

## TOWN OF WAYNE

### Policy - Tax Acquired Property

This policy has been prepared to address the maintenance, administration, and disposition of **Tax Acquired Property** for the Town of Wayne. It is prepared in accordance with the provisions of Title 30 Sections 1917; 2151; 2153 MRSA as amended.

#### ARTICLE 1. General

1.1 Purpose: the purpose of the Policy is to establish and dictate a procedure whereby real estate property, acquired in accordance with Title 36 MRSA Sections 942 and 943 as amended, shall be managed, administered and disposed of by the Town of Wayne.

#### 1.2 Definitions:

For the purposes of this policy, the following definitions shall be observed in the construction of this policy.

1.2.1 "Foreclosed Tax Lien": shall mean a tax lien mortgage that has automatically foreclosed Pursuant to 36 MRSA Section 942 and 943.

1.2.2 "Just Value for the Current Year and Past Year Taxes not Assessed" shall mean the amount of taxes that would have been assessed to the property had it not been owned by the municipality on April 1st of the year in which it is sold by the municipality. Note: the purpose of this definition is to recover for the municipality those taxes which would have been assessed to the property if it had been privately owned on April 1st in the year in which it is sold. These taxes would be lost under current law if the municipality sells tax acquired property after April 1st.

1.2.3 "Land or Lands" shall mean that portion of the physical surface of the earth either natural, or modified by man to a permanent or semi-permanent site, and all natural or manmade resources therein and thereon. For the purposes of the Policy, land shall be commonly referred to as real estate property as cited below.

1.2.4 "Mail": shall mean certified, first class mail, return receipt requested, posted at any U.S. Post Office, postage prepaid.

1.2.5 "Manufactured Real Estate Property" shall mean any structure, building or dwelling, the same being constructed or fabricated elsewhere and transported, in whole or in part, to and placed, set or installed permanently or temporarily upon land within the municipality. For the purpose of the Policy, manufactured real estate property shall be commonly referred to as real estate property as cited below.

1.2.6 "Municipality" shall mean the Town of Wayne.

1.2.7 "Municipal Officers" shall mean the Selectmen of the Town of Wayne.

1.2.8 "Prior Owner" shall mean the person or persons, entity or entities, heirs or assigns to whom the property was most recently assessed for municipal taxes.

1.2.9 "Quit Claim Deed": shall mean a signed, legal instrument releasing the municipality's right, title or interest in real estate property, acquired by virtue of foreclosed tax liens, to an individual or individuals, entity or entities without providing a guarantee or warranty of title to same.

1.2.10 "Real Estate Property" shall mean all land or lands, and all structures, buildings dwellings, tenements and hereditaments, including manufactured real estate property, located or relocated upon any land or lands connected therewith and all rights thereto and interests therein.

1.2.11 "Tax-Acquired Property": shall mean that real estate property acquired by the municipality by virtue of a foreclosed tax lien as cited above.

1.2.12 "Tax Lien" shall mean the lien created by 36 MRSA Section 552.

## **ARTICLE 2. MANAGEMENT AND ADMINISTRATION**

### **2.1 Management**

Following statutory foreclosure of a tax lien mortgage, title to the real estate property automatically passes to the municipality. The management of this property rests exclusively with the municipal officers, subject to the provisions of state statutes and local municipal ordinances and regulations.

2.1.1 The Municipal officers may obtain fire loss insurance for tax-acquired structures in a dollar value not less than all outstanding taxes, liens, costs and other attendant expenses.

2.1.2 The municipal officers shall determine when and if any occupants of tax-acquired property shall vacate same.

2.1.3 The municipal officers shall determine whether a tax-acquired property is to be retained for municipal use or disposed of in accordance with the provisions of this Policy.

2.1.4 Should the municipal officers determine that tax-acquired property shall be retained for use by the municipality, the municipal officers at their own discretion may pursue an action for equitable relief in accordance with the provisions of Title 36 Section 946, MRSA, as amended, as a means of securing a clear title to the property.

2.1.5 The municipal officers may, in the event that the property be vacated for sixty consecutive days, obtain general liability insurance coverage for the tax-acquired structures.

## **Article 3. Disposition of Tax-Acquired Property**

### **3.1 Disposal**

Should the municipal officers determine that title to tax-acquired property be relinquished rather than retained by the municipality, the following shall be observed.

3.1.1 The municipal officers shall solicit public bids for the sale of the tax-acquired property and shall receive, open and read aloud submitted bids during the first regularly scheduled Selectmen's Meeting in June following foreclosure of the tax lien.

