

SB3022



101ST GENERAL ASSEMBLY

State of Illinois

2019 and 2020

SB3022

Introduced 2/5/2020, by Sen. Mattie Hunter

SYNOPSIS AS INTRODUCED:

35 ILCS 200/21-260
35 ILCS 200/22-10
35 ILCS 200/22-25

Amends the Property Tax Code. Provides that the owner of a certificate of purchase must file with the county clerk the names and addresses of the owners of the property and those persons entitled to service of notice at their last known addresses. Provides that the clerk shall mail notice within 30 days from the date of the filing of addresses with the clerk.

LRB101 19868 HLH 69388 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 Sections 21-260, 22-10, and 22-25 as follows:

6 (35 ILCS 200/21-260)

7 Sec. 21-260. Collector's scavenger sale. Upon the county
8 collector's application under Section 21-145, to be known as
9 the Scavenger Sale Application, the Court shall enter judgment
10 for the general taxes, special taxes, special assessments,
11 interest, penalties and costs as are included in the
12 advertisement and appear to be due thereon after allowing an
13 opportunity to object and a hearing upon the objections as
14 provided in Section 21-175, and order those properties sold by
15 the County Collector at public sale to the highest bidder for
16 cash, notwithstanding the bid may be less than the full amount
17 of taxes, special taxes, special assessments, interest,
18 penalties and costs for which judgment has been entered.

19 (a) Conducting the sale - Bidding. All properties shall be
20 offered for sale in consecutive order as they appear in the
21 delinquent list. The minimum bid for any property shall be \$250
22 or one-half of the tax if the total liability is less than
23 \$500. The successful bidder shall immediately pay the amount of

1 minimum bid to the County Collector in cash, by certified or
2 cashier's check, by money order, or, if the successful bidder
3 is a governmental unit, by a check issued by that governmental
4 unit. If the bid exceeds the minimum bid, the successful bidder
5 shall pay the balance of the bid to the county collector in
6 cash, by certified or cashier's check, by money order, or, if
7 the successful bidder is a governmental unit, by a check issued
8 by that governmental unit by the close of the next business
9 day. If the minimum bid is not paid at the time of sale or if
10 the balance is not paid by the close of the next business day,
11 then the sale is void and the minimum bid, if paid, is
12 forfeited to the county general fund. In that event, the
13 property shall be reoffered for sale within 30 days of the last
14 offering of property in regular order. The collector shall make
15 available to the public a list of all properties to be included
16 in any reoffering due to the voiding of the original sale. The
17 collector is not required to serve or publish any other notice
18 of the reoffering of those properties. In the event that any of
19 the properties are not sold upon reoffering, or are sold for
20 less than the amount of the original voided sale, the original
21 bidder who failed to pay the bid amount shall remain liable for
22 the unpaid balance of the bid in an action under Section
23 21-240. Liability shall not be reduced where the bidder upon
24 reoffering also fails to pay the bid amount, and in that event
25 both bidders shall remain liable for the unpaid balance of
26 their respective bids. A sale of properties under this Section

1 shall not be final until confirmed by the court.

2 (b) Confirmation of sales. The county collector shall file
3 his or her report of sale in the court within 30 days of the
4 date of sale of each property. No notice of the county
5 collector's application to confirm the sales shall be required
6 except as prescribed by rule of the court. Upon confirmation,
7 except in cases where the sale becomes void under Section
8 22-85, or in cases where the order of confirmation is vacated
9 by the court, a sale under this Section shall extinguish the in
10 rem lien of the general taxes, special taxes and special
11 assessments for which judgment has been entered and a
12 redemption shall not revive the lien. Confirmation of the sale
13 shall in no event affect the owner's personal liability to pay
14 the taxes, interest and penalties as provided in this Code or
15 prevent institution of a proceeding under Section 21-440 to
16 collect any amount that may remain due after the sale.

17 (c) Issuance of tax sale certificates. Upon confirmation of
18 the sale the County Clerk and the County Collector shall issue
19 to the purchaser a certificate of purchase in the form
20 prescribed by Section 21-250 as near as may be. A certificate
21 of purchase shall not be issued to any person who is ineligible
22 to bid at the sale or to receive a certificate of purchase
23 under Section 21-265.

