AN ACT concerning local government.

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

Section 5. The Property Tax Code is amended by changing Sections 21-90, 21-110, 21-115, 21-150, 21-160, 21-190, 21-205, 21-215, 21-225, 21-305, 21-310, 21-350, 22-5, 22-10, 22-40, and 22-65 and by adding Sections 1-21, 1-147, 1-148, 21-191, 21-192, 21-296, 21-301, 21-302, and 22-42 as follows:

(35 ILCS 200/1-21 new)

Sec. 1-21. Interested party. "Interested party" means any party having an interest in the property as revealed by a title examination of public records. "Interested party" does not include the holder of the benefit or burden of any easement whose interest is properly recorded, which interest shall remain unaffected by property tax enforcement proceedings.

(35 ILCS 200/1-147 new)

Sec. 1-147. Tax deed auction. "Tax deed auction" means the transfer of property by an auction conducted in accordance with Sections 21-90, 22-10, 22-40, or 22-42 of this Code.

(35 ILCS 200/1-148 new)

Sec. 1-148. Tax sale. "Tax sale" means the transfer of a property tax lien or tax certificate in accordance with Sections 21-90, 21-145, 21-205, 21-225, 21-250, or 21-260 of this Code.

(35 ILCS 200/21-90)

Sec. 21-90. Purchase and sale by county; distribution of proceeds.

(a) When any property is offered at a tax ~~for~~ sale under any of the provisions of this Code, the county board of the county in which the property is located, in its discretion, may bid, or, in the case of forfeited property, may apply to purchase it or otherwise acquire the tax lien or certificate in the name of the county as trustee for all taxing districts having an interest in the property's taxes or special assessments for the nonpayment of which the property is sold. The presiding officer of the county board, with the advice and consent of the board, may appoint on its behalf some officer, person, or entity to attend such sales, bid on tax liens or certificates, and act on behalf of the county when exercising its authority under this Section. The county shall apply on the bid or purchase the unpaid taxes and special assessments due upon the property. No cash need be paid.

(b) The county, as trustee for all taxing districts having an interest in the property's taxes or special assessments, shall be the designated holder of all tax liens or certificates that are forfeited to the State or county or otherwise acquired by the county pursuant to subsection (a) of this Section or Sections 21-190 through 21-255 of this Code. No cash need be paid for any tax lien or certificate acquired by the county pursuant to subsection (a) of this Section or Sections 21-190 through 21-255 of this Code ~~the forfeited tax lien or certificate~~.

(c) For any tax lien or certificate acquired under subsection (a) or (b) of this Section, or for any property otherwise purchased or acquired by the county pursuant to Sections 21-190 to 21-255 of this Code, the county may take steps necessary to acquire or sell title to the property and may manage and operate the property, including, but not limited to, mowing of grass, removal of nuisance greenery, removal of garbage, waste, debris or other materials, or the demolition, repair, or remediation of unsafe structures. When a county, or other taxing district within the county, is a petitioner for a tax deed, no filing fee shall be required. When a county or other taxing district within the county is the petitioner for a tax deed, one petition may be filed including all parcels that are tax delinquent within the county or taxing district, and any publication made under Section 22-20 of this Code may combine all such parcels within a single notice. The notice may include the property ~~street~~ address as listed on the most recent available tax bills, if available, and shall list the Property Index Number of the parcels for informational purposes. The county, as tax creditor and as trustee for other tax creditors, or other taxing district within the county, shall not be required to allege and prove that all taxes and special assessments which become due and payable after the sale or forfeiture to the county have been paid nor shall the county be required to pay the subsequently accruing taxes or special assessments at any time. The county board or its designee may prohibit the county collector from including the property in the tax sale of one or more subsequent years. The lien of taxes and special assessments which become due and payable after a tax sale to a county shall merge in the fee title of the county, or other taxing district within the county, on the issuance of a deed.

The county may sell any property acquired with authority provided in this Section, or assign any tax certificate to any party, including, but not limited to, taxing districts, municipalities, land banks created pursuant to Illinois law, or non-profit developers focused on constructing affordable housing.

The assigned tax certificate shall be void with no further rights given to the assignee, including no right to refund or reimbursement, if a tax deed resulting from a tax deed auction has not been recorded within 4 years after the date of the assignment unless a court extends the assignment period as provided in this Section. Upon a motion by the assignee, a court may toll the 4-year deadline for a specified period of time if the court finds the assignee is prevented from obtaining or recording a deed by injunction or order of any court, by the refusal or inability of any court to act upon the application for a tax deed, by a municipality's refusal to issue necessary ~~transfer stamps or~~ approvals for recording, or by the refusal of the clerk to execute the deed. If an assigned tax certificate is void under this Section, it shall be forfeited to the county and held as a valid certificate of sale in the county's name pursuant to this Section 21-90. The proceeds of any sale or assignment under this Section, less all costs of the county incurred in the acquisition, operation, maintenance, and sale of the property or assignment of the tax certificate, including all costs associated with county staff and overhead used to perform the duties of the trustee set forth in this Section, and less any surplus payments to previous owners, shall be distributed to the taxing districts in proportion to their respective interests therein.

