

**SANPETE COUNTY ORDINANCE # 03-15-2022**

AN ORDINANCE OF SANPETE COUNTY, UTAH, ESTABLISHING THE METHOD, RULES, AND PROCEDURES FOR CONDUCTING THE ANNUAL TAX SALE, ESTABLISHING AN EFFECTIVE DATE, REPEALING ALL ORDINANCES IN CONFLICT THEREWITH.

**Whereas**, §59-2-1351.1, Utah State Code Annotated, authorizes the Sanpete County Commission to establish procedures, by ordinance, for the sale of properties which have delinquent property taxes, in a manner which best protects the financial interests of the delinquent property owner and meets the needs of the County in collecting delinquent property taxes due; and

**Whereas**, the Sanpete County Commission finds a public auction with the following defined rules and procedures, provides a fair opportunity for individuals to buy property with delinquent taxes, provides for a mechanism whereby multiple properties may be sold in one day, and protects the financial interests of the owner of property by selling a property to the highest bidder.

**NOW THEREFORE, THE COUNTY LEGISLATIVE BODY OF SANPETE COUNTY, UTAH ORDAINS AS FOLLOWS:**

**SECTION 1. DEFINITIONS**

A. As used in this ordinance:

- a. "Administrative cost" means expenses incurred by Sanpete County in preparation of the tax sale.
- b. "Bid" means a binding offer of a purchase price for a property.
- c. "Bidder" means a natural person, husband and wife, or licensed business entity.
- d. "Collusive bidding" means any agreement or understanding reached by two or more parties that in any way alters the bids the parties would otherwise offer absent the agreement or understanding.
- e. "Public employee" means a person who is not a public officer who is employed on a full-time, part-time, or contract basis by the County.
- f. "Public officer" means all elected or appointed officers of the County who occupy policy making posts.
- g. "Substantial interest" means the ownership, either legally or equitably, by an individual, the individual's spouse, or the individual's minor children, of at least 10% of the outstanding capital stock of a corporation or 10% interest in any other business entity.
- h. "Tax sale" means the sale of properties with delinquent property tax due as authorized in Utah State Code Ann. § 59-2-1351 et. seq.

## **SECTION 2. BIDDER REGISTRATION PROCEDURES**

The Sanpete County tax sale, auction will be conducted via an internet website ONLY. Each bidder must register with the online company conducting the tax sale. The name of the auction company will be indicated on the County website. Bid deposits may be necessary to register as a bidder. This process must be completed no later than the date and time indicated.

The County nor the online auction company can or will be held responsible for late or misdirected bid deposits, proxy bids or any other transmission, mailing, email or other correspondence necessary to participate in the bid.

## **SECTION 3. REDEMPTION RIGHTS AND PROCEDURES**

A property may be redeemed in behalf of the record owner, by any person, at any time prior to the start of the tax sale, on the scheduled date. Property is redeemed by paying to the County Treasurer, all delinquent taxes, interest, penalties, and administrative costs which have accrued on the property. Paying the delinquent amount does not grant ownership to the individual(s) or party(s) paying all delinquent taxes, interest penalties and administrative costs. This only removes the property from the tax sale.

## **SECTION 4. PROHIBITED CONDUCT**

Collusive bidding is not permitted and is punishable as a Class C Misdemeanor. Collusive bidding means to conspire to rig bids or fix prices to make it difficult or impossible for other individuals to take part in the bidding process.

## **SECTION 5. CONFLICT OF INTEREST PROHIBITIONS AND DISCLOSURE REQUIREMENTS**

Every County official or employee who purchases or has a substantial interest in any business entity which purchases property at the tax sale must disclose said interest in a sworn statement filed with the Sanpete County Clerk and a copy of which provided to the Sanpete County Commission, Sanpete County Attorney's Office, and their immediate supervisor. These disclosures are public information and shall be available to the public for inspection.

No official or employee may have a personal investment in a business entity which will create a substantial conflict between their private interests and their public duties related to the tax sale.

## **SECTION 6. CRITERIA FOR ACCEPTING OR REJECTING BIDS**

All bidding shall be conducted through the online company conducting the tax sale for the County. Bidding will advance in increments of a minimum of \$100 or as indicated on each parcel listed for sale with the minimum acceptable bid starting at Taxes which includes; delinquent taxes, penalties, interest, and administration fee.

All bids shall be considered conditional, whether or not the bid is contested, until reviewed and accepted by the Board of County Commissioners acting at a regularly scheduled Commission meeting.

The County reserves the right to reject any and/or all bids.

## **SECTION 7. SALE RATIFICATION PROCEDURES**

The Sanpete County Auditor, or assigned deputy, shall present the results of the Delinquent tax sale no later than two regularly scheduled County Commission meetings after the sale. The County Auditor, or assigned deputy, will inform the Commission regarding the number of properties sold, the number of properties struck off to the County, and the high bid amount for each property offered for sale at the tax sale.

The County Commission may ratify the results of the tax sale after hearing the details offered by the Sanpete County Auditor or assigned deputy.

## **SECTION 8. CRITERIA FOR GRANTING BIDDER PREFERENCE**

All bidders have an equal opportunity to offer a bid on properties. Bids may be placed incrementally, or by "Auto Bid," in which a bidder's maximum offer is confidentially recorded by the system. Bidders who make a bona fide bid in the highest amount for a property become the successful bidder of the property auction.

