



PRINCE WILLIAM
Finance

Taxing Authority Consulting Services

Delinquent Tax Sales Frequently Asked Questions



General FAQ

Who is TACS?

Taxing Authority Consulting Services, P.C., or TACS, is a law firm retained by Prince William County to assist with the collection of delinquent taxes.

What is a tax sale?

A tax sale refers to the sale of real property to provide for the payment of delinquent real estate taxes. There are many laws governing tax sales, but the core principle is that if a landowner does not pay the real estate taxes assessed on the land for a period of time, the land may be sold to satisfy the debt.

What is the difference between a Special Commissioner's Sale of real estate (Judicial Sale) and a Non-Judicial Sale?

A Special Commissioner's Sale (Judicial Sale) is the sale of tax delinquent real estate through the Circuit Court. The Court ensures that all parties have proper notice and that the sale is handled correctly. After the property is sold at auction, the Court must then approve the sale. At a Judicial Sale, the property is conveyed free and clear of all liens on the property including the taxes due.

A Non-Judicial Sale is conducted without court oversight and is limited to certain (generally, non-buildable) parcels of real estate.

The property is conveyed by a Special Warranty Deed.

Please review the terms of sale for any properties you are interested in. You are encouraged to consult with an attorney if you have specific questions about either of these processes.

What makes a property eligible for litigation or sale?

Various factors are considered in determining which delinquent tax accounts are moved into litigation or the tax sale process. If you have received a letter from our office discussing the sale of your real estate, your account will likely be moving into litigation for tax sale soon. Consider entering into a conforming payment plan to avoid the expense and hassle of litigation.

For Delinquent Taxpayers

What makes a property eligible for litigation or sale?

Various factors are considered in determining which delinquent tax accounts are moved into litigation or the tax sale process. If you have received a letter from our office discussing the sale of your real estate, your account will likely be moving into litigation for tax sale soon. Consider entering into a conforming payment plan to avoid the expense and hassle of litigation.

Can I pay over the phone?

You may conveniently pay your delinquent tax account over the telephone by calling TACS at 804-545-2500 (option 2) or 703-880-1072 (option 2). One of our representatives will provide assistance when you call. Please note that a convenience fee will apply. You will need your TACS number to make a payment; that TACS number will be on the correspondence you received from our office.

Can I pay online or in person?

Online payments may be made by credit card or e-check at <http://pay.taxva.com> (a convenience fee will apply). You will need your TACS Number and your zip code to pay online.

TACS also offers a "pay-in-person" option for use at 7-Eleven, CVS or

Family Dollar stores. This "pay-in-person" option requires an active bar code which you can retrieve by logging in to <http://pay.taxva.com> using your TACS Number and zip code. If you need to retrieve your TACS Number or need to update your zip code, please call our office at 804-545-2500 (option 2).

Can I enter into a payment plan?

We will be happy to discuss a payment plan with you subject to the terms authorized by the County. Payment plans require a down payment and help you avoid some of the additional costs of litigation.

Under Virginia Code §58.1-3965, if you default on a payment plan, you cannot enter into another payment plan for three years and you must pay the account in full to redeem the property from the tax sale process.

Why are you selling my property?

We don't want to sell any property; it is a last resort. However, taxes must be paid either voluntarily or through tax sale. If you cannot afford to pay the taxes all at once, please consider entering into a payment plan to avoid sale of the property.

How long will it take to sell my property?

Typically, the litigation process will take six to nine months. If you were denied a payment plan or defaulted on a plan, you may redeem the property at any time **prior to the auction date** by paying all accumulated tax, penalties, interest, fees and costs of the proceeding.

What if I receive a letter stating I am an heir to a property? What needs to be done?

Often, taxes on land become delinquent because the owner passes away. If you are not interested in the property, then there is nothing that needs to be done. If you are interested in keeping the property from being sold, you may want to inform our office and then contact an attorney to see what you would need to do to have the property placed in your name. Note that we do not seek any **personal** liability from heirs in real estate tax sale cases. If you are listed on a suit to sell real estate, it is simply to provide you due process notice of the proceedings.

How can I redeem the property from going to sale?

You may redeem the property at any time **prior to the auction date** by paying in all accumulated tax, penalties, interest, fees and costs of the proceeding. Once the

property is sold at auction, you have limited options. You may wish to consult with an attorney to discuss this matter.

The rest of the family members won't pay their share. What can I do to keep the property from being sold?

Once a tax-delinquent property is scheduled for sale, the full amount due must be paid in full to prevent the property from being sold. Just paying for your portion of the taxes will not be sufficient. You may wish to speak with a real estate attorney to discuss the situation or pay the taxes on behalf of the other family members to keep the property from being sold.

What happens to the proceeds of sale if the property is auctioned?

After a judicial tax sale, the Court will authorize a schedule of distribution to pay the taxes, fees and costs of the sale. Funds then will be applied to satisfy outstanding Deeds of Trust, IRS Liens, judgments, etc. in the order of their priority. Any remaining funds will be held by the Clerk of the Circuit Court. Those funds may be claimed by the record owner or entitled heir within two years of the date the sale is confirmed by the Court. Such a claim should be directed to the Circuit Court Clerk's office, with a copy being sent to TACS.