3.1.2 The municipal officers shall send notice of the impending sale, via mail only, to any and all prior owners of said property and abutting property owners. Such notification shall be made at least 45 days prior to the scheduled sale. The said prior owner may redeem the property within the 30 days immediately following notification with full payment of all outstanding taxes, including a just value for the current year tax and past years' taxes not assessed, liens, interest and all costs including, but not limited to notice and insurance costs.

3.1.3 The municipal officers shall cause a public notice of the impending sale of tax-acquired property to be posted within the town office, and to be advertised for two successive weekends in the Kennebec Journal and the Lewiston Sun Journal, the last notice to be published at least seven days prior to the advertised sale date.

3.1.4 The municipal officers shall require the following for proper submission:

a. A bid sheet containing a full description (Map and Lot #) of the property being bid upon, and the bid price in U.S. currency.

b. A certified cashier's check or a postal money order in an amount not less than 10% of the bid price, shall be included as a deposit on the bid. Failure to submit a deposit shall cause the bid to be automatically rejected.

3.1.5 The municipal officers shall require that those bid items cited above be sealed in a single plain envelope marked only "Tax-Acquired Property Bid" on the exterior and either be hand delivered to the municipality, or, if mailed, to be enclosed within a second envelope addressed to the Board of Selectmen, Town of Wayne, R.F.D. 1, Box 515, Wayne, Maine 04284. All bids must be received by the municipality no later than 7 p.m. D.S.T. on the date that the bids shall be opened or read.

3.1.6 The municipal officers shall not accept any bid for a dollar amount less than the total outstanding taxes, including just value for current year and past years' taxes not assessed, liens, interest and all costs, including, but not limited to, public notice fees and insurance costs, amount to be stated when public notice is given. Acceptance of a lesser amount can only be approved by the voters at a town meeting. In the case of unbuildable lots which have been for sale for more than one year, a minimum bid amount less than that specified by this policy may be accepted by the selectmen.

3.1.7 The municipal officers shall retain the right to accept or reject any and all bids submitted, and shall cause the same disclaimer to be noted in any public notice soliciting bids in accordance with the Policy. Should the municipal officers reject all bids, the property may be offered again for public sale without notice to any prior owner or owners.

3.1.8 Should there be no successful bidder, the municipal officers may retain or dispose of said property on such terms and conditions as they deem advisable, such authority to give selectmen the choice of several procedures including use of sealed bids, open auction, or closed sale.

3.1.9 The municipal officers shall notify, via mail, any successful bidder.

3.1.10 The municipal officers shall, as a credit to payment, retain the submitted bid price deposit of any successful bidder, and shall return all other submitted deposits.

3.1.11 The municipal officers shall require payment in full, from any successful bidder within 30 calendar days following date when bids are opened and read (see 11 for exception). Should the bidder fail to pay the full balance, the municipality shall retain the bid price deposit and title to the proffered property.

3.1.12 The municipal officers may, subject to a show of good faith on the part of the bidder, extend the time limit a one-time-only additional 20 days in which full payment must be received.

3.1.13 The municipal officers shall issue only a Quit Claim Deed to convey title to tax-acquired property.

3.1.14 The successful bidder shall be responsible for the removal of any and all occupants of purchased tax-acquired property and shall, in writing, forever indemnify and save harmless the municipality from any and all claims arising out of the sale of the tax-acquired property by the occupants of the purchased property, their heirs or assigns.

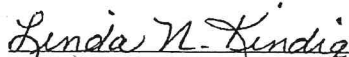
#### **Article 4 Construction**


##### **4.1 Severability**

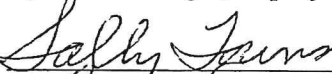
Severability is intended throughout and within the provisions of this Policy. Should any provision, including inter alia any exceptions, part, phrase or term, or the application thereof to any person or circumstances be held invalid, the application of other provisions of this Policy shall not be affected thereby and the validity of the Policy in any and all other respects shall not be adversely affected.

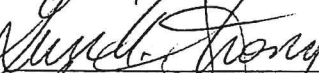
#### **Article 5 Adoption**

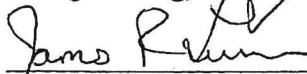
This policy is adopted by the undersigned and voted on annually at Town Meeting.

  
Linda Kindig, Chairman of Selectmen

  
Cynthia Pettengill, Deputy Chairman of Selectmen

  
Sally Towns, Selectwoman

  
George Strong, Selectman

  
James Turner, Selectman

As agreed to at Selectmen's Meeting on March 4, 1996 Revised 10/29/96  
file = other: taxacqpr.wps