



103RD GENERAL ASSEMBLY

State of Illinois

2023 and 2024

HB2554

Introduced 2/15/2023, by Rep. Debbie Meyers-Martin

SYNOPSIS AS INTRODUCED:

35 ILCS 200/22-4 new
35 ILCS 200/22-10
35 ILCS 200/22-15
735 ILCS 5/9-121
735 ILCS 5/9-205 from Ch. 110, par. 9-205
735 ILCS 5/9-207 from Ch. 110, par. 9-207
735 ILCS 5/9-207.6 new
735 ILCS 5/9-207.7 new

Amends the Property Tax Code. Provides that a notice under the Tax Deeds and Procedures Article must contain a notice in 9 non-English languages encouraging the reader to have the notice translated because it contains important information about property taxes and may affect the person's ownership of the property. Requires a statement to be added to the notice of expiration of the period of redemption regarding limited reimbursement rights. Modifies service requirements of the notice. Amends the Code of Civil Procedure. Adds provisions regarding continuation or termination of bona fide leases in residential real estate in properties conveyed by a tax deed. Effective immediately.

LRB103 30844 HLH 57348 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 Sections 22-10 and 22-15 and by adding Section 22-4 as
6 follows:

7 (35 ILCS 200/22-4 new)

8 Sec. 22-4. Notice languages. Notices under this Article
9 must contain the following statement in Spanish, Polish,
10 Chinese, Tagalog, Arabic, Korean, German, Urdu, and Gujarati:
11 "This notice contains important information about your
12 property taxes and may affect your ownership of property. We
13 encourage you to have this notice translated in full into a
14 language you understand before you make any decisions that may
15 be required under this notice."

16 (35 ILCS 200/22-10)

17 Sec. 22-10. Notice of expiration of period of redemption.
18 A purchaser or assignee shall not be entitled to a tax deed to
19 the property sold unless, not less than 3 months nor more than
20 6 months prior to the expiration of the period of redemption,
21 he or she gives notice of the sale and the date of expiration
22 of the period of redemption to the owners, occupants, and

1 parties interested in the property, including any mortgagee of
2 record, as provided below. ~~the~~

3 The Notice to be given to the parties shall be in at least
4 10-point ~~10-point~~ type in the following form completely filled
5 in:

6 TAX DEED NO. FILED

7 TAKE NOTICE

8 County of

9 Date Premises Sold

10 Certificate No.

11 Sold for General Taxes of (year)

12 Sold for Special Assessment of (Municipality)
13 and special assessment number

14 Warrant No. Inst. No.

15 THIS PROPERTY HAS BEEN SOLD FOR

16 DELINQUENT TAXES

17 Property located at

18 Legal Description or Property Index No.

19

20

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

24

25 The amount to redeem is subject to increase at 6 month
26 intervals from the date of sale and may be further increased if

1 the purchaser at the tax sale or his or her assignee pays any
 2 subsequently accruing taxes or special assessments to redeem
 3 the property from subsequent forfeitures or tax sales. Check
 4 with the county clerk as to the exact amount you owe before
 5 redeeming.

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

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

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

14 YOU ARE URGED TO REDEEM IMMEDIATELY
 15 TO PREVENT LOSS OF PROPERTY

16 Redemption can be made at any time on or before by
 17 applying to the County Clerk of, County, Illinois at the
 18 Office of the County Clerk in, Illinois.

19 For further information contact the County Clerk

20 ADDRESS:.....

21 TELEPHONE:.....

22

23 Purchaser or Assignee.

24 Dated (insert date).

25 LIMITED RIGHT TO REIMBURSEMENT

1 If you lose your home due to a tax sale and owned more
2 equity in your home than your total overdue property taxes,
3 fees, and interest, you may be able to request a payment from
4 the county's Indemnity Fund.

5 You can request an Indemnity Fund payment by filing a
6 petition in the court where your taxes were sold. The petition
7 must be filed in your name and identify the office of the
8 county treasurer as a defendant.

