



96TH GENERAL ASSEMBLY

State of Illinois

2009 and 2010

HB3988

Introduced 2/26/2009, by Rep. Brandon W. Phelps

SYNOPSIS AS INTRODUCED:

35 ILCS 200/21-205
30 ILCS 105/5.719 new

Amends the Property Tax Code. In a Section concerning automated tax sales, provides that the automated sales must be conducted in a manner that is consistent with the rules promulgated by the Department of Revenue and the procedures set forth in the Code. Requires the Department of Revenue to (i) promulgate rules by which collectors may conduct automated tax sales, and (ii) approve all automated tax sale systems in use on the effective date of the amendatory Act. Provides that the Department shall (i) conduct an annual inspection of all equipment used in an automated tax sale, (ii) conduct an errorless public test of each automated tax sale system, and (iii) provide a public demonstration of the automated tax sale system. Requires that vendors of automated tax sale systems must obtain a license from the Department of Revenue, and provides that the Department may charge each vendor an annual application fee not to exceed \$500 per vendor. Provides that the application fees shall be deposited into the Automated Tax Sale Implementation Fund, and amends the State Finance Act to create the Fund. Requires computer operators of automated systems to maintain certain logs. Effective immediately.

LRB096 03410 HLH 13434 b

FISCAL NOTE ACT
MAY APPLY

HOUSING
AFFORDABILITY
IMPACT NOTE ACT
MAY APPLY

A BILL FOR

1 AN ACT concerning revenue.

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 Section 21-205 as follows:

6 (35 ILCS 200/21-205)

7 Sec. 21-205. Tax sale procedures. The collector, in person
8 or by deputy, shall attend, on the day and in the place
9 specified in the notice for the sale of property for taxes, and
10 shall, between 9:00 a.m. and 4:00 p.m., or later at the
11 collector's discretion, proceed to offer for sale, separately
12 and in consecutive order, all property in the list on which the
13 taxes, special assessments, interest or costs have not been
14 paid. However, in any county with 3,000,000 or more
15 inhabitants, the offer for sale shall be made between 8:00 a.m.
16 and 8:00 p.m. The collector's office shall be kept open during
17 all hours in which the sale is in progress. The sale shall be
18 continued from day to day, until all property in the delinquent
19 list has been offered for sale. However, any city, village or
20 incorporated town interested in the collection of any tax or
21 special assessment, may, in default of bidders, withdraw from
22 collection the special assessment levied against any property
23 by the corporate authorities of the city, village or

1 incorporated town. In case of a withdrawal, there shall be no
2 sale of that property on account of the delinquent special
3 assessment thereon.

4 In every sale of property pursuant to the provisions of
5 this Code, the collector may employ ~~any~~ automated means ~~that~~
6 ~~the collector deems appropriate~~, provided that bidders are
7 required to personally attend the sale and any such automated
8 sale must be conducted in a manner that is consistent with the
9 rules of the Department and the procedures set forth in this
10 Code. The changes made by this amendatory Act of the 94th
11 General Assembly are declarative of existing law.

12 Within 6 months after the effective date of this amendatory
13 Act of the 96th General Assembly, the Department shall (i)
14 promulgate rules by which collectors may conduct automated tax
15 sales, and (ii) approve all automated tax sale systems in use
16 on the effective date of this amendatory Act of the 96th
17 General Assembly. The rules must set forth the procedures to be
18 used by the county in an automated tax sale, including, but not
19 limited to, the placement of computer bidding equipment at the
20 tax sale site and the amount of time the collector must allow
21 between each electronic bid. Rulemaking authority to implement
22 this amendatory Act of the 96th General Assembly, if any, is
23 conditioned on the rules being adopted in accordance with all
24 provisions of the Illinois Administrative Procedure Act and all
25 rules and procedures of the Joint Committee on Administrative
26 Rules; any purported rule not so adopted, for whatever reason,

1 is unauthorized.

2 The Department shall conduct an annual inspection of all
3 equipment used in an automated tax sale. The Department must
4 also conduct an errorless public test of each automated tax
5 sale system at least 10 days but not more than 20 days prior to
6 the annual tax sale, and shall provide a public demonstration
7 of the automated tax sale system at least 30 days but not more
8 than 60 days prior to the annual tax sale.

9 Beginning in the first calendar year after the effective
10 date of this amendatory Act of the 96th General Assembly, each
11 vendor that provides automated tax sale equipment and
12 technology to a county must obtain a license issued by the
13 Department. Each license shall be subject to renewal annually.
14 The Department may charge each vendor an application fee not to
15 exceed \$500 per vendor. Those license fees shall be deposited
16 into the Automated Tax Sale Implementation Fund, a special fund
17 created in the State treasury. Moneys in the Fund shall be
18 appropriated to the Department to cover the costs associated
19 with implementing and enforcing this Section.

20 Any computer operator of an automated tax sale system shall
21 maintain a log with the following information: alterations made
22 to programs associated with the tax sale process; the starting
23 time of the tax sale; the winning bid for each parcel sold; the
24 amount of taxes, interest, and county fees paid for each parcel
25 sold; and any equipment problems or delays in the auction
26 process. The log shall be made available for public inspection.

1 (Source: P.A. 94-922, eff. 1-1-07.)

2 Section 10. The State Finance Act is amended by adding
3 Section 5.719 as follows:

4 (30 ILCS 105/5.719 new)

5 Sec. 5.719. The Automated Tax Sale Implementation Fund.

6 Section 99. Effective date. This Act takes effect upon
7 becoming law.