

How Tax Lien Sales Work

Office of the Weld County Treasurer



YOUR QUESTIONS ANSWERED



- Why does Weld County sell tax liens?
- When does a property go to a tax lien sale?
- What risks are there when purchasing a tax lien?
- Are tax liens a good investment?
- How and when can I pay off a tax lien on my property?
- How can an investor or successful bidder take ownership?

WHY DOES WELD COUNTY SELL TAX LIENS?

AULT	GARDEN CITY	LONGMONT
BERTHOUD	GILCREST	MEAD
BRIGHTON	GREELEY	MILLIKEN
DACONO	GROVER	NEW RAYMER
EAATON	HUDSON	NORTHGLENN
ERIE	JOHNSTOWN	NUNN
EVANS	KEENESBURG	PIERCE
FIRESTONE	KERSEY	PLATTEVILLE
FORT LUPTON	LASALLE	SEVERANCE
FREDERICK	LOCHBUIE	THORNTON
		WINDSOR

- ❖ Tax liens are sold to collect delinquent taxes as required by state law.
- ❖ The Treasurer's Office is required by law, to disburse these taxes to its municipalities and taxing authorities.
- ❖ Local municipalities and taxing authorities rely on these taxes to provide amenities and service to their respective communities.

WHEN DOES PROPERTY GO TO TAX LIEN SALE?

The taxes you owe in **THE CURRENT YEAR** are the **PREVIOUS YEARS TAXES**. FOR EXAMPLE: You pay your 2022 taxes in 2023. Your 2022 taxes become delinquent on June 16, 2023 and go to tax sale in October 2023.

JUNE 16

Unpaid taxes become delinquent and the Treasurer mails delinquent notices and adds an extra \$5.00 fee to the taxes owed.

AUGUST

Properties with prior year liens can be endorsed (purchased again) by the same investor before the tax sale which is the last business day of October.

SEPTEMBER

Properties with the potential to go to the tax lien sale are advertised in a local publication. Weld County advertises these properties in the Greeley Tribune and a \$10 fee is added.

OCTOBER

Investors may register to participate in the online tax lien sale at:
www.coloradotaxsale.com

LAST BUSINESS DAY OF OCTOBER

Auction is finalized and winning bidders are issued a tax lien certificate.

IMPORTANT: Make sure to update your mailing address with the Assessor's Office, so you get your tax notice!

Are tax liens a good investment?

EARN INTEREST

- ✓ You can earn a favorable interest rate on your purchase. The rate is decided every September 1st pursuant to C.R.S. 39-12-103 and is 9 percentage points to the federal discount rate, rounding to the nearest full percent.
- ✓ For 2023 it climbed to 15%! At 15% APR you would earn 1.25% per month.

PREMIUMS ARE NOT REIMBURSED TO BUYER

- ✓ Some buyers add a premium to their bid in hopes of being the winning bidder. The premium is an amount over and above the cost of the tax lien. The premium is never returned to the investor; it's a price you are willing to pay to win the bid.

YOU HAVE THE OPPORTUNITY TO BUY THE SAME TAX LIEN EACH AUGUST, BEFORE THE OCTOBER SALE.

- ✓ You have the right to endorse (buy the same property lien) again in August without having to bid at the tax sale in October, and you would earn an extra 2 months of interest if you endorsed at that time.
- ✓ At least 3 years from the date of the tax lien sale you can file an application for public auction.

WHAT ARE THE RISKS OF PURCHASING A TAX LIEN?

The property could be UNDESIREABLE to a potential buyer. EXAMPLE: *The land could be a small strip next to a highway.*

The property could suffer a CATASTROPHIC LOSS at anytime. EXAMPLE: *The home could burn down the next day .*

The premium an investor pays is non-refundable.

Tax liens CAN BE REDEEMED AT ANY TIME BY PROPERTY OWNER, prior to Treasurer's Deed being issued. EXAMPLE: *Homeowner pays off the lien 1 week after you purchase it.*

Lawful tax lien certificate holder wanting an opportunity to own a Treasurer's Deed must file an application for public auction at least 3 years after the date of the tax lien sale.

Deposit must be made to Treasurer to cover actual and reasonable costs to administer and ensure compliance for public auction.

No Guarantee you will be winning bidder at public auction.

What can I do if there is a tax lien against my property?

