

# **F A Q'S**

## **FREQUENTLY ASKED QUESTIONS**

### **1. What is the Judicial Tax Sale?**

- a. The Judicial Sale is a sale permitted under the provisions of the Pennsylvania Real Estate Tax Sale Act, 72 P.S. §5860.101, *et seq.*, which provides for an auction of real property due to delinquent property taxes after the property was exposed to, but was not sold at an earlier Upset Tax Sale.
- b. As long as each owner and lien holder is notified of the Judicial Sale, the purchaser will take the property free and clear of claims, liens, mortgages, tax claims, charges and estates, except separately taxed ground rents, filed through **March 1, 2023**.

### **2. How is the Judicial Tax Sale different from the Upset Tax Sale?**

- a. The Upset Tax Sale is held annually in September based on delinquent property taxes for the two (2) years prior real estate taxes. The properties that are exposed at the Upset Tax Sale are not sold free and clear of all mortgages, judgments, and liens.
- b. If the property is not sold at the Upset Tax Sale, it will be subject to the Judicial Tax Sale the following year.

### **3. When is the date of the Judicial Tax Sale?**

- a. The date for the 2023 Judicial Sale is **Tuesday December 5th, and Wednesday, December 6th, 2023**. This will be a virtual, on-line Sale. This date is subject to change. The Court sets the date of the sale.

### **4. What can I do to keep my property from being sold at the Judicial Tax Sale?**

- a. Pay your delinquent taxes in full, including interest and penalties, prior to the date of the Judicial Tax Sale.

### **5. How do I pay my delinquent taxes?**

- a. Call 814-870-7770 to obtain your current amount owed. Please note that this amount will change each month based on interest added to the payoff amount the first of each month.
- b. Mail a payment to MacDonald Illig Jones & Britton, LLP, Attn: Judicial Tax Sale, 100 State Street, Suite 700, Erie, PA 16507; or
- c. Pay your payment in person at the address listed above.
- d. Payments must be in the form of cash, money order, cashier's check or certified check. **NO PERSONAL CHECKS OR CREDIT CARDS ARE ACCEPTED.**

### **6. What form of payment is accepted at the time of the Sale?**

- a. Purchases may be made by cashier's check or certified check or wire transfer.

- b. CASH and PERSONAL CHECKS ARE NOT ACCEPTED.

**7. Who is eligible to bid at the Judicial Tax Sale?**

- a. An adult who is not delinquent in paying real estate taxes to any taxing district in Erie County and who has no outstanding municipal utility bills within any municipal jurisdiction in Erie County.
- b. The owner of a property subject to the Judicial Tax Sale has no right to purchase his or her own property at the Judicial Tax Sale. The owner's family members or other "straw" person is also not permitted to purchase the property, as an agent for the owner to circumvent this rule.
- c. The purchaser must have no legal relationship with the former owner, as a partner, shareholder, trustee, or any other related business association.
- d. The purchaser must be in good standing to act as a landlord in any municipality in the County of Erie. If the purchaser is a landlord who had his/her landlord license revoked, they are prohibited from bidding at the Judicial Sale.
- e. All prospective purchasers will be required to sign an Affidavit of Bidder. The Affidavit of Bidder form is available at our website, <https://www.macdonaldillig.com/judicial-tax-sale>, or at MacDonald, Illig, Jones & Britton LLP, 100 State Street, Suite 700, Erie, Pennsylvania 16507.

**\*\*\*There will be no pre-registration fee to register to bid at MacDonald Illig for the 2023 judicial sale, PRIOR to November 1st, 2023. \*\*\*There will be a \$20.00 registration fee for those registering with MacDonald Illig (either in person or on-line) Starting October 30, 2023, until the statutory cut-off date of, Tuesday, November 21st, 2023. Those wishing to register may do so at MacDonald Illig, Jones & Britton LLP, 100 State Street, Suite 700, Erie, Pennsylvania 16507, Monday-Friday, 8:30 a.m. to 4:30 p.m. Registrants must complete an Affidavit of Bidder form and present a valid driver's license or other valid government issued photo identification at the time of registration. Out-of-town residents may pre-register by e-mailing to [lwatson@mijb.com](mailto:lwatson@mijb.com) a fully-executed and notarized Affidavit of Bidder form, together with a clear, fully legible copy of the registrant's valid driver's license or other government issued valid photo identification. **NO REGISTRATIONS WILL BE ACCEPTED (IN-PERSON OR ON LINE) AFTER CLOSE OF BUSINESS TUESDAY, NOVEMBER 21st, 2023.****

**8. Is the title to property sold at the Judicial Tax Sale guaranteed by the Erie County Tax Claim Bureau or by MacDonald Illig Jones & Britton, LLP?**

- a. NO. All properties are sold "as is" with no warranty or guaranties of any kind, including warranty of title.
- b. It is strongly urged that prospective purchasers make their own physical inspection of the property.
- c. It is strongly urged that prospective purchasers have an independent title examination completed.
- d. Every effort has been made to ensure the sale proceedings are free from error. Nevertheless, the properties are sold without a guarantee or warranty of title,

either as to structures or lack of structures, or as to title to the land (i.e. liens, judgments, encumbrances) and any other matter.