~~Under Sections 21-110, 21-115, 21-120, and 21-190, a county may bid or purchase only in the absence of other bidders.~~

(d) The county, as trustee, may elect to acquire or sell tax delinquent property under either the provisions of this Section or under Sections 22-40 and 22-42 of this Code. For any tax lien or certificate acquired by a county under this Code, the county may take steps necessary to acquire title to the property, including a final overbid at the close of any public tax deed auction or judicial sale conveying title to property intended to be developed by a unit of local government.

(e) When the county, as trustee, files a petition for one or more delinquent tax liens or certificates, the county may request, pursuant to Section 22-40, that the court issue a tax deed to the county, as trustee, without holding a judicial tax deed auction. If the county requests a tax deed without a tax deed auction pursuant to Section 22-40 and 22-42 of this Code, the Order for Issuance of Tax Deed shall identify the total amount of delinquent taxes and penalties, municipal advancements identified in Section 22-35, pro rata county costs incurred pursuant to subsections (a) through (c) of this Section, and other posted costs for each parcel conveyed. This judgment amount shall be considered the debt owed to the county, as trustee. The Order for Issuance of Tax Deed shall also include an order for the county to offer each parcel acquired by the county in this manner for sale at a public tax deed auction, as set forth in subsection (f) of this Section, within 120 days of recording the tax deed. The purpose of the public tax deed auction as set forth in subsection (f) of this Section is to determine whether and to what extent there are surplus funds owed by the county, as trustee, to the former owner that exceed the judgment amount indicated in the Order for Issuance of Tax Deed. If no party bids more than this amount at the public tax deed auction described in subsection (f), then the purchase price will be recorded as the amount of the debt owed to the county, as trustee, as reflected in the Order for Issuance of Tax Deed, and there are no surplus funds owed to the previous owner.

(f) County tax deed auctions. Tax deed auctions held by the county pursuant to this Section shall conform with the following requirements.

(1) Notice. The county or its agent shall give notice of the tax deed auction with the following information:

(A) the Property Identification Number and property address listed on the latest tax bill;

(B) the time and place of the auction;

(C) the terms of the auction; and

(D) the total amount of delinquent taxes and penalties, municipal advancements identified in Section 22-35, pro rata county costs incurred pursuant to subsections (a) through (c) of Section 21-90, and other posted costs.

In counties with 3,000,000 or more inhabitants, the notice of tax deed auction shall be in clear and concise language, together with a notice in Spanish, Polish, and Mandarin Chinese, stating that the notice of tax deed auction affects important legal rights and should be translated immediately. In counties with fewer than 3,000,000 inhabitants, the notice of tax deed auction may include a notice in one or more foreign languages, stating that the notice of tax deed auction affects important legal rights and should be translated immediately. In all counties, the notice of tax deed auction shall be mailed, to the address at which service of process was made, via first class mail to all interested parties and via first class mail and certified mail to the owner of the property at the time the petition was filed. If service of process was made in any manner other than personal service, substitute service, corporate service, or government service, notice shall be mailed via first class mail to all addresses included in the notice served pursuant to Section 22-25. The notice shall include a sworn certificate of service signed by the party sending the notice attesting to the fact that the notice of tax deed auction was placed in the mail at least 30 calendar days prior to the date of the auction. At least 30 days prior to the date of the auction, the county or its agent must post on its website a list of all properties that are to be offered for sale at the tax deed auction and the other information contained in the notice of tax deed auction. The person conducting the auction shall engage in reasonable activities to promote and market the sale to encourage and facilitate bidding, including listing the property on the county's or its agent's website, other real estate websites, and conducting email campaigns.

