



## 103RD GENERAL ASSEMBLY

### State of Illinois

2023 and 2024

HB2165

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

#### SYNOPSIS AS INTRODUCED:

35 ILCS 200/21-295

Amends the Property Tax Code. Provides that in counties of 3,000,000 or more inhabitants, the holder of a tax lien certificate on property sold under the Code shall pay to the County Collector an additional 2.5% of the subsequent taxes, interest, and penalties paid by the tax purchaser and posted to the tax judgment, sale, redemption, and forfeiture record. Effective immediately.

LRB103 06056 HLH 51086 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 21-295 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 a nonrefundable fee of \$80 for each  
20 item purchased plus an additional sum equal to 5% of the taxes,  
21 interest, and penalties paid under Section 21-240. In these  
22 counties, the certificate holder shall also pay to the County  
23 Collector a fee of \$80 for each year that all or a portion of

1 subsequent taxes are paid by the tax purchaser and posted to  
2 the tax judgment, sale, redemption, and forfeiture record  
3 together with an additional 2.5% of the subsequent taxes,  
4 interest, and penalties paid by the tax purchaser and posted  
5 to the tax judgment, sale, redemption, and forfeiture record.

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

9 (b) The amount paid prior to issuance of the certificate  
10 of purchase pursuant to subsection (a) or (a-5) shall be  
11 included in the purchase price of the property in the  
12 certificate of purchase and all amounts paid under this  
13 Section shall be included in the amount required to redeem  
14 under Section 21-355, except for the nonrefundable \$80 fee for  
15 each item purchased at the tax sale as provided in this  
16 Section. Except as otherwise provided in subsection (b) of  
17 Section 21-300, all money received under subsection (a) or  
18 (a-5) shall be paid by the Collector to the County Treasurer of  
19 the County in which the land is situated, for the purpose of an  
20 indemnity fund. The County Treasurer, as trustee of that fund,  
21 shall invest all of that fund, principal and income, in his or  
22 her hands from time to time, if not immediately required for  
23 payments of indemnities under subsection (a) of Section  
24 21-305, in investments permitted by the Illinois State Board  
25 of Investment under Article 22A of the Illinois Pension Code.  
26 The county collector shall report annually to the county clerk

1 on the condition and income of the fund. The indemnity fund  
2 shall be held to satisfy judgments obtained against the County  
3 Treasurer, as trustee of the fund. No payment shall be made  
4 from the fund, except upon a judgment of the court which  
5 ordered the issuance of a tax deed.

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

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