



93RD GENERAL ASSEMBLY
State of Illinois
2003 and 2004

Introduced 02/05/04, by Arthur L. Turner

SYNOPSIS AS INTRODUCED:

35 ILCS 200/21-295
35 ILCS 200/22-15

Amends the Property Tax Code. Provides that the fee equal to 5% of taxes, interest, and penalties paid by the purchaser at a tax sale that is required to be paid by each person purchasing property at a sale under the Code shall not be paid after June 30, 2005 (now, is not required after December 31, 2006). Provides that service of notice of the tax sale of property and the expiration of the period of redemption may be completed by regular mail (now, by registered or certified mail). Makes other changes.

LRB093 18658 SJM 44385 b

FISCAL NOTE ACT
MAY APPLY

1 AN ACT concerning taxes.

2 **Be it enacted by the People of the State of Illinois,**
3 **represented in the General Assembly:**

4 Section 5. The Property Tax Code is amended by changing
5 Sections 21-295 and 22-15 as follows:

6 (35 ILCS 200/21-295)

7 Sec. 21-295. Creation of indemnity fund.

8 (a) In counties of less than 3,000,000 inhabitants, each
9 person purchasing any property at a sale under this Code shall
10 pay to the County Collector, prior to the issuance of any
11 certificate of purchase, a fee of \$20 for each item purchased.
12 A like sum shall be paid for each year that all or a portion of
13 subsequent taxes are paid by the tax purchaser and posted to
14 the tax judgment, sale, redemption and forfeiture record where
15 the underlying certificate of purchase is recorded.

16 (a-5) In counties of 3,000,000 or more inhabitants, each
17 person purchasing property at a sale under this Code shall pay
18 to the County Collector a fee of \$80 for each item purchased
19 plus an additional sum equal to 5% of taxes, interest, and
20 penalties paid by the purchaser, including the taxes, interest,
21 and penalties paid under Section 21-240. In these counties, the
22 certificate holder shall also pay to the County Collector a fee
23 of \$80 for each year that all or a portion of subsequent taxes
24 are paid by the tax purchaser and posted to the tax judgment,
25 sale, redemption, and forfeiture record, plus an additional sum
26 equal to 5% of all subsequent taxes, interest, and penalties.
27 The additional 5% fees shall not be paid after June 30, 2005
28 ~~are not required after December 31, 2006~~. The changes to this
29 subsection made by this amendatory Act of the 91st General
30 Assembly are not a new enactment, but declaratory of existing
31 law.

32 (b) The amount paid prior to issuance of the certificate of

1 purchase pursuant to subsection (a) or (a-5) shall be included
2 in the purchase price of the property in the certificate of
3 purchase and all amounts paid under this Section shall be
4 included in the amount required to redeem under Section 21-355.
5 Except as otherwise provided in subsection (b) of Section
6 21-300, all money received under subsection (a) or (a-5) shall
7 be paid by the Collector to the County Treasurer of the County
8 in which the land is situated, for the purpose of an indemnity
9 fund. The County Treasurer, as trustee of that fund, shall
10 invest all of that fund, principal and income, in his or her
11 hands from time to time, if not immediately required for
12 payments of indemnities under subsection (a) of Section 21-305,
13 in investments permitted by the Illinois State Board of
14 Investment under Article 22A of the Illinois Pension Code. The
15 county collector shall report annually to the Circuit Court on
16 the condition and income of the fund. The indemnity fund shall
17 be held to satisfy judgments obtained against the County
18 Treasurer, as trustee of the fund. No payment shall be made
19 from the fund, except upon a judgment of the court which
20 ordered the issuance of a tax deed.

21 (Source: P.A. 91-564, eff. 8-14-99; 91-924, eff. 7-7-00.)

22 (35 ILCS 200/22-15)

23 Sec. 22-15. Service of notice. The purchaser or his or her
24 assignee shall give the notice required by Section 22-10 by
25 causing it to be published in a newspaper as set forth in
26 Section 22-20. In addition, the notice shall be served by a
27 sheriff (or if he or she is disqualified, by a coroner) of the
28 county in which the property, or any part thereof, is located
29 upon owners who reside on any part of the property sold by
30 leaving a copy of the notice with those owners personally.