24 (d) Scavenger Tax Judgment, Sale and Redemption Record -
25 Sale of parcels not sold. The county collector shall prepare a
26 Scavenger Tax Judgment, Sale and Redemption Record. The county

1 clerk shall write or stamp on the scavenger tax judgment, sale,
2 forfeiture and redemption record opposite the description of
3 any property offered for sale and not sold, or not confirmed
4 for any reason, the words "offered but not sold". The
5 properties which are offered for sale under this Section and
6 not sold or not confirmed shall be offered for sale annually
7 thereafter in the manner provided in this Section until sold,
8 except in the case of mineral rights, which after 10
9 consecutive years of being offered for sale under this Section
10 and not sold or confirmed shall no longer be required to be
11 offered for sale. At any time between annual sales the County
12 Collector may advertise for sale any properties subject to sale
13 under judgments for sale previously entered under this Section
14 and not executed for any reason. The advertisement and sale
15 shall be regulated by the provisions of this Code as far as
16 applicable.

17 (e) Proceeding to tax deed. The owner of the certificate of
18 purchase shall give notice as required by Sections 22-5 through
19 22-30, and may extend the period of redemption as provided by
20 Section 21-385. At any time within 6 months prior to expiration
21 of the period of redemption from a sale under this Code, the
22 owner of a certificate of purchase may file a petition and may
23 obtain a tax deed under Sections 22-30 through 22-55. Within 30
24 days from filing of the petition, the owner of a certificate
25 must file with the county clerk the names and addresses of the
26 owners of the property and those persons entitled to service of

1 notice at their last known addresses. The clerk shall mail
2 notice within 30 days from the date of the filing of addresses
3 with the clerk. All proceedings for the issuance of a tax deed
4 and all tax deeds for properties sold under this Section shall
5 be subject to Sections 22-30 through 22-55. Deeds issued under
6 this Section are subject to Section 22-70. This Section shall
7 be liberally construed so that the deeds provided for in this
8 Section convey merchantable title.

9 (f) Redemptions from scavenger sales. Redemptions may be
10 made from sales under this Section in the same manner and upon
11 the same terms and conditions as redemptions from sales made
12 under the County Collector's annual application for judgment
13 and order of sale, except that in lieu of penalty the person
14 redeeming shall pay interest as follows if the sale occurs
15 before September 9, 1993:

16 (1) If redeemed within the first 2 months from the date
17 of the sale, 3% per month or portion thereof upon the
18 amount for which the property was sold;

19 (2) If redeemed between 2 and 6 months from the date of
20 the sale, 12% of the amount for which the property was
21 sold;

22 (3) If redeemed between 6 and 12 months from the date
23 of the sale, 24% of the amount for which the property was
24 sold;

25 (4) If redeemed between 12 and 18 months from the date
26 of the sale, 36% of the amount for which the property was

1 sold;

2 (5) If redeemed between 18 and 24 months from the date
3 of the sale, 48% of the amount for which the property was
4 sold;

5 (6) If redeemed after 24 months from the date of sale,
6 the 48% herein provided together with interest at 6% per
7 year thereafter.

8 If the sale occurs on or after September 9, 1993, the
9 person redeeming shall pay interest on that part of the amount
10 for which the property was sold equal to or less than the full
11 amount of delinquent taxes, special assessments, penalties,
12 interest, and costs, included in the judgment and order of sale
13 as follows:

14 (1) If redeemed within the first 2 months from the date
15 of the sale, 3% per month upon the amount of taxes, special
16 assessments, penalties, interest, and costs due for each of
17 the first 2 months, or fraction thereof.

18 (2) If redeemed at any time between 2 and 6 months from
19 the date of the sale, 12% of the amount of taxes, special
20 assessments, penalties, interest, and costs due.

21 (3) If redeemed at any time between 6 and 12 months
22 from the date of the sale, 24% of the amount of taxes,
23 special assessments, penalties, interest, and costs due.

24 (4) If redeemed at any time between 12 and 18 months
25 from the date of the sale, 36% of the amount of taxes,
26 special assessments, penalties, interest, and costs due.