For Interested Bidders

How can I purchase real estate that is behind on taxes?

TACS facilitates the sale of tax delinquent real estate at public auction for the County. You can sign up to receive notice of upcoming tax sales here: <https://taxva.com/interested-bidder-form/>.

What is an initial ad? Does it mean the property is being sold?

Before an action can be filed to subject a property to tax sale, an advertisement must run in a local paper. This notice starts the process. It can take nine months or more before a property advertised in an initial ad is ready for sale.

How do I get address information for properties being sold?

Often delinquent tax parcels are unaddressed parcels that are not located on a public road or do not have an assigned address. In such cases, most localities have an online Geographic Information System (GIS) that allows the real estate to be researched online. You can use the parcel ID number to research the location of the properties.

NOTE: the GIS does not replace a site survey and those lines depicted in the GIS system are drawn from public records and

are created by the locality using best efforts to show the location and layout of the parcel. However, reliance should **not** be placed on this information as an exact representation of the location, size, or shape of the parcel.

What is a Delinquent Tax Auction like? Do I have to be there in person?

Many can be intimidated their first time participating in an auction, but the concept is simple. If you want to buy the property, raise your hand and keep raising if you are outbid. If you are the last person to bid, then you are the high bidder and have won the auction. Judicial Sale auctions are subject to confirmation by the Court before a deed can be issued.

Be certain that you know the property upon which you are bidding and if you are unsure, please ask. The auctioneer will generally refer to the parcel by item number (where it is listed on the sale list) as well as by the parcel ID and record owner's name. If you are not sure where the auctioneer is in the process or where the current bid is, you can ask for clarification.

Most auctions are held in-person combined with online streaming allowing participation and bidding over the internet. If you choose

to participate over the internet you would need to register with the auctioneer in advance. You also assume the risk of any issues with the internet connection and understand that such bidding is provided for the convenience of the participants and there are no guarantees.

What am I expected to pay on the auction day?

Terms of sale vary, so review the advertisement, the bid package on the day of the auction or ask one of the TACS staff about the terms. Announcements will be made at the beginning of each auction to provide the terms of sale and answer any questions about the process.

- Generally, for Judicial Sales our terms of sale are as follows: Payment of 25% down on the day of the auction up to a maximum of \$20,000 and a minimum of \$1,000 (or the full bid price if less than \$1,000); plus, a buyer's premium (usually 10% of the bid price).
- Non-Judicial Sales require payment in full on the date of the auction including recording costs.

We accept personal checks at the auction, so you do not need to guess what your final bid price will be in getting certified funds. We also discourage cash at the

auctions and often refuse to accept cash for security reasons (ours and yours). We **do not** accept credit cards for real estate tax sales.

If you participate online and are the high bidder, you will be expected to immediately return your purchase agreement (which will be sent by email) and pay the deposit by wire or certified funds. Further instructions will be provided to the high bidders after the auction.

I purchased a property at auction. What happens next?

If the property is a Judicial Sale parcel, the Circuit Court will hold a hearing whether to confirm the sale. As a high bidder, you will get notice of this hearing and have the right to attend. Once the sale is confirmed, you will typically have 15 days to pay the remainder of your bid and the deed recordation fees. Once the funds are received and cleared, TACS will prepare the deed for recording. We will send you a copy of the recorded deed once we receive it back from the Circuit Court Clerk's office.

If the property sold is a Non-Judicial Sale parcel, we will clear your funds from the auction (bid, buyers' premium and recording costs) and then prepare the deed for recording. We will send you a copy of the recorded deed once we receive it back from the Circuit Court Clerk's office.

What type of Deed will I receive as the high bidder?

Properties are conveyed by a Special Warranty Deed. Properties are conveyed free and clear of liens, including the taxes owed up until the auction date. There are no other warranties or guarantees about the property.

I purchased a property that is occupied. Am I responsible for evicting the occupant?

It is the responsibility of the new owner (once the deed has been recorded) to evict any occupant of the property and remove any remaining possessions in the property. You should consult with an attorney regarding your rights and responsibilities for this process.

What happens to property that doesn't sell at auction? Can I purchase the property at a discount?

Property that does not sell at auction the first time is held to be offered for sale at the next auction, whenever that may be. Property cannot be offered for sale privately since the locality does not take ownership of the property. Bid acceptance is at the discretion of the locality and is subject to confirmation by the Circuit Court.

For more information, contact Taxing Authority Consulting Services (TACS).

taxva.com/real-estate-tax-sales

Office Hours:

Monday through Friday (except holidays)
8:30 a.m. to 6:30 p.m.

Phone:

Main Number: 1-866-951-0742

General Collections: 804-545-2500 or 703-880-1078

Court Fine Collections: 804-259-1234

Collections Fax: 804-440-1171

Bankruptcy: 804-649-2445

Bankruptcy Fax: 804-378-2681

Email:

General: questions@taxva.com

Payoffs: payoffs@taxva.com

Mailing Address:

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Henrico, VA 23294



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