



## 102ND GENERAL ASSEMBLY

### State of Illinois

2021 and 2022

**HB5443**

Introduced 1/31/2022, by Rep. Michael J. Zalewski

#### SYNOPSIS AS INTRODUCED:

35 ILCS 200/21-205

Amends the Property Tax Code. Provides that a county collector in a county with 275,000 or more inhabitants shall adopt a bidder rule (currently, a single bidder rule) to prohibit a tax purchaser from registering more than 8 (currently, one) related bidding entities at a tax sale. Effective immediately.

LRB102 24091 HLH 33315 b

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.

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

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

4 (b) Until January 1, 2013, in every sale of property  
5 pursuant to the provisions of this Code, the collector may  
6 employ any automated means that the collector deems  
7 appropriate. Beginning on January 1, 2013, either (i) the  
8 collector shall employ an automated bidding system that is  
9 programmed to accept the lowest redemption price bid by an  
10 eligible tax purchaser, subject to the penalty percentage  
11 limitation set forth in Section 21-215, or (ii) all tax sales  
12 shall be digitally recorded with video and audio. All bidders  
13 are required to personally attend the sale and, if automated  
14 means are used, all hardware and software used with respect to  
15 those automated means must be certified by the Department and  
16 re-certified by the Department every 5 years. If the tax sales  
17 are digitally recorded and no automated bidding system is  
18 used, then the recordings shall be maintained by the collector  
19 for a period of at least 3 years from the date of the tax sale.  
20 The changes made by this amendatory Act of the 94th General  
21 Assembly are declarative of existing law.

22 (b-5) For any annual tax sale conducted on or after the  
23 effective date of this amendatory Act of the 102nd General  
24 Assembly, each county collector in a county with 275,000 or  
25 more inhabitants shall adopt a ~~single~~ bidder rule sufficient  
26 to prohibit a tax purchaser from registering more than 8 ~~one~~

1 related bidding entities ~~entity~~ at the tax sale. The corporate  
2 authorities in any county with less than 275,000 inhabitants  
3 may, by ordinance, allow the county collector of that county  
4 to adopt such a ~~single~~ bidder rule. In any county that has  
5 adopted a ~~single~~ bidder rule under this subsection (b-5), the  
6 county treasurer shall include a representation and warranty  
7 form in each registration package attesting to compliance with  
8 the ~~single-bidder~~ rule, except that the county may, by  
9 ordinance, opt out of this representation and warranty form  
10 requirement. A ~~single~~ bidder rule under this subsection may be  
11 in the following form:

12 (1) A registered tax buying entity (principal) may  
13 ~~only~~ have no more than 8 ~~one~~ registered buyers ~~buyer~~ at the  
14 tax sale and may not have more than 8 ~~a~~ related bidding  
15 entities ~~entity~~ directly or indirectly register as a buyer  
16 or participate in the tax sale. A registered tax buying  
17 entity may not engage in any multiple bidding strategy for  
18 the purpose of colluding to receive higher penalty bid  
19 rates ~~having more than one related bidding entity submit~~  
20 ~~bids at the tax sale.~~

21 (2) A related bidding entity is defined as any  
22 individual, corporation, partnership, joint venture,  
23 limited liability company, business organization, or other  
24 entity that has a shareholder, partner, principal,  
25 officer, general partner, or other person or entity having  
26 (i) an ownership interest in a bidding entity in common

1 with any other registered participant in the tax sale or  
2 (ii) a common guarantor in connection with a source of  
3 financing with any other registered participant in the tax  
4 sale. The determination of whether registered entities are  
5 related so as to prohibit those entities from submitting  
6 duplicate bids in violation of the ~~single-bidder~~ rule is  
7 at the sole and exclusive discretion of the county  
8 treasurer or his or her designated representatives.

9 (c) County collectors may, when applicable, eject tax  
10 bidders who disrupt the tax sale or use illegal bid practices.  
11 (Source: P.A. 102-519, eff. 8-20-21.)

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