BUDGET FOR YOUR TAXES



KEEP YOUR MAILING ADDRESS UP TO DATE! DID YOU CHANGE TO A POST OFFICE BOX?



- You always have the right to pay off your lien which, will include fees and interest, anytime up until 2 p.m. the day prior to the public auction.
- If the Treasurer's Deed is issued and you wish to pay it off and "unwind" the deed, it is possible **under some circumstances**, you should seek legal counsel.
- Taxes are due annually, if you have not received your notice by the end of January contact the Treasurer's Office.
- **We do not want you to lose your property!** We are bound by state statute to collect the assessed taxes.

Treasurer Deed Process

- Refer to House Bill 24-1056 for detailed information. This slide presentation meant to be a simplified explanation ONLY.
- Investor Requests Deed Via APPLICATION FOR PUBLIC AUCTION along with a deposit of \$900.00. C.R.S. 39-11.5-102 (1) reads “at any time at least three years from the date of the sale of a tax lien pursuant to article 11 of this title 39, a lawful holder may file an **application for a public auction of a certificate of option for treasurer’s deed** for the property subject to the tax lien described in the certificate of purchase held by the lawful holder. In so doing, the lawful holder shall file an application for public auction in a form and manner determined by the treasurer.
- Treasurer reviews, then denies or accepts application.
- Lienors with a lawful recorded lien prior to the recording of application for public auction must file an intent to redeem to be eligible for any overbid funds.
- Treasurer records accepted application with Clerk and Recorder, mails notice to property address and publishes on Treasurer Website.
- Treasurer reviews title search and prepares mailing list per C.R.S. 39-11-128 then mails notices via registered or certified mail to the known interested parties.

Treasurer Deed Process Continued

- 110-125 days after the 1st publication Public Auction is scheduled.
- Auction can be continued up to 1 year from original auction date and property owner may redeem by 2 p.m. the day prior to sale at a public auction.
- If lawful holder of tax lien certificate is NOT the successful bidder at public auction, they have 8 business days to file an Intent to Redeem.
- Junior Lienors that have filed an intent to redeem overbid funds (if any exist), have 8 business days after public auction to claim overbid funds. Only the lawful holder of certificate of auction of Treasurer's Deed can redeem.
- 20 business days after auction, over bid funds can be disbursed to Lienors in order of priority and the remaining funds to property owner.
- Once all redemption periods have passed, Treasurer can record Treasurer's Deed.

How do I update my mailing address with the Assessor's Office?

<https://www.weld.gov/Home>

Step 2: Click on Assessor Forms in the Middle of the page.

Step 3: Click on Change of Mailing Address

Step 1: Click on the Property Information Box in the Middle

TOP SERVICES

NEWS

COUNTY VIDEO

FAQ

EVENTS



Vehicle Registration

Information about vehicle title, registration, address change, and much more.



Property Information

Find valuation and details about properties. Search by keyword or by map.



Pay Property Taxes

Visit the county tax portal.



Employment

Find county employment opportunities and job seeker resources.



Permits & Records

Search and apply for building permits, burn permits, or submit health complaints.



Maps

Find interactive and PDF maps, dashboards, and data.

The screenshot shows a grid of service tiles. The 'Assessor Forms' tile is highlighted with a yellow arrow. Other tiles include 'Comparable Property Sales Search', 'Property Search', 'Property Data Search', 'Tax Calculator', 'Data Download', 'Taxing Authority Information', and 'Property Tax Exemptions'.

Change of Mailing Address

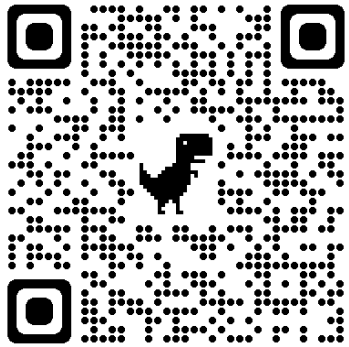
To update the mailing address for your property, submit the Change of Address form to the Assessor's office.

HELPFUL LINKS:

TAX SALE INFORMATION:

scan QR code or go to:

<https://weld.coloradotaxsale.com>



FINANCIAL ASSISTANCE:

Colorado Deferral Customer Care Center
Phone Number: 1-833-634-2513

Colorado Deferral Website scan QR code
or go to:

<https://Colorado.propertytaxdeferral.com>



Contact the Weld County Treasurer at: 970-400-3290