



93RD GENERAL ASSEMBLY
State of Illinois
2003 and 2004
SB2409

Introduced 2/3/2004, by Ira I. Silverstein

SYNOPSIS AS INTRODUCED:

35 ILCS 200/21-260

Amends the Property Tax Code. Provides that in addition to filing a petition for a tax deed for a property sold at a collector's scavenger sale, the petitioner must attach, along with the petition, a professional appraisal of the property for which the tax deed is sought. Provides that if the court determines that the appraised value of the property greatly exceeds the amount of the judgment of sale at a scavenger sale, then the court shall require an independent inquiry into the well-being of the owner of the property before issuing the deed and, if necessary, enter an appropriate order to achieve equity in the matter.

LRB093 20514 SJM 46309 b

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 Section 21-260 as follows:

6 (35 ILCS 200/21-260)

7 Sec. 21-260. Collector's scavenger sale. Upon the county
8 collector's application under Section 21-145, to be known as
9 the Scavenger Sale Application, the Court shall enter judgment
10 for the general taxes, special taxes, special assessments,
11 interest, penalties and costs as are included in the
12 advertisement and appear to be due thereon after allowing an
13 opportunity to object and a hearing upon the objections as
14 provided in Section 21-175, and order those properties sold by
15 the County Collector at public sale to the highest bidder for
16 cash, notwithstanding the bid may be less than the full amount
17 of taxes, special taxes, special assessments, interest,
18 penalties and costs for which judgment has been entered.

19 (a) Conducting the sale - Bidding. All properties shall be
20 offered for sale in consecutive order as they appear in the
21 delinquent list. The minimum bid for any property shall be \$250
22 or one-half of the tax if the total liability is less than
23 \$500. The successful bidder shall immediately pay the amount of
24 minimum bid to the County Collector in cash, by certified or
25 cashier's check, by money order, or, if the successful bidder
26 is a governmental unit, by a check issued by that governmental
27 unit. If the bid exceeds the minimum bid, the successful bidder
28 shall pay the balance of the bid to the county collector in
29 cash, by certified or cashier's check, by money order, or, if
30 the successful bidder is a governmental unit, by a check issued
31 by that governmental unit by the close of the next business
32 day. If the minimum bid is not paid at the time of sale or if

1 the balance is not paid by the close of the next business day,
2 then the sale is void and the minimum bid, if paid, is
3 forfeited to the county general fund. In that event, the
4 property shall be reoffered for sale within 30 days of the last
5 offering of property in regular order. The collector shall make
6 available to the public a list of all properties to be included
7 in any reoffering due to the voiding of the original sale. The
8 collector is not required to serve or publish any other notice
9 of the reoffering of those properties. In the event that any of
10 the properties are not sold upon reoffering, or are sold for
11 less than the amount of the original voided sale, the original
12 bidder who failed to pay the bid amount shall remain liable for
13 the unpaid balance of the bid in an action under Section
14 21-240. Liability shall not be reduced where the bidder upon
15 reoffering also fails to pay the bid amount, and in that event
16 both bidders shall remain liable for the unpaid balance of
17 their respective bids. A sale of properties under this Section
18 shall not be final until confirmed by the court.

19 (b) Confirmation of sales. The county collector shall file
20 his or her report of sale in the court within 30 days of the
21 date of sale of each property. No notice of the county
22 collector's application to confirm the sales shall be required
23 except as prescribed by rule of the court. Upon confirmation,
24 except in cases where the sale becomes void under Section
25 22-85, or in cases where the order of confirmation is vacated
26 by the court, a sale under this Section shall extinguish the in
27 rem lien of the general taxes, special taxes and special
28 assessments for which judgment has been entered and a
29 redemption shall not revive the lien. Confirmation of the sale
30 shall in no event affect the owner's personal liability to pay
31 the taxes, interest and penalties as provided in this Code or
32 prevent institution of a proceeding under Section 21-440 to
33 collect any amount that may remain due after the sale.

34 (c) Issuance of tax sale certificates. Upon confirmation of
35 the sale the County Clerk and the County Collector shall issue
36 to the purchaser a certificate of purchase in the form

1 prescribed by Section 21-250 as near as may be. A certificate
2 of purchase shall not be issued to any person who is ineligible
3 to bid at the sale or to receive a certificate of purchase
4 under Section 21-265.

