

MISSOULA COUNTY
SALE OF TAX DEED LANDS
DISBURSEMENT OF PROCEEDS

PURPOSE

This policy and procedure is for guidance in the distribution of proceeds from the sale of tax deed lands acquired, and subsequently sold, by Missoula County.

DEPARTMENTS AFFECTED

Treasurer, Clerk and Recorder, Accounting & General Services.

POLICY

1. Missoula County will, according to statute, offer for sale at auction lands for which a tax deed has been issued to the County. Once the two required auctions have been held, any properties remaining unsold will be placed with a realtor to be sold by negotiated sale.
2. Sale of lands must be for a minimum of 70% of market value as set by the Missoula County Appraisal Office or, if desired and paid for by the prospective purchaser, an independent licensed appraiser.
3. Several alternatives exist for ascertaining true market value of a parcel depending on the type of debt still attached to the property after deed.
 - 3.1 Where a parcel has outstanding, non-perpetual, RSID or SID debt remaining, the total of this "future" debt may be deducted from the market value prior to arriving at the minimum legal purchase price. When this option is chosen by the prospective purchaser, the purchaser becomes responsible for the future payments on the RSID or SID prorated from closing.
 - 3.2 Should the purchaser desire, the purchase price may be figured from the original market value of the property and Missoula County then becomes liable for the payoff of these debts. When this option is chosen, a payoff amount will be submitted by the entity responsible for the financing of the debt and a check will be cut to them for that amount at closing.
 - 3.3 There may be other cases of extra-ordinary debt or necessary expenditures associated with the purchase of a parcel. In these cases, the amount must be negotiated with Missoula County and deducted from the market value of the property.
4. Debt, which attaches to a parcel after tax deed but before sale, must be paid in its entirety and will be deducted at the time of closing with documentation as to the amount and funds to be credited.

5. If the parcel is a part of, and pays assessments to, an established irrigation district, those assessments prior to the tax deed must be paid in full from the proceeds of the sale or they will remain as a lien on the property. Payment of the prior assessments from the proceeds should be made at closing by check made payable to the district.
6. The remaining proceeds from the sale shall be forwarded to Missoula County to first pay all costs associated with the tax deed and then applied on a pro-rata basis to the taxing jurisdictions for their charges which were extinguished by the County Tax Deed.
7. Any proceeds left after the preceding fees, taxes and other charges have been paid in full will be credited to the Missoula County RSID Revolving Fund.