



Sen. Terry Link

Filed: 4/26/2013

09800HB1604sam001

LRB098 06020 HLH 45062 a

1 AMENDMENT TO HOUSE BILL 1604

2 AMENDMENT NO. _____. Amend House Bill 1604 on page 3,
3 immediately below line 23, by inserting the following:

4 "Section 10. The Mobile Home Local Services Tax Enforcement
5 Act is amended by changing Sections 255 and 260 as follows:

6 (35 ILCS 516/255)

7 Sec. 255. Sales in error.

8 (a) When, upon application of the county collector, the
9 owner of the certificate of purchase, or a municipality that
10 owns or has owned the mobile home ordered sold, it appears to
11 the satisfaction of the court that ordered the mobile home sold
12 that any of the following subsections are applicable, the court
13 shall declare the sale to be a sale in error:

14 (1) the mobile home was not subject to taxation,

15 (1.5) the mobile home has been moved to a different
16 location,

1 (2) the taxes had been paid prior to the sale of the
2 mobile home,

3 (3) there is a double computation of the tax,

4 (4) the description is void for uncertainty,

5 (5) the assessor, chief county assessment officer,
6 board of review, board of appeals, or other county official
7 has made an error (other than an error of judgment as to
8 the value of any mobile home),

9 (5.5) the owner of the mobile home had tendered timely
10 and full payment to the county collector that the owner
11 reasonably believed was due and owing on the mobile home,
12 and the county collector did not apply the payment to the
13 mobile home; provided that this provision applies only to
14 mobile home owners, not their agents or third-party payors,
15 ~~or~~

16 (6) prior to the tax sale a voluntary or involuntary
17 petition has been filed by or against the legal or
18 beneficial owner of the mobile home requesting relief under
19 the provisions of 11 U.S.C. Chapter 7, 11, 12, or 13, or -

20 (7) the mobile home is owned by the United States, the
21 State of Illinois, a municipality, or a taxing district.

22 (b) When, upon application of the owner of the certificate
23 of purchase only, it appears to the satisfaction of the court
24 that ordered the mobile home sold that any of the following
25 subsections are applicable, the court shall declare the sale to
26 be a sale in error:

1 (1) A voluntary or involuntary petition under the
2 provisions of 11 U.S.C. Chapter 7, 11, 12, or 13 has been
3 filed subsequent to the tax sale and prior to the issuance
4 of the tax certificate of title.

5 (2) The mobile home sold has been substantially
6 destroyed or rendered uninhabitable or otherwise unfit for
7 occupancy subsequent to the tax sale and prior to the
8 issuance of the tax certificate of title.

9 (c) When the county collector discovers, prior to the
10 expiration of the period of redemption, that a tax sale should
11 not have occurred for one or more of the reasons set forth in
12 subdivision (a)(1), (a)(2), (a)(6), or (a)(7) of this Section,
13 the county collector shall notify the last known owner of the
14 certificate of purchase by certified and regular mail, or other
15 means reasonably calculated to provide actual notice, that the
16 county collector intends to declare an administrative sale in
17 error and of the reasons therefor, including documentation
18 sufficient to establish the reason why the sale should not have
19 occurred. The owner of the certificate of purchase may object
20 in writing within 28 days after the date of the mailing by the
21 county collector. If an objection is filed, the county
22 collector shall not administratively declare a sale in error,
23 but may apply to the circuit court for a sale in error as
24 provided in subsection (a) of this Section. Thirty days
25 following the receipt of notice by the last known owner of the
26 certificate of purchase, or within a reasonable time

1 thereafter, the county collector shall make a written
2 declaration, based upon clear and convincing evidence, that the
3 taxes were sold in error and shall deliver a copy thereof to
4 the county clerk within 30 days after the date the declaration
5 is made for entry in the tax judgment, sale, redemption, and
6 forfeiture record pursuant to subsection (d) of this Section.
7 The county collector shall promptly notify the last known owner
8 of the certificate of purchase of the declaration by regular
9 mail and shall promptly pay the amount of the tax sale,
10 together with interest and costs as provided in Sections 260
11 through 280, upon surrender of the original certificate of
12 purchase.

13 (d) If a sale is declared to be a sale in error, the county
14 clerk shall make entry in the tax judgment, sale, redemption
15 and forfeiture record, that the mobile home was erroneously
16 sold, and the county collector shall, on demand of the owner of
17 the certificate of purchase, refund the amount paid, pay any
18 interest and costs as may be ordered under Sections 260 through
19 280, and cancel the certificate so far as it relates to the
20 mobile home. The county collector shall deduct from the
21 accounts of the appropriate taxing bodies their pro rata
22 amounts paid.

23 (Source: P.A. 92-807, eff. 1-1-03.)

24 (35 ILCS 516/260)

25 Sec. 260. Interest on refund.

1 (a) In those cases which arise solely under grounds set
2 forth in Section 255 or 395, and in no other cases, the court
3 which orders a sale in error shall also award interest on the
4 refund of the amount paid for the certificate of purchase,
5 together with all costs paid by the owner of the certificate of
6 purchase or his or her assignor which were posted to the tax
7 judgment, sale, redemption and forfeiture record, except as
8 otherwise provided in this Section. Except as otherwise
9 provided in this Section, interest shall be awarded and paid at
10 the rate of 1% per month from the date of sale to the date of
11 payment to the tax purchaser, or in an amount equivalent to the
12 penalty interest which would be recovered on a redemption at
13 the time of payment pursuant to the order for sale in error,
14 whichever is less.

15 (b) Interest on the refund to the owner of the certificate
16 of purchase shall not be paid (i) in any case in which the
17 mobile home sold has been substantially destroyed or rendered
18 uninhabitable or otherwise unfit for occupancy, (ii) when the
19 sale in error is made pursuant to Section 395, or (iii) in any
20 other case where the court determines that the tax purchaser
21 had actual knowledge prior to the sale of the grounds on which
22 the sale is declared to be erroneous.

23 (c) When the county collector files a petition for sale in
24 error under Section 255 and mails a notice thereof by certified
25 or registered mail to the tax purchaser, any interest otherwise
26 payable under this Section shall cease to accrue as of the date

1 the petition is filed, unless the tax purchaser agrees to an
2 order for sale in error upon the presentation of the petition
3 to the court. Notices under this subsection may be mailed to
4 the original owner of the certificate of purchase, or to the
5 latest assignee, if known. When the owner of the certificate of
6 purchase contests the collector's petition solely to determine
7 whether the grounds for sale in error are such as to support a
8 claim for interest, the court may direct that the principal
9 amount of the refund be paid to the owner of the certificate of
10 purchase forthwith. If the court thereafter determines that a
11 claim for interest lies under this Section, it shall award such
12 interest from the date of sale to the date the principal amount
13 was paid. If the owner of the certificate of purchase files an
14 objection to the county collector's intention to declare an
15 administrative sale in error, as provided under subsection (c)
16 of Section 255, and, thereafter, the county collector elects to
17 apply to the circuit court for a sale in error under subsection
18 (a) of Section 255, then, if the circuit court grants the
19 county collector's application for a sale in error, the court
20 may not award interest to the owner of the certificate of
21 purchase for the period after the mailing date of the county
22 collector's notice of intention to declare an administrative
23 sale in error.

24 (Source: P.A. 92-807, eff. 1-1-03.)".