5 (d) Scavenger Tax Judgment, Sale and Redemption Record -
6 Sale of parcels not sold. The county collector shall prepare a
7 Scavenger Tax Judgment, Sale and Redemption Record. The county
8 clerk shall write or stamp on the scavenger tax judgment, sale,
9 forfeiture and redemption record opposite the description of
10 any property offered for sale and not sold, or not confirmed
11 for any reason, the words "offered but not sold". The
12 properties which are offered for sale under this Section and
13 not sold or not confirmed shall be offered for sale annually
14 thereafter in the manner provided in this Section until sold,
15 except in the case of mineral rights, which after 10
16 consecutive years of being offered for sale under this Section
17 and not sold or confirmed shall no longer be required to be
18 offered for sale. At any time between annual sales the County
19 Collector may advertise for sale any properties subject to sale
20 under judgments for sale previously entered under this Section
21 and not executed for any reason. The advertisement and sale
22 shall be regulated by the provisions of this Code as far as
23 applicable.

24 (e) Proceeding to tax deed. The owner of the certificate of
25 purchase shall give notice as required by Sections 22-5 through
26 22-30, and may extend the period of redemption as provided by
27 Section 21-385. At any time within 5 months prior to expiration
28 of the period of redemption from a sale under this Code, the
29 owner of a certificate of purchase may file a petition and may
30 obtain a tax deed under Sections 22-30 through 22-55. All
31 proceedings for the issuance of a tax deed and all tax deeds
32 for properties sold under this Section shall be subject to
33 Sections 22-30 through 22-55. Deeds issued under this Section
34 are subject to Section 22-70. This Section shall be liberally
35 construed so that the deeds provided for in this Section convey
36 merchantable title.

1 In addition to filing a petition for a tax deed for a
2 property sold under this Section, the petitioner must attach,
3 along with the petition, a professional appraisal of the
4 property for which the tax deed is sought. If the court
5 determines that the appraised value of the property greatly
6 exceeds the judgment entered for taxes, special taxes, special
7 assessments, interest, penalties, and costs, then the court
8 shall require an independent inquiry into the well-being of the
9 owner of the property before issuing the deed under Sections
10 22-30 through 22-55. If, after the inquiry, the court
11 determines that there are extenuating circumstances, the court
12 shall enter an appropriate order to achieve equity in the
13 matter.

14 (f) Redemptions from scavenger sales. Redemptions may be
15 made from sales under this Section in the same manner and upon
16 the same terms and conditions as redemptions from sales made
17 under the County Collector's annual application for judgment
18 and order of sale, except that in lieu of penalty the person
19 redeeming shall pay interest as follows if the sale occurs
20 before September 9, 1993:

21 (1) If redeemed within the first 2 months from the date
22 of the sale, 3% per month or portion thereof upon the
23 amount for which the property was sold;

24 (2) If redeemed between 2 and 6 months from the date of
25 the sale, 12% of the amount for which the property was
26 sold;

27 (3) If redeemed between 6 and 12 months from the date
28 of the sale, 24% of the amount for which the property was
29 sold;

30 (4) If redeemed between 12 and 18 months from the date
31 of the sale, 36% of the amount for which the property was
32 sold;

33 (5) If redeemed between 18 and 24 months from the date
34 of the sale, 48% of the amount for which the property was
35 sold;

36 (6) If redeemed after 24 months from the date of sale,

1 the 48% herein provided together with interest at 6% per
2 year thereafter.

3 If the sale occurs on or after September 9, 1993, the
4 person redeeming shall pay interest on that part of the amount
5 for which the property was sold equal to or less than the full
6 amount of delinquent taxes, special assessments, penalties,
7 interest, and costs, included in the judgment and order of sale
8 as follows:

9 (1) If redeemed within the first 2 months from the date
10 of the sale, 3% per month upon the amount of taxes, special
11 assessments, penalties, interest, and costs due for each of
12 the first 2 months, or fraction thereof.

13 (2) If redeemed at any time between 2 and 6 months from
14 the date of the sale, 12% of the amount of taxes, special
15 assessments, penalties, interest, and costs due.

