

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 21-15 as follows:

6 (35 ILCS 200/21-15)

7 Sec. 21-15. General tax due dates; default by mortgage
8 lender. Except as otherwise provided in this Section or Section
9 21-40, all property upon which the first installment of taxes
10 remains unpaid on the later of (i) June 1 or (ii) the day after
11 the date specified on the real estate tax bill as the first
12 installment due date annually shall be deemed delinquent and
13 shall bear interest after that date ~~June 1~~ at the rate of 1
14 1/2% per month or portion thereof. Except as otherwise provided
15 in this Section or Section 21-40, all property upon which the
16 second installment of taxes remains due and unpaid on the later
17 of (i) September 1 or (ii) the day after the date specified on
18 the real estate tax bill as the second installment due date,
19 annually, shall be deemed delinquent and shall bear interest
20 after that date ~~September 1~~ at the same interest rate. All
21 interest collected shall be paid into the general fund of the
22 county. Payment received by mail and postmarked on or before
23 the required due date is not delinquent.

1 Property not subject to the interest charge in Section
2 9-260 or Section 9-265 shall also not be subject to the
3 interest charge imposed by this Section until such time as the
4 owner of the property receives actual notice of and is billed
5 for the principal amount of back taxes due and owing.

6 If an Illinois resident who is a member of the Illinois
7 National Guard or a reserve component of the armed forces of
8 the United States and who has an ownership interest in property
9 taxed under this Act is called to active duty for deployment
10 outside the continental United States and is on active duty on
11 the due date of any installment of taxes due under this Act, he
12 or she shall not be deemed delinquent in the payment of the
13 installment and no interest shall accrue or be charged as a
14 penalty on the installment until 180 days after that member
15 returns from active duty. To be deemed not delinquent in the
16 payment of an installment of taxes and any interest on that
17 installment, the reservist or guardsperson must make a
18 reasonable effort to notify the county clerk and the county
19 collector of his or her activation to active duty and must
20 notify the county clerk and the county collector within 180
21 days after his or her deactivation and provide verification of
22 the date of his or her deactivation. An installment of property
23 taxes on the property of any reservist or guardsperson who
24 fails to provide timely notice and verification of deactivation
25 to the county clerk is subject to interest and penalties as
26 delinquent taxes under this Code from the date of deactivation.

1 Notwithstanding any other provision of law, when any unpaid
2 taxes become delinquent under this Section through the fault of
3 the mortgage lender, (i) the interest assessed under this
4 Section for delinquent taxes shall be charged against the
5 mortgage lender and not the mortgagor and (ii) the mortgage
6 lender shall pay the taxes, redeem the property and take all
7 necessary steps to remove any liens accruing against the
8 property because of the delinquency. In the event that more
9 than one entity meets the definition of mortgage lender with
10 respect to any mortgage, the interest shall be assessed against
11 the mortgage lender responsible for servicing the mortgage.
12 Unpaid taxes shall be deemed delinquent through the fault of
13 the mortgage lender only if: (a) the mortgage lender has
14 received all payments due the mortgage lender for the property
15 being taxed under the written terms of the mortgage or
16 promissory note secured by the mortgage, (b) the mortgage
17 lender holds funds in escrow to pay the taxes, and (c) the
18 funds are sufficient to pay the taxes after deducting all
19 amounts reasonably anticipated to become due for all hazard
20 insurance premiums and mortgage insurance premiums and any
21 other assessments to be paid from the escrow under the terms of
22 the mortgage. For purposes of this Section, an amount is
23 reasonably anticipated to become due if it is payable within 12
24 months from the time of determining the sufficiency of funds
25 held in escrow. Unpaid taxes shall not be deemed delinquent
26 through the fault of the mortgage lender if the mortgage lender

1 was directed in writing by the mortgagor not to pay the
2 property taxes, or if the failure to pay the taxes when due
3 resulted from inadequate or inaccurate parcel information
4 provided by the mortgagor, a title or abstract company, or by
5 the agency or unit of government assessing the tax.

6 (Source: P.A. 93-560, eff. 8-20-03; 94-312, eff. 7-25-05.)

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