31 In counties of 3,000,000 or more inhabitants where a taxing
32 district is a petitioner for tax deed pursuant to Section
33 21-90, in lieu of service by the sheriff or coroner the notice
34 may be served by a special process server appointed by the
35 circuit court as provided in this Section. The taxing district

1 may move prior to filing one or more petitions for tax deed for
2 appointment of such a special process server. The court, upon
3 being satisfied that the person named in the motion is at least
4 18 years of age and is capable of serving notice as required
5 under this Code, shall enter an order appointing such person as
6 a special process server for a period of one year. The
7 appointment may be renewed for successive periods of one year
8 each by motion and order, and a copy of the original and any
9 subsequent order shall be filed in each tax deed case in which
10 a notice is served by the appointed person. Delivery of the
11 notice to and service of the notice by the special process
12 server shall have the same force and effect as its delivery to
13 and service by the sheriff or coroner.

14 The same form of notice shall also be served upon all other
15 owners and parties interested in the property, if upon diligent
16 inquiry they can be found in the county, and upon the occupants
17 of the property in the following manner:

18 (a) as to individuals, by (1) leaving a copy of the
19 notice with the individual ~~person~~ personally or (2) by
20 leaving a copy at his or her usual place of abode ~~residence~~
21 with a person of the family or a person residing there, of
22 the age of 13 years or upwards ~~more~~, and informing that
23 person of its contents. The officer or other person making
24 the service shall also send ~~cause~~ a copy of the notice in a
25 sealed envelope, with postage fully prepaid, addressed to
26 ~~be sent by registered or certified mail, return receipt~~
27 ~~requested,~~ to that individual ~~party~~ at his or her usual
28 place of abode ~~residence~~;

29 (b) as to public and private corporations, municipal,
30 governmental and quasi-municipal corporations,
31 partnerships, receivers and trustees of corporations, by
32 leaving a copy of the notice with the person designated by
33 the Civil Practice Law.

34 If the property sold has more than 4 dwellings or other
35 rental units, and has a managing agent or party who collects
36 rents, that person shall be deemed the occupant and shall be

1 served with notice instead of the occupants of the individual
2 units. If the property has no dwellings or rental units, but
3 economic or recreational activities are carried on therein, the
4 person directing such activities shall be deemed the occupant.
5 Holders of rights of entry and possibilities of reverter shall
6 not be deemed parties interested in the property.

7 When a party interested in the property is a trustee,
8 notice served upon the trustee shall be deemed to have been
9 served upon any beneficiary or note holder thereunder unless
10 the holder of the note is disclosed of record.

11 When a judgment is a lien upon the property sold, the
12 holder of the lien shall be served with notice if the name of
13 the judgment debtor as shown in the transcript, certified copy
14 or memorandum of judgment filed of record is identical, as to
15 given name and surname, with the name of the party interested
16 as it appears of record.

17 If any owner or party interested, upon diligent inquiry and
18 effort, cannot be found or served with notice in the county as
19 provided in this Section, and the person in actual occupancy
20 and possession is tenant to, or in possession under the owners
21 or the parties interested in the property, then service of
22 notice upon the tenant, occupant or person in possession shall
23 be deemed service upon the owners or parties interested.

24 If any owner or party interested, upon diligent inquiry and
25 effort cannot be found or served with notice in the county,
26 then the person making the service shall cause a copy of the
27 notice to be sent by registered or certified mail, return
28 receipt requested, to that party at his or her residence, if
29 ascertainable.

30 (c) The changes made to this Section by this amendatory Act
31 of the 93rd General Assembly apply only to matters in which a
32 petition for tax deed is filed on or after the effective date
33 of this amendatory Act of the 93rd General Assembly.

34 (Source: P.A. 91-209, eff. 1-1-00; 91-554, eff. 8-14-99.)