## **SECTION 9. METHOD AND PROCEDURE OF PAYMENT, FEES, AND PREMIUMS**

All bids are an irrevocable offer to purchase the property in question. A bidder is legally and financially responsible for all properties bid upon. Payment in full by certified check/money order or wire transfer will be required not later than five (5) business days after the tax sale closes, unless otherwise advertised. No personal checks will be accepted.

A minimum \$40 recording fee is required in addition to the winning bid. Premiums charged by the online auction company may be associated with the sale of properties. This amount will be added to the winning bid and will be included in the total purchase price paid by the Buyer to

the Seller. If the payment policy is not adhered to, the successful bidder will be considered in default. Any bid deposits will be forfeited to the Sanpete County Treasurer and the successful bidder will be banned from future sales. The Sanpete County Treasurer reserves the right to pursue all available legal remedies against a non-paying bidder.

#### **SECTION 10. PROCEDURES FOR CONTESTING BIDS AND SALES**

Any person wishing to contest any action takes in connection with the Sanpete County tax sale must present protest to the Sanpete County Commission, through the Sanpete County Auditor's Office in writing, within ten (10) calendar days of the sale.

Sanpete County Auditor  
160 N Main, Ste 207  
Manti, UT 84642

#### **SECTION 11. CRITERIA FOR STRIKING PROPERTIES TO THE COUNTY**

Any parcel which does not receive a minimum bid shall be struck off to Sanpete County. Parcels struck off to the County may be available for sale through the Sanpete County Clerk's Office when approved by the Sanpete County Commission.

Upon any final bid being rejected, the parcel may be offered to a bidder who offered the second highest bid in the amount of that bid. If the second highest bidder rejects the offer, the property shall be struck off to Sanpete County.

#### **SECTION 12. PROCEDURES FOR DISCLOSING PROPERTIES WITHDRAWN FROM THE SALE**

The auction website will update the list of properties as often as possible, until the week leading up to the tax sale, then it will update once a day until the start of the sale. The Sanpete County website will be updated daily with any changes in the available properties. If the list is published in a local newspaper, it will be updated with any changes prior to its publication each week.

Any properties which are redeemed or removed immediately prior to the beginning of the live auction the day of the tax sale, will be stricken and removed from live bidding prior to the close of the bid group.

### **SECTION 13. DISCLAIMER BY COUNTY WITH RESPECT TO TAX SALE PROCEDURES**

Properties sold via the online Sanpete County tax sale shall be conveyed by Auditor's Tax Deed. This form of deed is not a warranty deed. No warranty or guarantee is made, expressed or implied, relative to the title, location, or condition of properties for sale. In addition, the County assumes no responsibility, implies, or otherwise, that tax sale properties are in compliance with zoning ordinances, mining and reclamation regulations, building codes and permits, and/or any other applicable regulations or permits. In addition, Sanpete County makes not warranties or representations as to whether the property is buildable or developable.

Any property sold pursuant to the tax sale is without guarantee or warranty whatsoever as to existence, correctness of ownership, size, boundaries, location, structures or lack of structures upon the land liens, titles, or any other matter or thing whatsoever. Sanpete County does not warrant or represent that any property purchased during the tax sale is habitable or in any particular condition.

Sanpete County also makes no warranties or representations regarding the accuracy of the assessment of the property or accuracy of the legal description of the real estate or improvements thereon. It is the responsibility of the bidder to determine the physical aspects of the property, its geographical location, and accessibility. Sanpete County makes no warranties regarding the availability, validity, or existence of water rights associated with any of the properties sold during tax sale.

It is the bidder's responsibility to determine the liabilities, including other liens and encumbrances, that exist on each property before and after the sale. The properties are sold "as is." Additionally, Sanpete County is not liable in any way whatsoever for damages sustained to property purchased from the time of sale until the recordation of the Auditor's Tax Deed to a purchaser.

All properties sold at the Sanpete County tax sale fall under the rule of *caveat emptor*, or "let the buyer beware," and all purchasers are accordingly hereby so notified.

### **SECTION 14. SEVERABILTY**

Should any portion of this ordinance be found for any reason to be unconstitutional, unlawful, or otherwise void or unenforceable, the balance of the ordinance shall be severable therefrom, and shall survive such declaration, remaining in full force and effect.

### **SECTION 15. REPEAL OF CONFLICTING ORDINANCES**

To the extent that any ordinances, resolutions or policies of Sanpete County with the provisions of this ordinance, they are hereby amended to comply with the provisions thereof.

**SECTION 16. EFFECTIVE DATE**

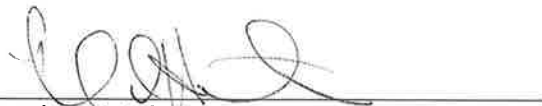
This ordinance shall become effective immediately after the required publication thereof, as set forth in Utah State Code § 17-53-208(6).

**PASSED AND ADOPTED BY THE BOARD OF COUNTY COMMISSIONERS OF SANPETE COUNTY, UTAH this 1<sup>st</sup> day of March, 2022.**

BOARD OF COUNTY COMMISSIONERS  
SANPETE COUNTY, UTAH



Scott Bartholomew, Commission Chair



Reed D. Hatch

Edwin Sunderland

**ATTEST:**



Sandy Neill  
Sanpete County Clerk