1 (5) If redeemed at any time between 18 and 24 months
2 from the date of the sale, 48% of the amount of taxes,
3 special assessments, penalties, interest, and costs due.

4 (6) If redeemed after 24 months from the date of sale,
5 the 48% provided for the 24 months together with interest
6 at 6% per annum thereafter on the amount of taxes, special
7 assessments, penalties, interest, and costs due.

8 The person redeeming shall not be required to pay any
9 interest on any part of the amount for which the property was
10 sold that exceeds the full amount of delinquent taxes, special
11 assessments, penalties, interest, and costs included in the
12 judgment and order of sale.

13 Notwithstanding any other provision of this Section,
14 except for owner-occupied single family residential units
15 which are condominium units, cooperative units or dwellings,
16 the amount required to be paid for redemption shall also
17 include an amount equal to all delinquent taxes on the property
18 which taxes were delinquent at the time of sale. The delinquent
19 taxes shall be apportioned by the county collector among the
20 taxing districts in which the property is situated in
21 accordance with law. In the event that all moneys received from
22 any sale held under this Section exceed an amount equal to all
23 delinquent taxes on the property sold, which taxes were
24 delinquent at the time of sale, together with all publication
25 and other costs associated with the sale, then, upon
26 redemption, the County Collector and the County Clerk shall

1 apply the excess amount to the cost of redemption.

2 (g) Bidding by county or other taxing districts. Any taxing
3 district may bid at a scavenger sale. The county board of the
4 county in which properties offered for sale under this Section
5 are located may bid as trustee for all taxing districts having
6 an interest in the taxes for the nonpayment of which the
7 parcels are offered. The County shall apply on the bid the
8 unpaid taxes due upon the property and no cash need be paid.
9 The County or other taxing district acquiring a tax sale
10 certificate shall take all steps necessary to acquire title to
11 the property and may manage and operate the property so
12 acquired.

13 When a county, or other taxing district within the county,
14 is a petitioner for a tax deed, no filing fee shall be required
15 on the petition. The county as a tax creditor and as trustee
16 for other tax creditors, or other taxing district within the
17 county shall not be required to allege and prove that all taxes
18 and special assessments which become due and payable after the
19 sale to the county have been paid. The county shall not be
20 required to pay the subsequently accruing taxes or special
21 assessments at any time. Upon the written request of the county
22 board or its designee, the county collector shall not offer the
23 property for sale at any tax sale subsequent to the sale of the
24 property to the county under this Section. The lien of taxes
25 and special assessments which become due and payable after a
26 sale to a county shall merge in the fee title of the county, or

1 other taxing district, on the issuance of a deed. The County
2 may sell the properties so acquired, or the certificate of
3 purchase thereto, and the proceeds of the sale shall be
4 distributed to the taxing districts in proportion to their
5 respective interests therein. The presiding officer of the
6 county board, with the advice and consent of the County Board,
7 may appoint some officer or person to attend scavenger sales
8 and bid on its behalf.

9 (h) Miscellaneous provisions. In the event that the tract
10 of land or lot sold at any such sale is not redeemed within the
11 time permitted by law and a tax deed is issued, all moneys that
12 may be received from the sale of properties in excess of the
13 delinquent taxes, together with all publication and other costs
14 associated with the sale, shall, upon petition of any
15 interested party to the court that issued the tax deed, be
16 distributed by the County Collector pursuant to order of the
17 court among the persons having legal or equitable interests in
18 the property according to the fair value of their interests in
19 the tract or lot. Section 21-415 does not apply to properties
20 sold under this Section. Appeals may be taken from the orders
21 and judgments entered under this Section as in other civil
22 cases. The remedy herein provided is in addition to other
23 remedies for the collection of delinquent taxes.

24 (i) The changes to this Section made by this amendatory Act
25 of the 95th General Assembly apply only to matters in which a
26 petition for tax deed is filed on or after the effective date

1 of this amendatory Act of the 95th General Assembly.

2 (Source: P.A. 95-477, eff. 6-1-08.)