9 Your right to compensation is limited and defined by State
10 law (35 ILCS 200/21-305). You are encouraged to talk to a
11 lawyer before filing a petition.

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

15 The changes to this Section made by Public Act 97-557
16 apply only to matters in which a petition for tax deed is filed
17 on or after July 1, 2012 (the effective date of Public Act
18 97-557).

19 The changes to this Section made by Public Act 102-1003
20 ~~this amendatory Act of the 102nd General Assembly~~ apply to
21 matters in which a petition for tax deed is filed on or after
22 May 27, 2022 (the effective date of Public Act 102-1003) ~~this~~
23 ~~amendatory Act of the 102nd General Assembly~~. Failure of any
24 party or any public official to comply with the changes made to
25 this Section by Public Act 102-528 does not invalidate any tax

1 deed issued prior to May 27, 2022 (the effective date of Public
2 Act 102-1003) ~~this amendatory Act of the 102nd General~~
3 ~~Assembly.~~

4 (Source: P.A. 102-528, eff. 1-1-22; 102-813, eff. 5-13-22;
5 102-1003, eff. 5-27-22; revised 9-1-22.)

6 (35 ILCS 200/22-15)

7 Sec. 22-15. Service of notice.

8 (a) The purchaser or his or her assignee shall give the
9 notice required by Section 22-10 by causing it to be published
10 in a newspaper as set forth in Section 22-20. In addition, the
11 notice shall be served by a sheriff (or if he or she is
12 disqualified, by a coroner) of the county in which the
13 property, or any part thereof, is located or, except in Cook
14 County, by a person who is licensed or registered as a private
15 detective under the Private Detective, Private Alarm, Private
16 Security, Fingerprint Vendor, and Locksmith Act of 2004 upon
17 owners who reside on any part of the property sold by leaving a
18 copy of the notice with those owners personally and with the
19 occupants as provided in subsection (b).

20 In counties of 3,000,000 or more inhabitants where a
21 taxing district is a petitioner for tax deed pursuant to
22 Section 21-90, in lieu of service by the sheriff or coroner the
23 notice may be served by a special process server appointed by
24 the circuit court as provided in this Section. The taxing
25 district may move prior to filing one or more petitions for tax

1 deed for appointment of such a special process server. The
2 court, upon being satisfied that the person named in the
3 motion is at least 18 years of age and is capable of serving
4 notice as required under this Code, shall enter an order
5 appointing such person as a special process server for a
6 period of one year. The appointment may be renewed for
7 successive periods of one year each by motion and order, and a
8 copy of the original and any subsequent order shall be filed in
9 each tax deed case in which a notice is served by the appointed
10 person. Delivery of the notice to and service of the notice by
11 the special process server shall have the same force and
12 effect as its delivery to and service by the sheriff or
13 coroner.

14 The same form of notice shall also be served, in the manner
15 set forth under Sections 2-203, 2-204, 2-205, 2-205.1, and
16 2-211 of the Code of Civil Procedure, upon all other owners and
17 parties interested in the property, if upon diligent inquiry
18 they can be found in the county, and upon the occupants of the
19 property.

20 (b) No later than 21 days after issuance of an order
21 directing the county clerk to issue a tax deed, the purchaser
22 or the purchaser's assignee shall make a good faith effort to
23 ascertain the identities and addresses of all occupants of the
24 property's dwelling units and, following the conveyance of the
25 tax deed, but no later than 21 days after the conveyance of the
26 tax deed, notify all known occupants of the dwelling units

1 that the purchaser or the purchaser's assignee has acquired
2 the property. The notice shall be in writing and shall:

3 (1) identify the occupant being served by the name
4 known to the purchaser or the purchaser's assignee;

5 (2) inform the occupant that the mortgaged real estate
6 upon which the dwelling unit is located is the subject of a
7 tax deed conveyance and that control of the property has
8 changed;

9 (3) provide the name, address, and telephone number of
10 an individual or entity who the occupants may contact with
11 concerns about the property or to request repairs of that
12 property;

13 (4) include the following statement or a statement
14 that is substantially similar: "This is NOT a notice to
15 vacate the premises. You may wish to contact a lawyer or
16 your local legal aid or housing counseling agency to
17 discuss any rights that you may have.";

18 (5) include the name of the case, the case number, and
19 the court where conveyance of the tax deed has been
20 entered; and

21 (6) provide instructions on the method of payment of
22 future rent, if applicable.

