

HB2163



103RD GENERAL ASSEMBLY

State of Illinois

2023 and 2024

HB2163

Introduced 2/7/2023, by Rep. Margaret Croke

SYNOPSIS AS INTRODUCED:

35 ILCS 200/21-295

Amends the Property Tax Code. In provisions concerning the indemnity fund, provides that the tax purchaser shall pay to the county collector an additional amount equal to 2.5% of the amount of any subsequent taxes on the property that are paid by the tax purchaser. Effective immediately.

LRB103 06058 HLH 51088 b

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 21-295 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, an indemnity fee set by the county
12 collector of not more than \$20 for each item purchased. A like
13 sum shall be paid for each year that all or a portion of
14 subsequent taxes are paid by the tax purchaser and posted to
15 the tax judgment, sale, redemption and forfeiture record where
16 the underlying certificate of purchase is recorded.

17 (a-5) In counties of 3,000,000 or more inhabitants, each
18 person purchasing property at a sale under this Code shall pay
19 to the County Collector:

20 (1) a nonrefundable fee of \$80 for each item
21 purchased;

22 (2) ~~plus~~ an additional sum equal to 5% of the taxes,
23 interest, and penalties paid under Section 21-240; ~~+~~

1 ~~(3) In these counties, the certificate holder shall~~
2 ~~also pay to the County Collector~~ a fee of \$80 for each year
3 that all or a portion of subsequent taxes are paid by the
4 tax purchaser and posted to the tax judgment, sale,
5 redemption, and forfeiture record; and -

6 (4) for tax sales that occur on or after the effective
7 date of this amendatory Act of the 103rd General Assembly,
8 an additional sum equal to 2.5% of the amount of any
9 subsequent taxes on the property that are paid by the tax
10 purchaser and posted to the tax judgment, sale,
11 redemption, and forfeiture record.

12 The changes to this subsection made by this amendatory Act
13 of the 91st General Assembly are not a new enactment, but
14 declaratory of existing law.

15 (b) The amount paid prior to issuance of the certificate
16 of purchase pursuant to subsection (a) or (a-5) shall be
17 included in the purchase price of the property in the
18 certificate of purchase and all amounts paid under this
19 Section shall be included in the amount required to redeem
20 under Section 21-355, except for the nonrefundable \$80 fee for
21 each item purchased at the tax sale as provided in this
22 Section. Except as otherwise provided in subsection (b) of
23 Section 21-300, all money received under subsection (a) or
24 (a-5) shall be paid by the Collector to the County Treasurer of
25 the County in which the land is situated, for the purpose of an
26 indemnity fund. The County Treasurer, as trustee of that fund,

1 shall invest all of that fund, principal and income, in his or
2 her hands from time to time, if not immediately required for
3 payments of indemnities under subsection (a) of Section
4 21-305, in investments permitted by the Illinois State Board
5 of Investment under Article 22A of the Illinois Pension Code.
6 The county collector shall report annually to the county clerk
7 on the condition and income of the fund. The indemnity fund
8 shall be held to satisfy judgments obtained against the County
9 Treasurer, as trustee of the fund. No payment shall be made
10 from the fund, except upon a judgment of the court which
11 ordered the issuance of a tax deed.

12 (Source: P.A. 100-1070, eff. 1-1-19; 101-659, eff. 3-23-21.)

13 Section 99. Effective date. This Act takes effect upon
14 becoming law.