16 (3) If redeemed at any time between 6 and 12 months
17 from the date of the sale, 24% of the amount of taxes,
18 special assessments, penalties, interest, and costs due.

19 (4) If redeemed at any time between 12 and 18 months
20 from the date of the sale, 36% of the amount of taxes,
21 special assessments, penalties, interest, and costs due.

22 (5) If redeemed at any time between 18 and 24 months
23 from the date of the sale, 48% of the amount of taxes,
24 special assessments, penalties, interest, and costs due.

25 (6) If redeemed after 24 months from the date of sale,
26 the 48% provided for the 24 months together with interest
27 at 6% per annum thereafter on the amount of taxes, special
28 assessments, penalties, interest, and costs due.

29 The person redeeming shall not be required to pay any
30 interest on any part of the amount for which the property was
31 sold that exceeds the full amount of delinquent taxes, special
32 assessments, penalties, interest, and costs included in the
33 judgment and order of sale.

34 Notwithstanding any other provision of this Section,
35 except for owner-occupied single family residential units
36 which are condominium units, cooperative units or dwellings,

1 the amount required to be paid for redemption shall also
2 include an amount equal to all delinquent taxes on the property
3 which taxes were delinquent at the time of sale. The delinquent
4 taxes shall be apportioned by the county collector among the
5 taxing districts in which the property is situated in
6 accordance with law. In the event that all moneys received from
7 any sale held under this Section exceed an amount equal to all
8 delinquent taxes on the property sold, which taxes were
9 delinquent at the time of sale, together with all publication
10 and other costs associated with the sale, then, upon
11 redemption, the County Collector and the County Clerk shall
12 apply the excess amount to the cost of redemption.

13 (g) Bidding by county or other taxing districts. Any taxing
14 district may bid at a scavenger sale. The county board of the
15 county in which properties offered for sale under this Section
16 are located may bid as trustee for all taxing districts having
17 an interest in the taxes for the nonpayment of which the
18 parcels are offered. The County shall apply on the bid the
19 unpaid taxes due upon the property and no cash need be paid.
20 The County or other taxing district acquiring a tax sale
21 certificate shall take all steps necessary to acquire title to
22 the property and may manage and operate the property so
23 acquired.

24 When a county, or other taxing district within the county,
25 is a petitioner for a tax deed, no filing fee shall be required
26 on the petition. The county as a tax creditor and as trustee
27 for other tax creditors, or other taxing district within the
28 county shall not be required to allege and prove that all taxes
29 and special assessments which become due and payable after the
30 sale to the county have been paid. The county shall not be
31 required to pay the subsequently accruing taxes or special
32 assessments at any time. Upon the written request of the county
33 board or its designee, the county collector shall not offer the
34 property for sale at any tax sale subsequent to the sale of the
35 property to the county under this Section. The lien of taxes
36 and special assessments which become due and payable after a

1 sale to a county shall merge in the fee title of the county, or
2 other taxing district, on the issuance of a deed. The County
3 may sell the properties so acquired, or the certificate of
4 purchase thereto, and the proceeds of the sale shall be
5 distributed to the taxing districts in proportion to their
6 respective interests therein. The presiding officer of the
7 county board, with the advice and consent of the County Board,
8 may appoint some officer or person to attend scavenger sales
9 and bid on its behalf.

10 (h) Miscellaneous provisions. In the event that the tract
11 of land or lot sold at any such sale is not redeemed within the
12 time permitted by law and a tax deed is issued, all moneys that
13 may be received from the sale of properties in excess of the
14 delinquent taxes, together with all publication and other costs
15 associated with the sale, shall, upon petition of any
16 interested party to the court that issued the tax deed, be
17 distributed by the County Collector pursuant to order of the
18 court among the persons having legal or equitable interests in
19 the property according to the fair value of their interests in
20 the tract or lot. Section 21-415 does not apply to properties
21 sold under this Section. Appeals may be taken from the orders
22 and judgments entered under this Section as in other civil
23 cases. The remedy herein provided is in addition to other
24 remedies for the collection of delinquent taxes.

25 (Source: P.A. 90-514, eff. 8-22-97; 90-655, eff. 7-30-98;
26 91-189, eff. 1-1-00.)