

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 9-265 and 21-15 as follows:

6 (35 ILCS 200/9-265)

7 Sec. 9-265. Omitted property; interest; change in exempt
8 use or ownership. If any property is omitted in the
9 assessment of any year or years, so that the taxes, for which
10 the property was liable, have not been paid, or if by reason
11 of defective description or assessment, taxes on any property
12 for any year or years have not been paid, or if any taxes are
13 refunded under subsection (b) of Section 14-5 because the
14 taxes were assessed in the wrong person's name, the property,
15 when discovered, shall be listed and assessed by the board of
16 review or, in counties with 3,000,000 or more inhabitants, by
17 the county assessor either on his or her own initiative or
18 when so directed by the board of appeals or board of review.
19 For purposes of this Section, "defective description or
20 assessment" includes a description or assessment which omits
21 all the improvements thereon as a result of which part of the
22 taxes on the total value of the property as improved remain
23 unpaid. In the case of property subject to assessment by the
24 Department, the property shall be listed and assessed by the
25 Department. All such property shall be placed on the
26 assessment and tax books. The arrearages of taxes which might
27 have been assessed, with 10% interest thereon for each year
28 or portion thereof from 2 years after the time the first
29 correct tax bill ought to have been received, shall be
30 charged against the property by the county clerk.

31 When property or acreage omitted by either incorrect
32 survey or other ministerial assessor error is discovered and

1 the owner has paid its tax bills as received for the year or
2 years of omission of the parcel, then the interest authorized
3 by this Section shall not be chargeable to the owner.
4 However, nothing in this Section shall prevent the collection
5 of the principal amount of back taxes due and owing.
6 Notwithstanding any other provision of Sections 9-260 through
7 9-270, if a taxpayer receives a tax bill for any property or
8 portion of property that was omitted for 2 or more years from
9 assessment as a result of a ministerial error, the tax bill
10 for the omitted property must be paid within 16 months after
11 the date the taxpayer receives the tax bill. No interest may
12 be imposed on the tax bill for the omitted property during
13 that 16-month period. Any arrearage that remains unpaid after
14 the 16-month period ends, with 10% interest on the arrearage
15 for each year or portion of a year from the date the taxpayer
16 received the tax bill, shall be charged against the property
17 by the county clerk. After the 16-month period ends, interest
18 shall accrue on any remaining arrearage and interest owed on
19 that arrearage as with all other delinquent tax bills.

20 If any property listed as exempt by the chief county
21 assessment officer has a change in use, a change in leasehold
22 estate, or a change in titleholder of record by purchase,
23 grant, taking or transfer, it shall be the obligation of the
24 transferee to notify the chief county assessment officer in
25 writing within 30 days of the change. The notice shall be
26 sent by certified mail, return receipt requested, and shall
27 include the name and address of the taxpayer, the legal
28 description of the property, and the property index number of
29 the property when an index number exists. If the failure to
30 give the notification results in the assessing official
31 continuing to list the property as exempt in subsequent
32 years, the property shall be considered omitted property for
33 purposes of this Code.

34 (Source: P.A. 88-455; 89-126, eff. 7-11-95; 89-671, eff.

1 8-14-96.)

2 (35 ILCS 200/21-15)

3 Sec. 21-15. General tax due dates; default by mortgage
 4 lender. Except as otherwise provided in this Section or
 5 Section 21-40, all property upon which the first installment
 6 of taxes remains unpaid on June 1 annually shall be deemed
 7 delinquent and shall bear interest after June 1 at the rate
 8 of 1 1/2% per month or portion thereof. Except as otherwise
 9 provided in this Section or Section 21-40, all property upon
 10 which the second installment of taxes remains due and unpaid
 11 on September 1, annually, shall be deemed delinquent and
 12 shall bear interest after September 1 at the same interest
 13 rate. All interest collected shall be paid into the general
 14 fund of the county. Payment received by mail and postmarked
 15 on or before the required due date is not delinquent.

16 Property not subject to the interest charge in Section
 17 9-265 shall also not be subject to the interest charge
 18 imposed by this Section until the 16-month period has expired
 19 under Section 9-265 such-time-as-the-owner-of-the-property
 20 receives-actual-notice-of-and-is-billed-for-the-principal
 21 amount-of-back-taxes-due-and-owing.

22 If a member of a reserve component of the armed forces of
 23 the United States who has an ownership interest in property
 24 taxed under this Act is called to active duty for deployment
 25 outside the continental United States and is on active duty
 26 on the due date of any installment of taxes due under this
 27 Act, he or she shall not be deemed delinquent in the payment
 28 of the installment and no interest shall accrue or be charged
 29 as a penalty on the installment until 30 days after that
 30 member returns from active duty.

31 Notwithstanding any other provision of law, when any
 32 unpaid taxes become delinquent under this Section through the
 33 fault of the mortgage lender, (i) the interest assessed under

1 this Section for delinquent taxes shall be charged against
2 the mortgage lender and not the mortgagor and (ii) the
3 mortgage lender shall pay the taxes, redeem the property and
4 take all necessary steps to remove any liens accruing against
5 the property because of the delinquency. In the event that
6 more than one entity meets the definition of mortgage lender
7 with respect to any mortgage, the interest shall be assessed
8 against the mortgage lender responsible for servicing the
9 mortgage. Unpaid taxes shall be deemed delinquent through
10 the fault of the mortgage lender only if: (a) the mortgage
11 lender has received all payments due the mortgage lender for
12 the property being taxed under the written terms of the
13 mortgage or promissory note secured by the mortgage, (b) the
14 mortgage lender holds funds in escrow to pay the taxes, and
15 (c) the funds are sufficient to pay the taxes after deducting
16 all amounts reasonably anticipated to become due for all
17 hazard insurance premiums and mortgage insurance premiums and
18 any other assessments to be paid from the escrow under the
19 terms of the mortgage. For purposes of this Section, an
20 amount is reasonably anticipated to become due if it is
21 payable within 12 months from the time of determining the
22 sufficiency of funds held in escrow. Unpaid taxes shall not
23 be deemed delinquent through the fault of the mortgage lender
24 if the mortgage lender was directed in writing by the
25 mortgagor not to pay the property taxes, or if the failure to
26 pay the taxes when due resulted from inadequate or inaccurate
27 parcel information provided by the mortgagor, a title or
28 abstract company, or by the agency or unit of government
29 assessing the tax.

30 (Source: P.A. 90-336, eff. 1-1-98; 90-575, eff. 3-20-98;
31 91-199, eff. 1-1-00; 91-898, eff. 7-6-00.)

32 Section 99. Effective date. This Act takes effect upon
33 becoming law.