

Per Chapter 75 “Land Sold for Taxes” of the Wisconsin State Statutes, Eau Claire County may take tax delinquent properties. This process varies by county, but all follow statutory guidelines.

### **What Is “In Rem” Foreclosure?**

Real estate taxes are secured by the real property upon which they are assessed by a tax lien. When property owners do not pay their real estate taxes, Wisconsin law permits counties to enforce the tax lien in order to collect the delinquent taxes.

On September 1st of each year, Eau Claire County issues a Tax Certificate for each parcel of real property for which there are unpaid taxes, interest, penalties, special assessments, and/or special charges as of August 31st. All owners of record receive notice of the issuance of the Tax Certificate.

If there are still unpaid taxes, interest, penalties, special assessments, and/or special charges two years after Tax Certificates are issued, the county can foreclose on the property. Eau Claire County uses a statutory procedure known as “In Rem” foreclosure. Section 75.521 of the Wisconsin Statutes contains all of the legal procedures and requirements for an in rem foreclosure action.

When an “In Rem” foreclosure action is filed, a List of all properties being foreclosed upon is filed with the Clerk of Court, along with a Petition for a Judgment of Foreclosure transferring legal title to each parcel in the list to Eau Claire County. Notice of the foreclosure action is sent to the last known address of all owners, lenders, and other persons, entities, or units of government with secured interests in the property. Notice is also sent to the municipalities in which properties are located. Notice of the foreclosure action and the list of properties are also published in the local newspapers for three (3) consecutive weeks.

Wisconsin law requires a redemption period of at least 8 weeks after the foreclosure action is first published. During the redemption period, any owner or interested party may “redeem” the property (that is, take it off of the foreclosure list) by paying the delinquent taxes along with any special assessments, special charges, interest, penalties and other additional charges that have accrued for the year of the Tax Certificate. There may be other charges that must be paid before a property is redeemed.

An attorney, known as a Guardian Ad Litem (GAL), is appointed by the court to determine if any party with an interest in a listed parcel may be incompetent or a minor.

Each party entitled to receive notice also has the right to file a written answer to the action. The kinds of defenses that can be raised and the time period during which an answer can be filed are limited by statute. IF YOU WOULD LIKE MORE SPECIFIC INFORMATION ABOUT FILING AN ANSWER, YOU WILL NEED TO CONSULT WITH AN ATTORNEY OR REVIEW APPLICABLE LAW. THE CORPORATION COUNSEL AND TREASURER CANNOT GIVE YOU LEGAL ADVICE.

After the redemption period has expired, a court hearing is held. Generally, a judgment of foreclosure will be granted by the court for every parcel that remains on the list at the time of the hearing. At that point in time, the county obtains complete ownership of the properties in the foreclosure list. With the exception of easements and mineral rights, all prior ownership interests, liens, secured interests, etc., are extinguished forever.

### **Where Can A Property Owner Find Out The Amount Of Delinquent Taxes Owed?**

To view more property information, including base tax, interest and penalty amounts, you can go online to Eau Claire County’s website. Please visit the Property Tax Info link located on the Treasurer’s page at <https://eauclairecounty.gov/taxes>

You will need to contact the Eau Claire County Treasurer’s Office at 715-839-4805 to find out if there are additional charges on the property.

## **Can Foreclosure Be Avoided With A “Payment Plan” For Delinquent Taxes?**

Formal payment plans are NOT available. However, a property owner can, and is encouraged to, continue making payments as often as possible to avoid foreclosure and additional charges. Once the “In Rem” Tax Foreclosure Action has been filed with the court, the only way to prevent foreclosure or to have a parcel removed from the foreclosure list is to pay all of the delinquent taxes along with any special assessments, special charges, interest, penalties and other additional charges that have accrued for the year of the Tax Certificate.

## **Can Former Owners Repurchase Property They’ve Lost Through Foreclosure?**

The County may give preference to the former owner but is not obligated to do so. If preference is given, the former owner must pay all real estate taxes, including special assessments, special charges and special taxes, then due and owing together with the interest and penalty thereon, including In Rem foreclosure service charge, plus purchase fee on said lands equal to 1% of the equalized value of the tax deeded lands. In any event, the service fee shall not be less than \$50.00.

## **How And When Are Tax-Foreclosed Properties Sold?**

**Properties for Sale:** Properties are sold on the Wisconsin Surplus Online Auction at the discretion of Eau Claire County. If you would like more information on future or current property sales, contact the Treasurer’s Department at 715-839-4805.

## **What Happens To The Sale Proceeds?**

The proceeds of the sale are used to pay toward delinquent taxes, special charges, interest and penalties, other taxes and charges, and certain expenses incurred by the county in the foreclosure action.

The former owner may be entitled to receive the remainder, if there is any, of the proceeds from the sale of the property.

## **NOTICE & DISCLAIMER**

The purpose of this data is to provide general information about tax foreclosure proceedings and answer questions that are frequently asked of Eau Claire County offices. It is not intended to provide legal or other professional advice or service. In addition, some information provided may become outdated.

You should always research original sources of State or local law and/or consult with an attorney or other professional in making important legal decisions that may affect you or property in which you have a legal interest.