(2) Minimum bid. In counties with 3,000,000 or more inhabitants, the county shall establish minimum bids at

any tax deed auction held pursuant to this Section. The minimum bid shall equal the total amount of delinquent taxes and penalties, municipal advancements identified in Section 22-35, pro rata county costs incurred pursuant to subsections (a) through (c) of Section 21-90, and other posted costs for the auctioned parcel as identified in the Order for Issuance of Tax Deed. In counties with less than 3,000,000 inhabitants, the county may establish minimum bids at any tax deed auction held pursuant to this Section. The minimum bid may equal the total amount of delinquent taxes and penalties, municipal advancements identified in Section 22-35, pro rata county costs incurred pursuant to subsections (a) through (c) of Section 21-90, and other posted costs, for the auctioned parcel, as identified in the Order for Issuance of Tax Deed. As used in this Section, "pro rata county costs" may include costs incurred by the county in filing one petition for more than one delinquent tax lien or certificate, and all costs related to the filing of the one petition and obtaining tax deeds for the liens and certificates identified in the one petition, reasonably apportioned and included in the total costs for each individual tax deed issued pursuant to the petition.

(3) Adjournment. If a tax deed auction is postponed, adjourned, or re-scheduled to occur less than 60 days after the last scheduled auction, the county shall

announce the date, time and place upon which the adjourned tax deed auction shall be held at the time, date, and location in the notice. At a minimum, this announcement shall be posted on the website of the county, as trustee, or the county treasurer in the same location where the county posted the list of all properties that are to be sold at the auction as required in paragraph (1) of subsection (f) of Section 21-90. The county is not required to send additional notice of any postponed tax deed auction as provided in paragraph (1) of subsection (f) of Section 21-90. Notwithstanding any language to the contrary, for tax deed auctions that are conducted more than 60 days after the date in the required notice, the county shall send notice of the adjourned tax deed auction in accordance with paragraph (1) of subsection (f) of Section 21-90.

(4) Payment for winning bid. The county shall participate in a public tax deed auction in the same manner as any other bidder. No matter the terms of the tax deed auction prescribed by the county, if the county is the winning bidder, then the county is required to pay the full amount of any county bid that exceeds the debt owed to the county, as identified in subsection (e) of Section 21-90 prior to the deposit of surplus funds with the treasurer of the county as set forth in paragraph (6) of this Section.

(5) Marketability of title. Failure to hold a public tax deed auction of the parcels received within the 180-day period shall not affect the validity of the recorded deed, the Order for Issuance of Tax Deed, or otherwise affect the marketability of title, but the county is prohibited from transferring those parcels or assigning the recorded deed without holding a public tax deed auction pursuant to subsection (f) of Section 21-90 or a judicial tax deed auction pursuant to Section 22-40.

(6) Disbursement of surplus funds. To the extent that the winning bid at the tax deed auction exceeds the amount of the tax deed judgment as defined in subsection (e) of Section 21-90, the county trustee shall, within 30 days of the auction sale, deposit the surplus funds with the treasurer of the county in which the subject property lies. Within 60 days of the tax deed auction at which the property was purchased, the county, as trustee, shall send a notice to interested parties in the underlying case, stating that the previous owner is entitled to a distribution of surplus proceeds and may file a claim pursuant to subsection (i) of Section 22-42. In counties with 3,000,000 or more inhabitants, the notice shall be in clear and concise language, together with a notice in Spanish, Polish, and Mandarin Chinese, stating that the notice affects important legal rights and should be translated immediately. In counties with fewer than

3,000,000 inhabitants, the notice may include a notice in one or more foreign languages, stating that the notice affects important legal rights and should be translated immediately.

(Source: P.A. 102-363, eff. 1-1-22; 103-555, eff. 1-1-24.)

(35 ILCS 200/21-110)

Sec. 21-110. Published notice of annual application for judgment and sale; delinquent taxes. At any time after all taxes have become delinquent in any year, the Collector shall publish an advertisement, giving notice of the intended application for judgment and tax sale of the delinquent properties. The advertisement may include the property ~~street~~ address on file with the county collector, if available, and shall include the PIN number of each delinquent property. If the county has provided notice to the Collector of its intent to acquire property offered at an annual tax sale in the manner described in subsection (b) of Section 21-190, the advertisement shall indicate which properties the county intends to acquire next to the PIN number and address, if any, listed in the advertisement. If the county has indicated its intent or is required to acquire all properties offered at such a tax sale in accordance with subsection (b) or (c) of Section 21-190, a sentence indicating such shall precede the list of PIN numbers and addresses in the advertisement in clear, bolded language. Except as provided below, the advertisement shall be in a newspaper published in the township or road district in which the properties are located. If there is no newspaper published in the township or road district, then the notice shall be published in some newspaper in the same county as the township or road district, to be selected by the county collector. When the property is in a city with more than 1,000,000 inhabitants, the advertisement may be in any newspaper published in the same county. When the property is in an incorporated town which has superseded a civil township, the advertisement shall be in a newspaper published in the incorporated town or if there is no such newspaper, then in a newspaper published in the county.

