distribution within two weeks of the Tax Sale.
3. It is the responsibility of the Tax Buyer to provide an e-mail address to the County Clerk's office, so that we can e-mail redemption reports.
4. Tax Buyers must return their Tax Sale Certificates on all redeemed parcels to the Kane County Clerk's Tax Redemption Department no later than 9:00 a.m. on Thursday. Adjustments should be made for holidays falling on Thursday or Friday.

1099 Forms

1. All Tax Buyers must have a completed W-9 Tax Identification form on file with the Kane County Clerk's Tax Redemption Department before the first pay-outs can be issued. For your convenience, one is enclosed. Changes in address, phone and fax numbers should be reported also.
2. Interest Earnings Report forms (1099's) will be issued to each Tax Buyer by January 31, 2014.

Assignment of Certificates

1. The procedure for assigning Tax Sale Certificates is a formal letter to the County Clerk at the time of the assignment. This should include the certificate number, the parcel number, your company name and the name of the company or person to whom the certificate has been assigned. There is a \$12.00 fee for each certificate assigned. The original certificate is to be turned in with the re-assignment.
2. The new tax buyer must file a W-9 form with the county clerk.

Paying Subsequent Taxes

1. Prior to paying subsequent taxes, you should check the redemption files at the Clerk's office for redemptions.
2. After paying Sub Taxes at the Treasurer's office, you must bring the paid bills to the Clerk's office. Please note on the tax bill the sale year and certificate number the sub-taxes are to be added to.
3. You must leave the paid bills or photocopies with the Tax Redemption Department. Copies will be date stamped and added to the redemption file. The paid bills will be mailed to you the following day if you choose to leave them.

Tax Deed Costs

1. When court order to Petition for Tax Deed has been granted the tax buyer

Tax Deeds

1. When a court order to issue a Tax Deed has been granted, it is the responsibility of the Tax Buyer to prepare a Tax Deed. A sample Tax Deed is enclosed.

2. Tax Buyers must bring the Tax Deed, along with a certified copy of the Order, to the Tax Redemption Department for the County Clerk's signature. The Tax Redemption clerk will verify the legal description and check for any outstanding taxes prior to signing the Tax Deed.
3. If there are other delinquent taxes due, the Tax Buyer must pay them prior to the issuance of the Tax Deed.
4. The charge for the issuance of a Tax Deed is \$18.00 and should be made payable to the Kane County Clerk.
5. Tax Buyers have a year from the date of the court order to record the Tax Deed.

A Lost Certificate

If you misplace, lose or destroy a Tax Certificate, an Affidavit of Lost or Destroyed Certificate of Tax Purchase must be filed with the Clerk's office. A sample of an Affidavit of Lost or Destroyed Certificate of Tax Purchase is enclosed

A Canceled Certificate

The Clerk's office will charge a \$4.00 fee for all canceled certificates. If you have any questions regarding this memo or any procedures regarding the Tax Sale, please contact the Kane County Clerk's Tax Redemption Department at 630/232-5964.

This office cannot offer legal advice or instruction. However, we will make every effort to assist you in the redemption process.

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Request for Taxpayer Identification Number and Certification

Give form to the requester. Do NOT send to the IRS.

Please print or type

Name (If a joint account or you changed your name, see **Specific Instructions** on page 2.) _____

Business name, if different from above. (See **Specific Instructions** on page 2.) _____

Check appropriate box: Individual/Sole proprietor Corporation Partnership Other

Address (number, street, and apt. or suite no.) _____

City, state, and ZIP code _____

Requester's name and address (optional) _____

Part I Taxpayer Identification Number (TIN)

Enter your TIN in the appropriate box. For individuals, this is your social security number (SSN). However, if you are a resident alien OR a sole proprietor, see the instructions on page 2. For other entities, it is your employer identification number (EIN). If you do not have a number, see **How To Get a TIN** on page 2.

Social security number								

OR

Employer identification number								

Note: If the account is in more than one name, see the chart on page 2 for guidelines on whose number to enter.

List account number(s) here (optional) _____

Part II For Payees Exempt From Backup Withholding (See the instructions on page 2.)

Part III Certification

Under penalties of perjury, I certify that:

1. The number shown on this form is my correct taxpayer identification number (or I am waiting for a number to be issued to me), and
2. I am not subject to backup withholding because: (a) I am exempt from backup withholding, or (b) I have not been notified by the Internal Revenue Service (IRS) that I am subject to backup withholding as a result of a failure to report all interest or dividends, or (c) the IRS has notified me that I am no longer subject to backup withholding.

Certification Instructions.—You must cross out item 2 above if you have been notified by the IRS that you are currently subject to backup withholding because you have failed to report all interest and dividends on your tax return. For real estate transactions, item 2 does not apply. For mortgage interest paid, acquisition or abandonment of secured property, cancellation of debt, contributions to an individual retirement arrangement (IRA), and generally, payments other than interest and dividends, you are not required to sign the Certification, but you must provide your correct TIN. (See the instructions on page 2.)

Sign Here

Signature

Date

Purpose of Form.—A person who is required to file an information return with the IRS must get your correct taxpayer identification number (TIN) to report, for example, income paid to you, real estate transactions, mortgage interest you paid, acquisition or abandonment of secured property, cancellation of debt, or contributions you made to an IRA.

Use Form W-9 to give your correct TIN to the person requesting it (the requester) and, when applicable, to:

1. Certify the TIN you are giving is correct (or you are waiting for a number to be issued),
2. Certify you are not subject to backup withholding, or
3. Claim exemption from backup withholding if you are an exempt payee.

Note: If a requester gives you a form other than a W-9 to request your TIN, you must use the requester's form if it is substantially similar to this Form W-9.

What Is Backup Withholding?—Persons making certain payments to you must withhold and pay to the IRS 31% of such payments under certain conditions. This is called "backup withholding." Payments that may be subject to backup withholding

include interest, dividends, broker and barter exchange transactions, rents, royalties, nonemployee pay, and certain payments from fishing boat operators. Real estate transactions are not subject to backup withholding.

If you give the requester your correct TIN, make the proper certifications, and report all your taxable interest and dividends on your tax return, payments you receive will not be subject to backup withholding. Payments you receive will be subject to backup withholding if:

1. You do not furnish your TIN to the requester, or
2. The IRS tells the requester that you furnished an incorrect TIN, or
3. The IRS tells you that you are subject to backup withholding because you did not report all your interest and dividends on your tax return (for reportable interest and dividends only), or
4. You do not certify to the requester that you are not subject to backup withholding under 3 above (for reportable interest and dividend accounts opened after 1983 only), or

5. You do not certify your TIN when required. See the Part III instructions on page 2 for details.

Certain payees and payments are exempt from backup withholding. See the Part II instructions and the separate **Instructions for the Requester of Form W-9**.

Penalties

Failure To Furnish TIN.—If you fail to furnish your correct TIN to a requester, you are subject to a penalty of \$50 for each such failure unless your failure is due to reasonable cause and not to willful neglect.

Civil Penalty for False Information With Respect to Withholding.—If you make a false statement with no reasonable basis that results in no backup withholding, you are subject to a \$500 penalty.

Criminal Penalty for Falsifying Information.—Willfully falsifying certifications or affirmations may subject you to criminal penalties including fines and/or imprisonment.

Misuse of TINs.—If the requester discloses or uses TINs in violation of Federal law, the requester may be subject to civil and criminal penalties.