

TAX SALE GUIDELINES

THE TAX COLLECTOR IS THE OFFICER IN CHARGE OF THE TAX SALE--HIS/HER DECISION IS FINAL.

This is a Standard Tax Sale for prior year unpaid taxes.

This is a sale for municipal liens and NOT a sale of public lands.

Bidding will start at 18% per annum and may be bid down to 0% then a premium may be bid. **FORMER LIENHOLDERS MAY NOT ANNOUNCE THEY HOLD PRIOR LIENS.**

Premium is a sum of money paid to the Township in addition to the lien amount, which is held in a trust account. If the lien is redeemed within 5 years, the premium will be returned to the lien holder. After 5 years, the premium goes to the Municipality.

ONLY CASH, CERTIFIED CHECK, MONEY ORDER OR WIRE TRANSFER will be accepted as payment of the items sold. 54:5-33

Payment for the tax sale items shall be made before the conclusion of the sale or the lien will be resold.

Any items not bid will be struck to the Township for 18%.

The tax sale certificate shall be issued to the successful bidder within 10 days after the sale.

Successful bidders have purchased ONLY a lien on the property NOT a conveyance of title.

At the discretion of the Tax Collector, the sale may be adjourned from day to day or week to week, but not to exceed 8 weeks. 54:5-28

Properties in bankruptcy shall be removed from the sale upon documentation.

A Municipal officer bidding on behalf of the Municipality shall do so in the same manner as other bidders.

Any questions, information regarding prior liens, size, description, etc. shall be obtained prior to the sale.

A property will not be set aside for incorrect name or spelling.

POLICY: NO FRACTIONAL BIDDING, PREMIUM BIDS SHALL BE WHOLE DOLLAR AMOUNTS. BIDS AND NAMES ARE TO BE MADE CLEARLY AS TO BE HEARD BY THE OFFICIAL HOLDING THE SALE.

TAX SALE INFORMATION
ITEMS REQUIRED BY LAW (NJSA 54:5-1)

BIDDING

Tax Sale bidding starts at a maximum of 18% rate of redemption. Bidding of Premium for a tax sale certificate starts after 0% rate of redemption.

EXAMPLE: Bidding has begun at 18% and bid down to 0% by bidders saying 18%, 15%, 10%, 0% in auction bid manner. After 0%, any bidder may then quote PREMIUM to be paid for the Tax Sale Certificate by bidding UPWARD in dollar amounts. **FORMER LIENHOLDERS MAY NOT ANNOUNCE THEY HOLD PRIOR LIENS DURING THE BIDDING PROCESS.**

If there are no bidders, the item is struck to the Township at 18%.

PAYMENT OF ITEMS SHALL BE MADE BY CASH, CERTIFIED CHECK, MONEY ORDER OR WIRE TRANSFER ONLY.

SOME OF YOUR RESPONSIBILITIES AS A TAX SALE LIEN HOLDER...

After the sale, certain responsibilities become the obligation of the holder of the tax sale certificate under the TAX SALE LAW.

1. **YOU MUST FILE AFFIDAVITS** of all your disbursements and expenses. See TAX SALE LAW N.J.S.A. 54:5-60, 61, 62. Affidavits must be filed in the Collectors Office.
2. You must file a copy of the recorded certificate showing book and page number with the collector.
3. Record your tax sale certificate within 90 days of the date of the sale.
4. Current year taxes are not included in this sale. After 10 days, you may check with the Collectors office for the current amount due.
5. When a lien exceeds \$200.00, you are entitle to a 2,4 or 6% penalty of the amount of sale. This amount remains constant regardless of the lapse of time. (2%--\$200 to \$5,000; 4%--\$5,001 to \$10,000; 6%--over \$10,000).
6. After 2 years elapse from the date of sale, you may proceed with foreclosure of the property. Consult with an attorney.
7. Only \$12.00 is recoverable as a title search fee.
8. Become familiar with the TAX SALE LAW (can be found at your local library or online), it can save you money and help protect your investment.
9. A lienholder must return the Tax Sale Certificate to receive his/her money after redemption is made. So **DO NOT LOSE YOUR CERTIFICATE.**

LIENHOLDER:

To protect your interest in the tax liens you purchase please do the following:

- 1) File the certificate at the Cape May County Clerk's Office.
- 2) File an affidavit with the Tax Collector for all subsequent taxes paid and filing costs.
- 3) Notify the Collector of any assignments.
- 4) Notify the Collector of address, phone number, email and/or fax number changes.
- 5) Notify the Collector of notices to file foreclosure and the actual filing of the foreclosure.
- 6) If necessary, send of copy of "proof of claim" sent to a Bankruptcy court for a property on which you own a Tax Sale Certificate.