

Tax Foreclosure & Tax Lien FAQ's

Q. Does Currituck County sell property for failure to pay taxes?

A. Yes. At anytime after taxes become delinquent, the Tax Collector has the authority to file a tax foreclosure action to have the property sold for collection of the delinquent taxes. All persons who have an interest in the property have to be named in the action and served with notice of the pending sale of the property. The taxpayer or any other person can pay the taxes and costs of the action at anytime prior to the sale of the property. This procedure takes from two to six months to complete.

Q. When and how often are tax foreclosure sales held?

A. Sales are only held as needed and may be held anytime except Sundays and Holidays. Currituck County is fortunate in that most property owners pay their taxes on time. The Tax Collector also uses other methods to collect unpaid taxes such as garnishment of wages; attachment of rents and bank accounts; seizure of personal property; and attachment of income tax refunds to reduce the need to resort to tax foreclosure.

Q. How can the public find out about pending tax foreclosure action?

A. All sales are advertised in *The Daily Advance* and posted at the **County Courthouse**. *The Daily Advance* is published daily and can be purchased on the newsstands or by subscription. The mailing address for *The Daily Advance* is P.O. Box 588, Elizabeth City, NC 27907. The telephone number is 252-335-0841. An attempt will be made to list all foreclosure sales on the **Tax Department Page** of the **Currituck County Government Website** at <http://www.co.currituck.nc.us/Tax-Foreclosures.cfm> (Note: A failure to list a foreclosure action on the county website will not affect the foreclosure action or the validity of the action)

Q. Can prospective purchasers be placed on a list to be notified when sales are to be held?

A. No. The Tax Department receives too many requests to accommodate all such requests.

Q. What is the bidding process?

A. All sales are public and usually conducted at the Courthouse (2801 Caratoke Hwy, Currituck NC). The property is sold to the highest bidder, who must pay a deposit of 5% of their successful bid following the sale. There is a ten (10) day upset period after the sale during which time anyone can pay off the taxes and costs, or can trigger a resale by raising the bid by the greater of five percent (5%) of the previous bid or \$750. Each time a raised bid is filed, another ten (10) day upset period begins and a new deposit is required. This process will continue until there are no additional upset bids. Bidders will be held liable for their bids and payment must be made in full at the time the deed to the property is delivered to the purchaser.

Q. How & where do I go to place an upset bid?

A. Upset bids must be submitted in person at the Clerk of Courts Office. A five percent (5%) deposit is required.

Q. What forms of payment are accepted for bidding and/or purchasing tax foreclosed property?

A. The Court will accept cash or certified check.

Q. What kind of title does the purchaser of tax lien foreclosed property obtain?

A. The judgment in a tax foreclosure action orders that the property be sold in fee simple, free and clear of all interests, rights, claims, and liens whatever except for taxes not contained in the foreclosure complaint. The Sheriff or a Commissioner is appointed by the Court to sell the property. When the property is sold, the Sheriff or Commissioner will deliver a deed to the purchaser but the deed has no warranties.

Q. What happens if no one bids on the property being foreclosed?

A. While this can happen, it is very unlikely due to relatively high real estate values as compared to the low County Tax Rate. However, should this happen, the County has the option to purchase the property.

Q. Can I buy property from the County that it obtained via tax foreclosure?

A. If the County decides it does not want or need the property, it can declare it surplus property and sell or dispose of the property in accordance with state laws regarding such.

Q. Does Currituck County sell tax liens?

A. No. The requirement and ability to sell tax liens was abolished by the North Carolina Legislature in 1983.

Q. Why does Currituck County advertise tax liens on real property in the newspaper?

A. Each year, the Office of the Tax Collector is required by North Carolina law to advertise the names of all persons who have not paid their Real Estate taxes for the previous year.

Q. Can any person simply pay the taxes and obtain title to the property?

A. No. Paying someone's taxes will not entitle you to any legal ownership to the property.

ALL TAX FORECLOSURE SALES ARE SOLD ON A "WHERE IS" AND "AS IS" BASIS. THE COUNTY MAKES NO REPRESENTATION OF WARRANTY, EXPRESS OR IMPLIED. IT IS THE BIDDER'S RESPONSIBILITY TO INVESTIGATE THE PROPERTY PRIOR TO BIDDING TO KNOW EXACTLY WHAT THEY ARE BIDDING ON. THE COUNTY WILL NOT OVERTURN A SALE OR REFUND THE PURCHASE PRICE OR DEPOSIT BECAUSE A BIDDER DID NOT KNOW WHAT THEY WERE BIDDING ON NOR BECAUSE THE PROPERTY IS NOT SUITED TO THE BIDDER'S SPECIFIC NEEDS FOR SUCH PROPERTY.