

2025 Realauction Tax Certificate Sale Auction Frequently Asked Questions

As a bidder, what is required of me?

It is the responsibility of the bidder to:

- 1) be completely familiar with the pertinent tax certificate sections of the Maryland Statutes.
- 2) research each property thoroughly prior to placing a bid.
- 3) conform to all deposit, registration or payment deadlines if applicable.

 All bids placed, whether intentional or not, are the responsibility of the bidder.

What is a Tax Lien?

A tax lien is a document representing unpaid real estate taxes, assessments, penalties, advertising costs, fees and other charges that are statutory liens on the property. If the property owner fails to pay these charges during a specified period of time, the county government will hold a tax sale and sell tax lien certificates to investors to recoup the delinquent charges.

Where can I find more information about tax liens and certificate auctions?

Delinquent taxes, tax liens and the sale of tax certificates at public auction are administered by the Tax Collector and regulations are provided for in Section 14 of the Tax-Property Article of the Annotated Code of the State of Maryland.

 It is the bidder's responsibility to know the law governing these sales prior to participating in a tax certificate sale.

I am not a US citizen. Will I still be able to participate in the sale?

Allegany County does not permit an individual who is not a US citizen to participate in the tax sale auction.

 Any bidder who knowingly registers improperly shall have their winnings reversed by the Tax Collector and the user's account will be disabled.

What equipment and software will I need?

There is no special software or hardware needed. In order to participate, bidders must have a computer with access to the Internet.

 Realauction.com only supports the latest two versions of Microsoft Internet Explorer and Mozilla Firefox browsers. No other web browsers are supported.

Is training available for the auction software and how do I get it?

A number of bidder training classes will be held live via the Internet prior to the close of the auction. These webinar classes generally last about 90 minutes and cover the rules of the auction and use of the web site only.

What is a batch?

The certificates being advertised are sold individually and, in the order, they are advertised. However, in order to make the bidding process more manageable, certificates are divided into groups called "batches".

How much does it cost to participate?

Registration Fee - In Maryland, a registration fee may be required to participate in the tax sale auction. The amount of the registration fee varies by county and may or may not be applied toward winning bids. Depending on the county, the fee may or may not be refundable. Allegany County requires a \$50 **refundable** registration fee payable at the time of registration.

Budgets - Some counties do not require a deposit. Instead, the bidder creates a "budget" based on the total face amount plus premiums of certificates they anticipate winning. The budget must be created before bids can be placed. Bidder training is available for additional information about deposits and budgets.

 A budget will limit how much a bidder can win no matter how many bids are placed. Once the bidder has won certificates equal to the amount of their budget all other bids placed will be ignored.

How do I pay for my registration fee and certificates purchased?

Payment methods vary for each county. Generally, the registration fee and final payment are made via ACH (electronic check).

ACH (Automated Clearing House) - If the county accepts ACH (electronic check) transactions as a registration fee and final payment method, fund transfers will be made on this web site using the ACH wizard provided. Bank accounts utilized to create electronic check transactions must allow ACH debits.

Unless otherwise specified, ACH transactions generated on this site are "one-time" only authorizations. If you are a successful bidder and owe money to the Tax Collector, you must initiate a separate ACH transaction, in the time allotted, to make your final payment. Some counties have adopted an auto-debit policy for final payments whereby bidders either place their registration fee with ACH or complete an ACH pre-authorization form prior to placing bids. At the close of the sale, successful bidders are automatically debited for their final payment using the bank account information provided.

 It is the bidder's responsibility to make all registration fee and final payments in the time specified using the payment method(s) permitted. There will be NO exceptions.

When does the auction start and end? How does the auction work?

The auction web site generally opens for registration, submitting registration fees, research and in some cases preliminary bidding approximately 3-4 weeks prior to the official auction date.

The day of the auction, as each batch closes, preliminary bids are submitted and made official. Allegany County does not permit early bidding. **Registration opens on May 7, 2025 and closes on May 21, 2025.**

The auction officially begins when the certificates in batch 1 are awarded. Each subsequent batch will close every 30-60 minutes (depending on the county) until the last batch closes when the auction ends.

If you are monitoring the site on the day of the sale, you will be able to see what you have purchased at the end of each batch and may adjust your bids on any batches that have not closed.

How does the bidding work?

Auction participants enter their highest acceptable bid for the property. Valid bids may be entered as either a percentage of the Assessed Value or as a dollar amount.

At the close of each batch, the auction software evaluates all bids with a valid budget and the certificate is awarded to the bidder with the highest bid. Any form of automated bidding is prohibited and will bar the bidder from future sales.

 It is the bidder's responsibility to research properties prior to placing bids.

What is a live bid auction?

Open - Live bid auction - The auction bidding is live and the current high bid is displayed. Bids must exceed the current high bid to be placed.

What is a direct bid auction? What is a proxy bid auction?

Direct bid auction - Auction participants enter their highest acceptable bid for an item. If you are the highest bidder, you will be awarded the lien/certificate at the price entered. The system will not enter competitive bids on your behalf. The Allegany County tax sale is a direct bid auction.

Proxy bid auction - Auction participants enter their highest acceptable bid for an item. The auction system then checks all other bids and enters a bid on your behalf at one increment greater than the next highest bidder. The system stops entering bids on your behalf when you either win the auction or your maximum acceptable bid is reached.

What happens if I exhaust my budget/batch limit while I still have active bids?

Any bids remaining after your budget is exhausted will be ignored. Budgets must be authorized on the web site no later than the deposit due date/time specified.

 Please note: Budgets, and Batch Limits take into account Face Value plus premiums (where applicable).

Can I have more than one bidding account? Can I register multiple bidding entities?

Primary accounts - Upon registration, a single bidder account or "Primary" account is created for each User. This is typically all you will need to become a bidder and participate in one of the tax certificate sales. Some counties will allow users to register and manage multiple Primary accounts.

Single Simultaneous Bidding Entity - Some counties have adopted a Single Simultaneous Bidding Entity rule which states that each User (bidding entity) shall register only once for the purpose of bidding on or purchasing tax certificates, AND, shall not have a financial, legal or contractual relationship with any other bidder (bidding entity) registered in that county.

What happens in case of a tie bid?

Ties will only happen in a sealed bid auction style. A tie is created when two or more primary accounts bid the same bid amount. In the case of a tie, a winning bidder will be selected at random by the auction software.

What happens if I don't pay for successful bids?

If the successful bidder fails to pay for certificates purchased for any reason, the deposit (where applicable) shall be forfeited, all bids will be cancelled and future bidding privileges may be revoked.

 All bids placed, intentional or not, are the responsibility of the bidder.

The auction is closed, what happens next?

Successful bidders will receive an email with an accounting of their winnings and final payment amounts due. Certificates issued for tax liens that were not sold during the auction are struck to the County and may be available for purchase from the Collector's office once the auction is closed and balanced.

How do I get started?

Contact RealAuction Customer Service at 1-877-361-7325, Option 2 -Tax Lien Auctions
Or by email: RealAuction.com

The auction web address is: Allegany.marylandtaxsale.com