23 The written notice required for occupants shall be served
24 by delivering a copy of the notice to the known occupant, by
25 leaving the notice with a person who is 13 years of age or
26 older and who is residing on or in possession of the premises,

1 or by sending a copy of the notice to the known occupant by
2 first-class mail addressed to the occupant by the name known
3 to purchaser or the purchaser's assignee.

4 If the purchaser or the purchaser's assignee ascertains
5 the identity and address of an occupant of a dwelling unit of
6 the property more than 21 days after the conveyance of the tax
7 deed, the purchaser or the purchaser's assignee shall provide
8 the notice required by paragraph (2) of this subsection within
9 7 days of ascertaining the identity and address of the
10 occupant.

11 A purchaser or the purchaser's assignee may not demand,
12 collect, or terminate a tenancy for nonpayment of rent that
13 accrued prior to the month they issued the notice required by
14 this subsection.

15 An occupant who previously paid rent for the current
16 rental period to the previous owner or to another entity with
17 the authority to operate, manage, and conserve the real estate
18 at the time of payment shall not be held liable for that rent
19 by the purchaser or purchaser's assignee, and the occupant's
20 tenancy shall not be terminated for nonpayment of rent for
21 that rental period.

22 Within 21 days after the conveyance of the tax deed, the
23 purchaser or the purchaser's assignee shall post a written
24 notice on the primary entrance of each dwelling unit subject
25 to the foreclosure action. This notice shall:

26 (i) inform occupants that the dwelling unit is the

1 subject of a tax deed conveyance and that control of the
2 property has changed;

3 (ii) include the following language: "This is NOT a
4 notice to vacate the premises.";

5 (iii) provide the name, address, and telephone number
6 of the individual or entity that occupants may contact
7 with concerns about the property or to request repairs of
8 the property; and

9 (iv) provide instructions on the method of payment of
10 future rent, if applicable.

11 Subsection (c) of Section 9-207.7 of the Code of Civil
12 Procedure is the exclusive remedy for the failure of the
13 purchaser or the purchaser's assignee to provide notice to a
14 known occupant under this subsection.

15 This Section shall not abrogate any right that a purchaser
16 or the purchaser's assignee may have to possess the property
17 and to maintain a proceeding against an occupant of a dwelling
18 unit for possession.

19 ~~If the property sold has more than 4 dwellings or other~~
20 ~~rental units, and has a managing agent or party who collects~~
21 ~~rents, that person shall be deemed the occupant and shall be~~
22 ~~served with notice instead of the occupants of the individual~~
23 ~~units. If the property has no dwellings or rental units, but~~
24 ~~economic or recreational activities are carried on therein,~~
25 ~~the person directing such activities shall be deemed the~~
26 ~~occupant. Holders of rights of entry and possibilities of~~

1 ~~reverter shall not be deemed parties interested in the~~
2 ~~property.~~

3 (c) When a party interested in the property is a trustee,
4 notice served upon the trustee shall be deemed to have been
5 served upon any beneficiary or note holder thereunder unless
6 the holder of the note is disclosed of record.

7 When a judgment is a lien upon the property sold, the
8 holder of the lien shall be served with notice if the name of
9 the judgment debtor as shown in the transcript, certified copy
10 or memorandum of judgment filed of record is identical, as to
11 given name and surname, with the name of the party interested
12 as it appears of record.

