



### Please Note

**This packet does not contain legal advice.**

This guide contains legal information, not legal advice. Legal *information* is background information about your rights. Legal *advice* is advice from a lawyer about what to do in your own specific situation. Legal Aid is not your lawyer in your foreclosure matter.

## Property Tax Sale FAQs

*Updated July 2025*

### I am behind on my property taxes. What should I do?

In general, if you remain behind on your property taxes, your home may eventually be auctioned at DC's tax lien sale. If you have received a tax sale notice, you should contact a lawyer right away.

1. **If you live in your home, contact the D.C. Office of Tax and Revenue (OTR)** to make sure your property taxes are as low as possible going forward. You may be eligible to receive a property tax reduction through one of the Homestead, Senior Citizen, Disabled, or Veteran Property Owner Tax Deductions.
2. If you are responsible for paying your property taxes directly (either because you don't have a mortgage or your mortgage company doesn't pay them through an escrow account), and you are behind on your taxes, you should pay them as soon as you are able to. In general, if you remain behind on your property taxes, and you owe more than \$2,500 in property taxes, your home may eventually be auctioned at the tax lien sale.
3. **If you are 65 years old or older**, you may qualify for the Low Income Senior Tax Deferral program. To qualify, you must be 65 or older and have an adjusted gross income under \$50,000. This program defers the payment of property taxes to prevent your property from going to tax sale. Deferred taxes are not forgiven. These taxes will eventually need to be paid when the property is sold or when ownership is transferred. During this time, your property taxes will accrue interest at a rate of 6%. Some homeowners 75 and older may qualify for an interest-free deferral.
4. You can also talk to a housing counselor about your options by calling **DC's Foreclosure Prevention Hotline** at (202) 265-2255.

### Legal Aid DC

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## I received a notice that my property is going to be auctioned at tax sale. What does this mean?

The DC Property Tax Sale is an annual auction held in July. The District sells tax liens on properties behind \$2,500 or more in property taxes. **The District is not auctioning your home, they are auctioning the right to foreclose on your home.** If you do not pay your tax debt and “redeem” the tax lien, the tax sale purchaser can file a lawsuit in court to foreclose on the home.

After a foreclosure lawsuit is filed, you can still save your home, but you will have to pay additional fees.

## How do I stop my home from being auctioned at the DC Property Tax Sale?

You can remove your property from the tax sale list by:

- **Paying off your property taxes.** If you plan on paying after May 31 but before the July tax sale, please contact OTR at (202) 727-4829 for an up-to-date balance.
- **Bringing your property tax balance for the prior tax years below \$2,500.** You should contact OTR to make sure you are paying enough so that additional interest that accrues before the July sale does not push the balance above \$2,500.
- **Obtaining a forbearance.** If you are eligible for a forbearance, you will still owe property taxes, and you generally will still be charged interest on your account balance, but you will avoid a tax sale.

## How do I know if I qualify for a forbearance?

- If you are receiving the Homestead Property Tax Deduction and the amount of property taxes you owe is above \$2,500 but below \$7,500, you automatically qualify for a forbearance as long as you apply for it 30 days or more before the tax sale date.
- If you miss the 30-day deadline, are not receiving the Homestead Property Tax Deduction, or if your property taxes are above \$7,500, you can still apply for a forbearance, but the District does not have to grant it.
- If you are 65 years old or older, you may qualify for the Low Income Senior Tax Deferral program. To qualify, you must be 65 or older and have an adjusted gross income under \$50,000. This program defers the payment of property taxes to prevent your property from going to tax sale. Deferred taxes are not forgiven. These taxes will eventually need to be paid when the property is sold or when ownership is transferred. During this time, your

property taxes will accrue interest at a rate of 6%. Some homeowners 75 and older may qualify for an interest-free deferral.

### **How do I apply for a forbearance or deferral?**

- To apply for a forbearance, go online to [mytax.dc.gov](https://mytax.dc.gov); search for your address under “Real Property Search”; click on “Applications and Actions” then “Submit a Tax Sale Forbearance Application” under “Tax Sale Applications.”
- If you are 65 or older and qualify for the Low Income Senior Tax Deferral program, go online to [mytax.dc.gov](https://mytax.dc.gov); search for your address under “Real Property Search”; click on “Applications and Actions”; go to “Tax Relief” and then click on “Request the Tax Deferral for Low Income Housing.”

### **My home was auctioned during the DC Property Tax Sale. What can I do to save my home?**

The DC Property Tax Sale is an annual auction held in July. The District sells tax liens on properties behind \$2,500 or more in property taxes. The District is not auctioning your home, but instead sells the right to foreclose on your home to the purchaser of the tax lien. If you do not pay your tax debt (called “redeeming”), the tax sale purchaser can file a lawsuit in court to foreclose on the home.

The tax sale purchaser can file a lawsuit **six months after the date of the tax sale**. If you pay off your tax debt within those six months, you can redeem the tax lien and prevent the lawsuit from being filed. If a lawsuit is filed, you still have an additional six months to redeem the tax lien before the court is allowed enter a judgment foreclosing your right to redeem. However, once a lawsuit is filed, you will also have to pay the tax sale purchaser’s attorney’s fees and expenses on top of the tax debt. You can pay the taxes and fees to redeem the tax lien up until a judgment of foreclosure is entered.

### **How can I get legal advice about foreclosure?**

**If you would like legal advice about your situation, you can contact Legal Aid DC.** We are open for intakes by telephone, online, and in person.

To find out more, call (202) 628-1161 or visit our website at [legalaiddc.org/help](https://legalaiddc.org/help).

If you are 60 years of age or older, you can also contact Legal Counsel for the Elderly for free legal advice on your foreclosure case at (202) 434-2120.