The provisions of this Section relating to the time when the Collector shall advertise intended application for judgment for sale are subject to modification by the governing authority of a county in accordance with the provisions of subsection (c) of Section 21-40.

(Source: P.A. 97-557, eff. 7-1-12.)

(35 ILCS 200/21-115)

Sec. 21-115. Times of publication of notice. The advertisement shall be published once at least 10 days before the day on which judgment is to be applied for, and shall contain a list of the delinquent properties upon which the taxes or any part thereof remain due and unpaid, the names of owners, if known, the total amount due, ~~and~~ the year or years for which they are due, and whether the county intends to purchase the property in accordance with subsections (b) or (c) of Section 21-190 if a judgment is entered against the property. In counties of less than 3,000,000 inhabitants, advertisement shall include notice of the registration requirement for persons bidding at the sale. Properties upon which taxes have been paid in full under protest shall not be included in the list.

The collector shall give notice that he or she will apply to the circuit court on a specified day for judgment against the properties for the taxes, and costs, and for an order for a tax sale of ~~to sell~~ the properties for the satisfaction of the amount due.

The collector shall also give notice of a date within the next 5 business days after the date of application on which all the properties for the tax sale of which an order is made will either be sold to the county in accordance with subsections (b) or (c) of Section 21-190 or be exposed to public tax sale at a location within the county designated by the county collector, for the amount of taxes, and cost due. The advertisement published according to the provisions of this Section shall be deemed to be sufficient notice of the intended application for judgment and of a tax sale ~~the sale of properties~~ under the order of the court. A county with fewer than 3,000,000 inhabitants may, by joint agreement, combine its tax sale with the tax sale of one or more other contiguous counties; such a joint tax sale shall be held at a location in one of the participating counties. Notwithstanding the provisions of this Section and Section 21-110, in the 10 years following the completion of a general reassessment of property in any county with 3,000,000 or more inhabitants, made under an order of the Department, the publication shall be made not sooner than 10 days nor more than 90 days after the date when all unpaid taxes on property have become delinquent.

(Source: P.A. 101-379, eff. 1-1-20.)

(35 ILCS 200/21-150)

Sec. 21-150. Time of applying for judgment. Except as otherwise provided in this Section or by ordinance or resolution enacted under subsection (c) of Section 21-40, in any county with fewer than 3,000,000 inhabitants, all applications for judgment and order of sale for taxes and special assessments on delinquent properties shall be made within 90 days after the second installment due date. In Cook County, all applications for judgment and order of sale for taxes and special assessments on delinquent properties shall be made (i) by July 1, 2011 for tax year 2009, (ii) by July 1, 2012 for tax year 2010, (iii) by July 1, 2013 for tax year 2011, (iv) by July 1, 2014 for tax year 2012, (v) by July 1, 2015 for tax year 2013, (vi) by May 1, 2016 for tax year 2014, (vii) by March 1, 2017 for tax year 2015, (viii) by April 1 of the next calendar year after the second installment due date for tax year 2016 and 2017, and (ix) within 365 days of the second installment due date for each tax year thereafter.

Notwithstanding these dates, in Cook County, the application for judgment and order of sale for the 2018 annual tax sale that would normally be held in calendar year 2020 shall not be filed earlier than the first day of the first month during which there is no longer a statewide COVID-19 public health emergency, as evidenced by an effective disaster declaration of the Governor covering all counties in the State, except that in no event may this application for judgment and order of sale be filed later than October 1, 2021. When a tax sale is delayed because of a statewide COVID-19 public health emergency, no subsequent annual tax sale may begin earlier than 180 days after the last day of the prior delayed tax sale, and no scavenger tax sale may begin earlier than 90 days after the last day of the prior delayed tax sale. In those counties which have adopted an ordinance under Section 21-40, the application for judgment and order of sale for delinquent taxes shall be made in December.

Notwithstanding these dates, in Cook County, the application for judgment and order of sale for the 2023 annual tax sale that would normally be held in calendar year 2025 shall be filed on or before December 1, 2026. Notwithstanding Sections 9-260, 18-250, 20-100, 21-15, 21-25, and 21-45, in Cook County, interest shall not accrue between September 2, 2025 and January 1, 2027 on delinquent warrant year 2023 tax balances.

Notwithstanding these dates, in Cook County, the application for judgment and order of sale for the 2024 annual tax sale that would normally be held in calendar year 2026 shall be filed on or before April 1, 2027.

In the 10 years next following the completion of a general reassessment of property in any county with 3,000,000 or more inhabitants, made under an order of the Department, applications for judgment and order of sale shall be made as soon as may be and on the day specified in the advertisement required by Section 21-110 and 21-115. If for any cause the court is not held on the day specified, the cause shall stand continued, and it shall be unnecessary to re-advertise the list or notice.

