



**94TH GENERAL ASSEMBLY**  
**State of Illinois**  
**2005 and 2006**  
**HB4538**

Introduced 1/11/2006, by Rep. Monique D. Davis

**SYNOPSIS AS INTRODUCED:**

765 ILCS 910/15

Amends the Mortgage Escrow Account Act. Provides that, if a mortgage lender pays property tax from an escrow account but does not pay on the correct parcel, the mortgage lender is responsible for payment of all fees, penalties, court costs, and other costs incurred as a result of that failure.

LRB094 17766 MKM 53065 b

1 AN ACT concerning civil law.

2 **Be it enacted by the People of the State of Illinois,**  
3 **represented in the General Assembly:**

4 Section 5. The Mortgage Escrow Account Act is amended by  
5 changing Section 15 as follows:

6 (765 ILCS 910/15)

7 Sec. 15. Notice of tax payments.

8 (a) When any mortgage lender pays the property tax from an  
9 escrow account, the mortgage lender must give the borrower  
10 written notice of the following, within 45 business days after  
11 the tax payment:

12 (1) the date the taxes were paid;

13 (2) the amount of taxes paid; and

14 (3) the permanent index number, mortgage account  
15 number, address of the property, or other property  
16 description that is used for assessment and taxation  
17 purposes under the Property Tax Code.

18 (b) The notice required in subsection (a) may be included  
19 on or with other documents, notices, or statements provided to  
20 the borrower. If more than one borrower is obligated on the  
21 loan, only one borrower who is primarily liable on the loan  
22 need be given notice. Notice may be delivered, mailed, or  
23 transmitted by any usual means of communication.

24 (c) Notwithstanding the requirements in subsection (a), a  
25 mortgage lender that provides notice to a borrower in the  
26 manner provided in subsection (b) of a means of communication  
27 for the borrower to access the information set forth in  
28 subsection (a) by telephone, facsimile, e-mail, Internet  
29 access, or other means of communication, is deemed to be in  
30 compliance with subsection (a).

31 (d) If a mortgage lender pays the property tax from an  
32 escrow account but does not pay on the correct parcel, the

1 mortgage lender is responsible for payment of all fees,  
2 penalties, court costs, and other costs incurred as a result of  
3 that failure.

4 (Source: P.A. 94-50, eff. 1-1-06.)