

### **WHEN DO REAL ESTATE TAXES BECOME DELINQUENT?**

Real estate taxes become delinquent April 1st each year. Example: 2015 taxes become delinquent April 1, 2016. At that time, 3% interest is added to the gross amount.

### **ARE DELINQUENT TAXES ADVERTISED?**

Yes. A list of all real property with delinquent taxes is advertised once a week for three consecutive weeks in a local newspaper. The advertisement specifies the place, date, and time of the Tax Certificate Sale.

### **WHAT IS A "TAX CERTIFICATE?"**

A tax certificate represents a lien on real property and bears interest at a maximum rate of 18% per year. The cost to purchase a certificate is listed beside each parcel in the delinquent advertisement, and includes gross tax, interest, advertising cost and the cost of the Tax Certificate Sale.

### **WHAT IS A TAX CERTIFICATE SALE?**

On the advertised day and time, the Tax Collector auctions and sells a tax certificate on each delinquent parcel. Since the taxes on some parcels are paid prior to the sale, those parcels that appeared in the newspaper advertisement will be skipped. Bidding begins at 18% and the certificate is sold to the person bidding the LOWEST annual interest rate.

### **WHAT IS AN INTERNET AUCTION?**

An auction in which bids are transmitted and received through the Internet using a computer and a web browser at [www.bidcharlottecounty.com](http://www.bidcharlottecounty.com)

### **HOW DOES THE BIDDING PROCEED?**

Each parcel is auctioned in the order listed in the advertisement. The bidding begins at 18% (the maximum rate) and is bid down. The winning bidder's number and rate of interest bid are recorded. Any item not bid on is struck to the County. At this time we encourage you to remember certificates with a 0 (zero) % bid of interest rate WILL NOT accrue interest.

### **WHAT IF THERE ARE NO BIDDERS?**

If there are no bidders for a certificate, it is issued to the County at 18% interest per year.

### **HOW ARE TAX CERTIFICATES "REDEEMED?"**

In order to clear the tax certificate lien, the property owner must pay the amount of the tax certificate plus the rate of interest at which the certificate was sold, calculated from the month of the sale to the month of the redemption with a 5% minimum unless the bid was 0%. If the bid was 0%, there will be NO interest accrued. When a tax certificate is redeemed, on or after June 1, a \$6.25 redemption fee is also charged. After redemption, the certificate holder receives the amount invested plus interest. Please note that interest earned is taxable and must be reported to the IRS. Each January, an IRS 1099-INT form is sent to each certificate holder for earnings in the previous year.

### **WHAT IF THE CERTIFICATE IS NOT REDEEMED?**

If the certificate is not redeemed within two years from the date the tax became delinquent, the certificate holder may apply for a tax deed, and bring the land to sale at a public auction. Example: 2015 taxes became delinquent April 1, 2016; therefore, a tax deed application may be made on or after April 1, 2018. A certificate holder who wishes to apply for tax deed, must redeem all other certificates, unpaid taxes and fees as mandated by state law.

### **IS THIS A RISK FREE INVESTMENT?**

No. Although a secure investment in most cases, as with any investment, there is an element of risk. There are three possible risks to consider.

1. If there is a correction to the original taxes levied that would decrease the certificate value or cancel the certificate, the law provides for the portion in error to be refunded to the certificate holder with 8% interest or rate of interest bid, whichever is less, per annum, calculated monthly to the date of cancellation or correction.
2. If the property value drops significantly in subsequent tax years, it may cost more to bring the property to sale than the value gained by owning the property.
3. If the landowner enters into bankruptcy, the certificate holder is prevented from enforcing the lien until the bankruptcy is released. In some instances the bankruptcy court may lower the interest rate and order payments to be made over a five year period.

### **CAN A PROPERTY OWNER STOP A LAND SALE?**

Yes. The owner of the property can prevent the loss of the land by paying all accrued taxes, costs, and interest at any time before the tax deed is issued.

### **WHAT IS THE LIFE OF A TAX CERTIFICATE?**

The life of a tax certificate is seven years from the date of issuance. If the certificate holder does not apply for a tax deed within the seven years, the certificate is null and void.

## ARE THE COUNTY'S CERTIFICATES AVAILABLE FOR PURCHASE?

Yes. County held certificates are available for purchase through the Tax Collector's website. When someone buys a county held certificate, the lien is transferred to the buyer. The purchase price is the amount of the original certificate plus interest due to the date of purchase, plus \$6.25 administrative fee. The interest rate of the purchased certificate is 18%. Anyone interested in purchasing county held certificates may download a list from our web site at [taxcollector.charlottecountyfl.gov](http://taxcollector.charlottecountyfl.gov)

## HOW DO I BECOME A BIDDER?

Beginning in May bidders may register online. A link is provided from our website at [taxcollector.charlottecountyfl.gov](http://taxcollector.charlottecountyfl.gov). A registration form must be completed online for each bidder, with name, address, phone number, and tax-payer identification or social security number.

## HOW DO I PURCHASE COUNTY CERTIFICATES?

Visit Lien Express website at <https://charlotte.lienexpress.net/doc/overview>

**For further information regarding the Tax Certificate Sale, please contact the Tax Collector's Office at (941) 743-1350 or visit us on the Website at:**  
**[taxcollector.charlottecountyfl.gov](http://taxcollector.charlottecountyfl.gov)**

## Calling all 5th Graders!\*



Kids Tag Art is a program of the Charlotte County Tax Collector office. It is a fundraising project that inspires 5th grade students to design their own specialty plate art.

Monies from the sale of the kids tag art go directly to the art program at the school of the designing winner.

Two winners are chosen from each 5th grade elementary school. In addition, five students receive special awards from the tax collector, Sponsor, Superintendent, Education Foundation and the Sheriff.

The winning tag art is available for purchase and the winner's are display at the Charlotte County Tax Collector's website.

[www.ectaxcol.com/kidsart](http://www.ectaxcol.com/kidsart)

## PROPERTY TAXES TAX CERTIFICATE SALE

### GENERAL INFORMATION



**VICKIE L. POTTS**  
**Charlotte County**  
**Tax Collector**

### OFFICE LOCATIONS

W. County Admin  
6868 San Casa Drive  
Englewood, FL  
34224

S. County Annex  
410 Taylor Rd.  
Punta Gorda, FL  
33950

Charlotte County Administration Center  
18500 Murdock Circle  
Port Charlotte, FL 33948

Visit our Website at:

**[taxcollector.charlottecountyfl.gov](http://taxcollector.charlottecountyfl.gov)**

For questions call (941) 743-1350