Within 30 days after the day specified for the application for judgment the court shall hear and determine the matter. If judgment is rendered, the sale shall begin on the date within 5 business days specified in the notice as provided in Section 21-115. If the collector is prevented from advertising and obtaining judgment within the time periods specified by this Section, the collector may obtain judgment at any time thereafter; but if the failure arises by the county collector's not complying with any of the requirements of this Code, he or she shall be held on his or her official bond for the full amount of all taxes and special assessments charged against him or her. Any failure on the part of the county collector shall not be allowed as a valid objection to the collection of any tax or assessment, or to entry of a judgment against any delinquent properties included in the application of the county collector.

As used in this Section, "warrant year" means the year preceding the calendar year in which the taxes first became due and payable.

(Source: P.A. 104-6, eff. 6-16-25; 104-460, eff. 2-27-26.)

(35 ILCS 200/21-160)

Sec. 21-160. Annual tax judgment, sale, redemption, and forfeiture record. The collector shall transcribe into a record prepared for that purpose, and known as the annual tax judgment, tax sale, redemption and forfeiture record, the list of delinquent properties. On or before the day on which application for judgment is to be made, the record shall be made out in numerical order and contain all the information necessary to be recorded.

The record shall set forth the name of the owner, if known; the description of the property; the year or years for which the tax or, in counties with 3,000,000 or more inhabitants, the tax or special assessments ~~is~~ due; the valuation on which the tax is extended; the amount of the consolidated and other taxes or in counties with 3,000,000 or more inhabitants, the consolidated and other taxes and special assessments; the costs; and the total amount of charges against the property.

The final record shall also be ruled in columns, to show in counties with 3,000,000 or more inhabitants the withdrawal of any special assessments from collection and in all counties to show the amount paid before entry of judgment; the amount of judgment and a column for remarks; the amount paid before sale and after entry of judgment; the amount of the sale; amount of interest or penalty; amount of cost; amount forfeited to the State; date of sale; acres or part sold; name of purchaser; amount of sale and penalty; taxes of succeeding years; interest and when paid, interest and cost; total amount of redemption; date of redemption; when deed executed; by whom redeemed; and a column for remarks or receipt of redemption money.

The final record shall be kept in the office of the county clerk.

(Source: P.A. 95-269, eff. 8-17-07.)

(35 ILCS 200/21-190)

Sec. 21-190. Entry of judgment for tax sale.

(a) If judgment is rendered against any property for any tax or, in counties with 3,000,000 or more inhabitants, for any tax or special assessment, the county collector shall, after publishing a notice for sale in compliance with the requirements of Sections 21-110, ~~and~~ 21-115, or 21-120, proceed to conduct a tax sale ~~offer the property for sale~~ pursuant to the judgment. However, in the case of an appeal from the judgment, if the party, when filing notice of appeal deposits with the county collector the amount of the judgment and costs, the collector shall not conduct a tax sale ~~sell the property~~ until the appeal is disposed of.

(b) In counties with fewer than 3,000,000 inhabitants, a county board may, in its discretion, submit to the collector a list of any properties for which an application for judgment has been made pursuant to Section 21-150 of this Code. The county's submission of this list shall be considered its offer to purchase the property or properties included on this list at the tax sale, pursuant to the county's authority in subsection (a) of Section 21-90, so long as a judgment and order for tax sale is entered for the property in accordance with Sections 21-175 and 21-180 of this Code. Such list shall be submitted to the county collector at least 10 days prior to the publication of any notice for tax sale required in subsection (a) of this Section and in compliance with Sections 21-110, 21-115, and 21-120 of this Code.

(c) In counties with 3,000,000 or more inhabitants, for the seventh tax sale conducted after the effective date of this amendatory Act of the 104th General Assembly and for all subsequent tax sales, the county shall exercise its authority under subsection (a) of Section 21-90 of this Code and offer to purchase or otherwise acquire for the total tax amount due all properties offered at a tax sale conducted pursuant to a judgment and order for tax sale issued in accordance with

Sections 21-175 and 21-180 of this Code. For the first 6 tax sales conducted after the effective date of this amendatory Act of the 104th General Assembly, except as provided in Section 21-191, the county shall not exercise its authority under subsection (a) of Section 21-90 and offer to purchase or otherwise acquire for the total tax amount due all properties offered at a tax sale.

(Source: P.A. 79-451; 88-455.)

(35 ILCS 200/21-191 new)

Sec. 21-191. Pilot program for acquisition of tax certificates in counties with 3,000,000 or more inhabitants.

