

# IMPORTANT INFORMATION FOR CASS COUNTY PROPERTY OWNERS AND TAXPAYERS WITH CONTRACTS FOR DEED

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**FEBRUARY 2010**

## **PROPERTY TAX BILLING and COLLECTION PROCEDURES**

### **What you need to know if you buy or sell property under a Contract for Deed:**

- ◆ When a Contract for Deed is recorded, the buyer becomes the “taxpayer” of record.
- ◆ The tax parcel record will then have the buyer’s name and address as the taxpayer and the seller’s name and address as the owner.
- ◆ The annual property tax billing statement is mailed **ONLY** to the taxpayer in March.
- ◆ It is the responsibility of the seller/owner to monitor whether or not the buyer/taxpayer is making the tax payments on time.
- ◆ To monitor payments the seller/owner can check the county website at [www.co.cass.mn.us](http://www.co.cass.mn.us) by using the Tax/Property Information data search links, or call 218-547-7260.
- ◆ If a buyer/taxpayer does not make timely tax payments, late payment penalties and interest will be added to the amount due.
- ◆ If a seller/owner cancels a contract for deed for any reason, and if the taxes have not been paid, the seller/owner is responsible for the tax payment and all late penalty and interest charges.
- ◆ Only when the property tax payment becomes “delinquent” in January of the year following the original tax year will the seller/owner be notified with a duplicate copy of the Notice of Delinquent Taxes. Taxes remaining delinquent in February are then published and judgment filed with District Court. The publication and all related delinquent tax documents list both the seller/owner and buyer/taxpayer names.
- ◆ Under state law, a seller/owner may pay a fee of \$15 to receive a duplicate of the annual tax statement for a period of 3 years. The statement may also be printed from the county website free of charge after it is available in March.
- ◆ If a buyer/taxpayer fails to make payments to the seller/owner under the contract, we recommend the seller check the status of tax payments immediately to minimize the amount of late penalty, interest and possibly publication costs.
- ◆ When all payments under the contract have been made, seller/owner should record a deed or other legal document, (i.e. satisfaction of contract) to transfer title to the buyer to relinquish responsibility for future tax payments and conclude the sale.
- ◆ Under state law, no abatement of late penalty, interest or costs will be granted for a seller’s failure to monitor the timeliness of the buyer’s tax payments.
- ◆ Buyers should be aware that failing to make tax payments and/or payments to the seller in a timely manner may trigger a default under the contract and result in contract cancellation.
- ◆ Upon final contract payment, buyers should work with the seller to be sure that a deed or other legal document is recorded to transfer title ownership of the property.