13 If any owner or party interested, upon diligent inquiry
14 and effort, cannot be found or served with notice in the county
15 as provided in this Section, and the person in actual
16 occupancy and possession is tenant to, or in possession under
17 the owners or the parties interested in the property, then
18 service of notice upon the tenant, occupant or person in
19 possession shall be deemed service upon the owners or parties
20 interested.

21 If any owner or party interested, upon diligent inquiry
22 and effort cannot be found or served with notice in the county,
23 then the person making the service shall cause a copy of the
24 notice to be sent by registered or certified mail, return
25 receipt requested, to that party at his or her residence, if
26 ascertainable.

1 The changes to this Section made by Public Act 95-477
2 apply only to matters in which a petition for tax deed is filed
3 on or after June 1, 2008 (the effective date of Public Act
4 95-477).

5 (d) This Section does not require a purchaser or his or her
6 assignee to provide the notice required by this Section to the
7 prior owner of the real estate if the court issuing the tax
8 deed order entered an eviction order against that party after
9 proper notice to that party.

10 (Source: P.A. 95-195, eff. 1-1-08; 95-477, eff. 6-1-08;
11 95-876, eff. 8-21-08.)

12 Section 10. The Code of Civil Procedure is amended by
13 changing Sections 9-121, 9-205, and 9-207 and by adding
14 Sections 9-207.6 and 9-207.7 as follows:

15 (735 ILCS 5/9-121)

16 Sec. 9-121. Sealing of court file.

17 (a) Definition. As used in this Section, "court file"
18 means the court file created when an eviction action is filed
19 with the court.

20 (b) Discretionary sealing of court file. The court may
21 order that a court file in an eviction action be placed under
22 seal if the court finds that the plaintiff's action is
23 sufficiently without a basis in fact or law, which may include
24 a lack of jurisdiction, that placing the court file under seal

1 is clearly in the interests of justice, and that those
2 interests are not outweighed by the public's interest in
3 knowing about the record.

4 (c) Mandatory sealing of court file. The court file
5 relating to an eviction action brought against a tenant under
6 Section 9-207.5, Section 9-207.6, or ~~of this Code or as set~~
7 ~~forth in~~ subdivision (h) (6) of Section 15-1701 of this Code
8 shall be placed under seal.

9 (d) This Section is operative on and after August 1, 2022.

10 (Source: P.A. 102-5, eff. 5-17-21.)

11 (735 ILCS 5/9-205) (from Ch. 110, par. 9-205)

12 Sec. 9-205. Notice to terminate tenancy from year to year.
13 Except as provided in Section 9-206, ~~and~~ Section 9-207.5, and
14 Section 9-207.6 of this Code Act, in all cases of tenancy from
15 year to year, 60 days' notice, in writing, shall be sufficient
16 to terminate the tenancy at the end of the year. The notice may
17 be given at any time within 4 months preceding the last 60 days
18 of the year.

19 (Source: P.A. 98-514, eff. 11-19-13.)

20 (735 ILCS 5/9-207) (from Ch. 110, par. 9-207)

21 Sec. 9-207. Notice to terminate tenancy for less than a
22 year.

23 (a) Except as provided in Section 9-207.5 and Section
24 9-207.6 of this Code, in all cases of tenancy from week to

1 week, where the tenant holds over without special agreement,
2 the landlord may terminate the tenancy by 7 days' notice, in
3 writing, and may maintain an action for eviction or ejectment.

4 (b) Except as provided in Section 9-207.5 and Section
5 9-207.6 of this Code, in all cases of tenancy for any term less
6 than one year, other than tenancy from week to week, where the
7 tenant holds over without special agreement, the landlord may
8 terminate the tenancy by 30 days' notice, in writing, and may
9 maintain an action for eviction or ejectment.

10 (Source: P.A. 100-173, eff. 1-1-18.)