(a) In a county with 3,000,000 or more inhabitants, the county board may elect, by ordinance or resolution, to participate in a pilot program under this Section.

(b) Notwithstanding subsection (c) of Section 21-190, a county that elects to participate in the pilot program may acquire, as trustee under Section 21-90, tax certificates for up to 100 properties offered at an annual tax sale. Those properties must meet the following conditions in the tax year for which that sale's judgment and order of sale was rendered:

(1) the property received a homestead exemption; and

(2) the total tax amount billed on the property was among the 100 lowest total tax amounts billed prior to adjustment by homestead exemptions.

(c) Not less than 30 days prior to the annual tax sale, the county shall publish on its website and deliver to the county clerk and county treasurer a list of the properties proposed for acquisition under this Section. The list shall identify each parcel by Permanent Index Number and commonly known property address, if available, and shall state that the parcel is proposed for acquisition under this Section.

(d) This Section applies to the first 6 tax sales to occur in a county with 3,000,000 or more inhabitants on or after the effective date of this amendatory Act of the 104th General Assembly.

(35 ILCS 200/21-192 new)

Sec. 21-192. Pilot program report.

(a) A county that participates in the pilot program under Section 21-191 shall submit an annual report to the General Assembly and the Department of Revenue no later than the third Wednesday of February of each year in which there is information to report under subsection (b) from the immediately preceding calendar year.

(b) Each report shall include, at a minimum:

(1) the number of tax certificates acquired under the pilot program;

(2) the number of tax certificates offered to the private market at each annual tax sale covered by the pilot program;

(3) the number of pilot tax certificates acquired that

were redeemed;

(4) the number of pilot tax certificates for which tax deeds were issued;

(5) the number of pilot tax certificates offered at tax deed auction;

(6) the amount of surplus proceeds returned to owners or other lawful claimants as result of pilot tax certificates for which tax deeds were issued;

(7) the amount remitted to taxing districts as a result of redemption payments on pilot tax certificates;

(8) the amount remitted to taxing districts as a result of tax deed auctions of pilot tax certificates;

(9) the administrative costs associated with the pilot program; and

(10) any additional information the county elects to provide.

(c) If, in any calendar year, there is no change in the information described in subsection (b), then the report for that calendar year shall indicate that there is no change. Once all of the issues described in subsection (b) have been resolved with respect to each pilot tax certificate, the county shall submit a final report to the General Assembly and the Department of Revenue summarizing the information described in subsection (b).

(35 ILCS 200/21-205)

Sec. 21-205. Tax sale procedures.

(a) The collector, in person or by deputy, shall attend, on the day and in the place specified in the notice for the tax sale ~~sale of property for taxes~~, and shall, between 9:00 a.m. and 4:00 p.m., or later at the collector's discretion, proceed to offer for sale, separately and in consecutive order, all property in the list on which the taxes, special assessments, interest or costs have not been paid. However, in any county with 3,000,000 or more inhabitants, the offer for sale shall be made between 8:00 a.m. and 8:00 p.m. The collector's office shall be kept open during all hours in which the sale is in progress. The tax sale shall be continued from day to day, until all property in the delinquent list has been offered for sale. However, any city, village or incorporated town interested in the collection of any tax or special assessment, may, in default of bidders, withdraw from collection the special assessment levied against any property by the corporate authorities of the city, village or incorporated town. In case of a withdrawal, there shall be no sale of that property on account of the delinquent special assessment thereon.

(b) Until January 1, 2013, in every tax sale of property pursuant to the provisions of this Code, the collector may employ any automated means that the collector deems appropriate. Beginning on January 1, 2013, either (i) the collector shall employ an automated bidding system that is programmed to accept the lowest redemption price bid by an eligible tax purchaser, subject to the penalty percentage limitation set forth in Section 21-215, or (ii) all tax sales shall be digitally recorded with video and audio. All bidders are required to personally attend the tax sale and, if automated means are used, all hardware and software used with respect to those automated means must be certified by the Department and re-certified by the Department every 5 years. If the tax sales are digitally recorded and no automated bidding system is used, then the recordings shall be maintained by the collector for a period of at least 3 years from the date of the tax sale. The changes made by this amendatory Act of the 94th General Assembly are declarative of existing law.