**9. What is the minimum bid amount?**

- a. All properties exposed to the Judicial Sale shall be sold to the highest bidder, subject only to a minimum bid of \$1,000.00 for mobile homes, without land, and a minimum bid of \$2,000.00 for all other properties. *However, properties located in Millcreek Township may be subject to a higher minimum bid, which will be established prior to the time of the sale.*

**10. How much will I be required to pay at the time of the sale?**

- a. All sales under \$5,000. must be paid in full (including transfer taxes, filing fees, etc.) on the day after the sale (**Thursday, December 7th, 2023**). Failure to do so will result in the property being sold to the next highest bidder or re-auctioned during any re-bid event sale, and may result in a prohibition of bidding on any other properties in the sale as well as pursuit of the winning bidder for damages resulting from the winning bidder's failure to make the required payment.
- b. The total amount due will include the bid price, auction fee of 5% and the day of sale costs (which include the transfer taxes and deed recording fee).
- c. For purchases over \$5,000, the purchaser must pay at least \$5,000 or twenty-five (25%) percent of the bid price on the day after the sale, whichever is greater. The balance must be paid within five (5) days. Balance is payable to MacDonald Illig Jones and Britton, LLP, located at 100 State Street, Suite 700, Erie, PA 16507 in the form of money order, certified check, cashier's check, or wire transfer. Buyer is responsible to pay the bid price and all recording and administrative fees within 5 days of the Auction. by **December 11th, 2023**.
- d. A deed recording fee of approximately \$86.00 and \$2.00 for Realty Transfer Tax Statement of Value filing fee will automatically be added to each purchase of real property. (This amount is on the published list of properties under "Day of Sale Costs".) A mobile home purchased without land is considered "personalty" and does not require preparation of a deed. A Bill of Sale will be issued for mobile homes purchased without land. A City of Erie Administrative fee of \$100 will be added to all properties located in the City of Erie.
- e. A real estate transfer tax equal to 2% of the **computed value** of the property will **automatically be added to each purchase of real property**, and must be paid on the day after the sale.
  - (i) The computed value is the **assessed value** of the parcel **multiplied by the common level factor of approx. 1.41 (2022 factor \*\*subject to adjustment by PA Dept of Revenue)**. The transfer tax is NOT based on the bid price. However, if the bid price is more than the assessed value, then the bid price will be used as the value of the property for transfer tax purposes.
  - (ii) mobile homes, purchased without land, are not subject to the real estate transfer tax.

(iii) \*The transfer tax is 2.5% in the Borough of Edinboro.

- f. Failure to make any required payments will result in the property being sold to the next highest bidder or re-auctioned at the current or the next judicial sale.
- g. All payments are non-refundable and incomplete payments will be retained as liquidated damages.

**11. If I purchase a property at the sale, will I be responsible for other real estate taxes and municipal charges?**

- a. Yes. The successful purchaser is responsible for payment of all 2024 real estate taxes and municipal charges. These taxes may already have been billed and new tax bills may not be issued to the new owner/purchaser. Purchasers are urged to contact the local tax collector where the property is located to determine the current tax and make payment arrangements after receiving a deed for the property.

**12. If I purchase a property at the sale, when will I receive the deed?**

- a. It is anticipated that the purchaser will be issued a quit claim deed within approximately three (3) months - or 90-days from the date of the sale.
- b. Until such time as the purchaser receives the quit claim deed, the purchaser has only an equitable ownership interest in the property.

**13. If I purchase a property at the Judicial Tax Sale, who is responsible for eviction/ejectment of the occupants?**

- a. Until such time as the successful bidder receives the quit claim deed, the successful bidder has only Equitable Ownership. If the property is occupied, it is the winning bidder's responsibility to follow all laws and rules governing the removal of occupants. If needed, MacDonald, Illig, Jones & Britton LLP will supply a letter confirming the winning bidder's equitable ownership in a given property.

**14. Can MacDonald Illig Jones & Britton, LLP give legal advice regarding the Judicial Tax Sale?**

- a. No. MacDonald Illig Jones & Britton, LLP does not give legal advice to prospective purchasers or to taxpayers with respect to the Judicial Tax Sale process. Rather, MacDonald Illig Jones & Britton, LLP is acting as counsel for the Erie County Tax Claim Bureau. All interested persons with legal questions should consult their own attorney.
- b. If you need an attorney, please contact the Lawyer Referral & Information Service of the Erie County Bar Association at (814) 459-4411.

# How to sign up to bid for the Erie County Judicial Tax Claim Sale, Represented by MacDonald Illig Jones & Britton LLP

## Register with GovDeals

1. Visit [www.GovDeals.com](http://www.GovDeals.com) and click register at the top right of the page
2. Sign-in as a bidder at [www.govdeals.com](http://www.govdeals.com), and scroll over your Username at the top right-hand corner.
3. Next, please click on your name and select the "Tiers" option.
4. Next, please click the link to "**Browse Sellers**", and select the State of Pennsylvania. Please choose the "Erie County Tax Claim Bureau, Represented by Macdonald Illig Jones & Britton LLC" Tier and click the "**Subscribe**" button.

For any issues or questions registering with GovDeals please call 1-800-613-0156 Option 1 or email [customerservice@govdeals.com](mailto:customerservice@govdeals.com). The Help Desk is open Monday-Friday 8am-7pm ET.

Once the auction is live listings can be viewed at  
<https://www.govdeals.com/eriecountytaxclaim>