11 (735 ILCS 5/9-207.6 new)

12 Sec. 9-207.6. Bona fide lease.

13 (a) As used in this Section:

14 "Bona fide lease" includes a lease of a dwelling unit in
15 residential real estate in which:

16 (1) the owner or the child, spouse, or parent of the
17 owner is not the tenant;

18 (2) the lease was the result of an arms-length
19 transaction;

20 (3) the lease requires the receipt of rent that is not
21 substantially less than fair market rent for the property
22 or the rent is reduced or subsidized pursuant to a
23 federal, State, or local subsidy;

24 (4) the lease was entered into or renewed before the
25 date the tax deed of the property conveyed was executed by

1 the county clerk; and

2 (5) the term of the lease is for one year or less.

3 "Dwelling unit" means a room or suite of rooms providing
4 complete, independent living facilities for at least one
5 person, including permanent provisions for sanitation,
6 cooking, eating, sleeping, and other activities routinely
7 associated with daily life.

8 "Residential real estate" means any real estate, except a
9 single tract of agricultural real estate, consisting of more
10 than 40 acres, that is improved with a single-family
11 residence, residential condominium units, or a multiple
12 dwelling structure containing single-family dwelling units for
13 one or more families living independently of one another for
14 which an action to foreclose the real estate: (1) has
15 commenced and is pending; (2) was pending when the bona fide
16 lease was entered into or renewed; or (3) was commenced after
17 the bona fide lease was entered into or renewed.

18 (b) A written lease for a term exceeding one year that is
19 entered into or renewed before the end of the redemption
20 period and before the date the tax deed of the property
21 conveyed was executed by the county clerk that otherwise meets
22 the requirements of subsection (a) is a bona fide lease for a
23 term of one year.

24 (c) An oral lease entered into at any time before the date
25 the tax deed of the property conveyed was executed by the
26 county clerk that otherwise meets the requirements of

1 subsection (a) is a bona fide lease for a month-to-month term,
2 unless the lessee proves by a preponderance of evidence that
3 the oral lease is for a longer term. An oral lease is not a
4 bona fide lease if it has a term of more than one year.

5 (d) A written or oral lease entered into on or after the
6 date the tax deed of the property conveyed was executed by the
7 county clerk or that otherwise meets the requirements of
8 subsection (a) is a bona fide lease for a month-to-month term.

9 (e) Notwithstanding paragraph (1) of the definition of
10 "bona fide lease" in subsection (a), a child, spouse, or
11 parent of the owner may prove by a preponderance of evidence
12 that a written or oral lease that otherwise meets the
13 requirements of subsection (a) is a bona fide lease.

14 (735 ILCS 5/9-207.7 new)

15 Sec. 9-207.7. Continuation or termination of bona fide
16 leases in residential real estate in properties conveyed by
17 tax deed.

18 (a) The purchaser or the purchaser's assignee who assumes
19 control of the residential real estate under Article 22 of the
20 Property Tax Code, may terminate a bona fide lease, as that
21 term is described in Section 9-207.6, only (i) at the end of
22 the term of the bona fide lease with no less than 90 days'
23 written notice or (ii) in the case of a bona fide lease that is
24 for a month-to-month or week-to-week term, with no less than
25 90 days' written notice.

1 (b) Notwithstanding the provisions of subsection (a), an
2 individual who assumes control of a residential property
3 through conveyance of a tax deed and who will occupy a dwelling
4 unit of the residential property as his or her primary
5 residence may terminate the bona fide lease for the dwelling
6 unit subject to the 90-day notice requirement of subsection
7 (a).

8 (c) Nothing in this Section shall abrogate the rights of
9 the purchaser or the purchaser's assignee who assumes control
10 of the residential real estate under Article 22 of the
11 Property Tax Code to terminate, pursuant to Section 9-118,
12 9-119, 9-120, 9-201, 9-202, 9-203, 9-204, 9-209, or 9-210 of
13 this Code, a bona fide lease of a dwelling unit in residential
14 real estate that has been subject to a tax deed sale if the tax
15 deed purchaser or his or her assignee has followed the notice
16 procedures set forth in Section 22-15 of the Property Tax
17 Code.

18 Section 99. Effective date. This Act takes effect upon
19 becoming law.