(b-5) For any annual tax sale conducted on or after the effective date of this amendatory Act of the 102nd General Assembly, each county collector in a county with 275,000 or more inhabitants shall adopt a single bidder rule sufficient to prohibit a tax purchaser from registering more than one related bidding entity at the tax sale. The corporate authorities in any county with less than 275,000 inhabitants may, by ordinance, allow the county collector of that county to adopt such a single bidder rule. In any county that has adopted a single bidder rule under this subsection (b-5), the county treasurer shall include a representation and warranty form in each registration package attesting to compliance with the single bidder rule, except that the county may, by ordinance, opt out of this representation and warranty form requirement. A single bidder rule under this subsection may be in the following form:

(1) A registered tax buying entity (principal) may only have one registered buyer at the tax sale and may not have a related bidding entity directly or indirectly register as a buyer or participate in the tax sale. A registered tax buying entity may not engage in any multiple bidding strategy for the purpose of having more than one related bidding entity submit bids at the tax sale.

(2) A related bidding entity is defined as any individual, corporation, partnership, joint venture, limited liability company, business organization, or other entity that has a shareholder, partner, principal, officer, general partner, or other person or entity having (i) an ownership interest in a bidding entity in common with any other registered participant in the tax sale or (ii) a common guarantor in connection with a source of financing with any other registered participant in the tax sale. The determination of whether registered entities are related so as to prohibit those entities from submitting duplicate bids in violation of the single bidder rule is at the sole and exclusive discretion of the county treasurer or his or her designated representatives.

(c) County collectors may, when applicable, eject tax bidders who disrupt the tax sale or use illegal bid practices.

(d) Any property to be acquired by a county in the manner described in subsections (b) or (c) of Section 21-190 shall not be offered for sale in the manner detailed in subsections (a) through (c) of this Section. Instead, all such property shall be sold to the county for the total amount due on the day of the scheduled tax sale in whatever manner is deemed most expedient and efficient by the collector's office. For any properties acquired by the county as described in subsections (b) or (c) of Section 21-190 that are subsequently sold at a tax deed auction in accordance with this Code, any amounts generated in cash from such tax deed auction shall be distributed to taxing districts in the manner described in subsection (c) of Section 21-90 and subsection (3) of Section 22-42.

(Source: P.A. 102-519, eff. 8-20-21.)

(35 ILCS 200/21-215)

Sec. 21-215. Penalty bids.

(a) Subject to subsection (b) of this Section, the ~~The~~ person at the sale offering to pay the amount due on each property for the least penalty percentage shall be the purchaser of that property. No bid shall be accepted for a penalty exceeding 9% of the amount of the tax or special assessment on property.

(b) If the county offers to purchase property for the amount due in accordance with subsections (b) and (c) of Section 21-190, the county shall be the purchaser of the property notwithstanding any other offer. Subject to a payment plan implemented by the county clerk in accordance with subsection (d) of Section 21-385, the penalty bid for any property purchased by a county in this manner shall be 0.75% per month.

(Source: P.A. 102-363, eff. 1-1-22.)

(35 ILCS 200/21-225)

Sec. 21-225. Forfeited tax liens and certificates. Every tax lien or certificate for property offered at public tax sale, and not sold for want of bidders, unless it is released from tax sale by the withdrawal from collection of a special assessment levied thereon, shall be forfeited to the county, as trustee for the taxing districts, and managed pursuant to Section 21-90. Tax certificates are also forfeited to the county in those circumstances described in subsection (d) of Section 21-310 and subsection (f) of Section 22-40 of this Code.

(Source: P.A. 103-555, eff. 1-1-24.)

(35 ILCS 200/21-296 new)

Sec. 21-296. Creation of surplus equity fund.

(a) In counties of less than 3,000,000 inhabitants, each person purchasing any property at a sale under this Code shall pay to the county collector, prior to the issuance of any certificate of purchase, a nonrefundable surplus equity fee set by the county collector of not more than $20 for each item purchased. A like sum shall be paid for each year that all or a portion of subsequent taxes are paid by the tax purchaser and posted to the tax judgment, sale, redemption and forfeiture record where the underlying certificate of purchase is recorded.

(a-5) In counties of 3,000,000 or more inhabitants, each person purchasing property at a sale under this Code shall pay to the county collector a nonrefundable surplus equity fee of 5% of the total taxes, interest, and penalties for each certificate purchased, with a maximum fee cap of $1,000, plus an additional sum equal to 5% of the taxes, interest, and penalties paid under Section 21-240. In these counties, the certificate holder shall also pay to the county collector a fee of $80 for each year that all or a portion of subsequent taxes are paid by the tax purchaser and posted to the tax judgment, sale, redemption, and forfeiture record.