3 (35 ILCS 200/22-10)

4 Sec. 22-10. Notice of expiration of period of redemption. A
 5 purchaser or assignee shall not be entitled to a tax deed to
 6 the property sold unless, not less than 3 months nor more than
 7 6 months prior to the expiration of the period of redemption,
 8 he or she gives notice of the sale and the date of expiration
 9 of the period of redemption to the owners, occupants, and
 10 parties interested in the property, including any mortgagee of
 11 record, as provided below. The clerk must mail notice in
 12 accordance with provisions of subsection (e) of 21-260.

13 The Notice to be given to the parties shall be in at least
 14 10 point type in the following form completely filled in:

15 TAX DEED NO. FILED

16 TAKE NOTICE

17 County of

18 Date Premises Sold

19 Certificate No.

20 Sold for General Taxes of (year)

21 Sold for Special Assessment of (Municipality)

22 and special assessment number

23 Warrant No. Inst. No.

24 THIS PROPERTY HAS BEEN SOLD FOR

25 DELINQUENT TAXES

1 Property located at

2 Legal Description or Property Index No.

3

4

5 This notice is to advise you that the above property has
6 been sold for delinquent taxes and that the period of
7 redemption from the sale will expire on

8

9 The amount to redeem is subject to increase at 6 month
10 intervals from the date of sale and may be further increased if
11 the purchaser at the tax sale or his or her assignee pays any
12 subsequently accruing taxes or special assessments to redeem
13 the property from subsequent forfeitures or tax sales. Check
14 with the county clerk as to the exact amount you owe before
15 redeeming.

16 This notice is also to advise you that a petition has been
17 filed for a tax deed which will transfer title and the right to
18 possession of this property if redemption is not made on or
19 before

20 This matter is set for hearing in the Circuit Court of this
21 county in, Illinois on

22 You may be present at this hearing but your right to redeem
23 will already have expired at that time.

24 YOU ARE URGED TO REDEEM IMMEDIATELY

25 TO PREVENT LOSS OF PROPERTY

26 Redemption can be made at any time on or before by

1 applying to the County Clerk of, County, Illinois at the
2 Office of the County Clerk in, Illinois.

3 For further information contact the County Clerk

4 ADDRESS:.....

5 TELEPHONE:.....

6

7 Purchaser or Assignee.

8 Dated (insert date).

9 In counties with 3,000,000 or more inhabitants, the notice
10 shall also state the address, room number and time at which the
11 matter is set for hearing.

12 The changes to this Section made by this amendatory Act of
13 the 97th General Assembly apply only to matters in which a
14 petition for tax deed is filed on or after the effective date
15 of this amendatory Act of the 97th General Assembly.

16 (Source: P.A. 97-557, eff. 7-1-12.)

17 (35 ILCS 200/22-25)

18 Sec. 22-25. Mailed notice. In addition to the notice
19 required to be served not less than 3 months nor more than 6
20 months prior to the expiration of the period of redemption, the
21 purchaser or his or her assignee shall prepare and deliver to
22 the clerk of the Circuit Court of the county in which the
23 property is located, the notice provided for in this Section,

1 together with the statutory costs for mailing the notice by
2 certified mail, return receipt requested, as provided in
3 subsection (e) of Section 21-260. The form of notice to be
4 mailed by the clerk shall be identical in form to that provided
5 by Section 22-10 for service upon owners residing upon the
6 property sold, except that it shall bear the signature of the
7 clerk instead of the name of the purchaser or assignee and
8 shall designate the parties to whom it is to be mailed. The
9 clerk may furnish the form. The clerk shall promptly mail the
10 notices delivered to him or her by certified mail, return
11 receipt requested. The certificate of the clerk that he or she
12 has mailed the notices, together with the return receipts,
13 shall be filed in and made a part of the court record. The
14 notices shall be mailed to the owners of the property at their
15 last known addresses, and to those persons who are entitled to
16 service of notice as occupants.

17 The changes to this Section made by this amendatory Act of
18 the 97th General Assembly shall be construed as being
19 declaratory of existing law and not as a new enactment.

20 (Source: P.A. 97-557, eff. 7-1-12.)