(b) The amount paid prior to the issuance of the certificate of purchase under subsection (a) or (a-5) shall be included in the purchase price of the property in the certificate of purchase, and all amounts paid under this Section shall be included in the amount required to redeem under Section 21-355, except for the nonrefundable fee for each item purchased at the tax sale as provided in this Section. Except as otherwise provided in subsection (b) of Section 21-301, all money received under subsection (a) or (a-5) shall be paid by the collector to the county treasurer of the county in which the land is situated for the purpose of a surplus equity fund. The county treasurer, as trustee of that fund, shall invest all of that fund, principal and income, in his or her hands from time to time, if not immediately required for payments of surplus equity under Section 21-302, in investments permitted by the Public Funds Investment Act.

(35 ILCS 200/21-301 new)

Sec. 21-301. Amount to be retained in surplus equity fund.

(a) The county board in each county shall determine the amount of the fund to be maintained in that county until all potential claims under Section 21-302 have been paid. Any moneys accumulated by the County Treasurer in excess of the amount so established, as trustee of the fund, shall be paid by him or her to the general fund of the County once all potential claims under Section 21-302 have been paid.

(b) In counties in which a Tort Liability Fund is established, all sums of money received under subsection (a) of Section 21-296 may be deposited into the general fund of the county for general county governmental purposes, if the county board provides by ordinance that the surplus equity required by this Section shall be provided by the Tort Liability Fund.

(35 ILCS 200/21-302 new)

Sec. 21-302. Payments of surplus equity.

(a) A previous owner of property sold under any provision of this Code who sustains loss or damage by reason of the issuance of a tax deed shall have the right to recover surplus equity that was lost in the property through an award from a surplus equity fund as follows:

(1) For tax deeds recorded in the 2 years prior to the effective date of this amendatory Act of the 104th General Assembly, the claim for an equity award under this Section shall be filed not later than 2 years after the effective date of this amendatory Act of the 104th General Assembly.

(2) For outstanding tax certificates issued prior to the effective date of this amendatory Act of the 104th General Assembly that result in recorded deeds after the effective date of this amendatory Act of the 104th General Assembly, the claim for an equity award shall be filed not later than 2 years from the date of deed recording.

(3) The equity award shall be limited to the value of the property as of the date the tax deed was issued less any mortgages or liens on the property.

(4) In determining the fair cash value of property less any mortgages or liens on the property, the value shall be reduced by the amount of all taxes paid by the tax purchaser or his or her assignee before the issuance of

the tax deed, or if the tax certificate was acquired pursuant to Section 21-90, the value shall be reduced by the amount of all taxes included in the certificate, plus the amount of subsequent, forfeited, or sold taxes excluded from payment or redemption under subsection (a) of Section 22-40 when the county or its agent, as trustee pursuant to Section 21-90, is the tax deed petitioner. The fair cash value shall also be reduced by the amount of any taxes that were merged into the tax deed pursuant to subsection (b) of Section 22-40. The value shall also be reduced by any amount received by the petitioner as a result of an auction held under Section 22-40 or 21-90. The court, in its discretion, may order the joinder of the mortgagee or lienholder as an additional party to the surplus equity action.

(b) The provisions of the Code of Civil Procedure shall apply to proceedings under the petition, except that neither the petitioner nor the county treasurer shall be entitled to trial by jury on the issues presented in the petition.

Any person claiming surplus equity under this Section shall petition the court that ordered the tax deed to issue, shall name the county treasurer, as trustee of the surplus equity fund, as defendant to the petition, and shall ask that judgment be entered against the county treasurer, as trustee, in the amount of the surplus equity sought.

The county treasurer, as trustee of the surplus equity fund, shall be so subrogated to all parties in whose favor judgment may be rendered against him or her, and by third party complaint may bring in as a defendant any person, other than the tax deed grantee and its successors in title, not a party to the action who is or may be liable to him or her, as subrogee, for all or part of the petitioner's claim against him or her.

(c) Any contract involving the proceeds of a judgment for surplus equity under this Section, between the tax deed grantee or its successors in title and the surplus equity petitioner or his or her successors, shall be in writing. In any action brought under Section 21-302, the collector shall be entitled to discovery regarding, but not limited to, the following:

(1) the identity of all persons beneficially interested in the contract, directly or indirectly, including at least the following information: the names and addresses of any natural persons; the place of incorporation of any corporation and the names and addresses of its shareholders, unless it is publicly held; the names and addresses of all general and limited partners of any partnership; the names and addresses of all persons having an ownership interest in any entity doing business under an assumed name and the county in which the assumed business name is registered; and the nature and extent of the interest in the contract of each

person identified;

(2) the time period during which the contract was negotiated and agreed upon, from the date of the first direct or indirect contact between any of the contracting parties to the date of its execution;

(3) the name and address of each natural person who took part in negotiating the contract and the identity and relationship of the party that the person represented in the negotiations; and

(4) the existence of an agreement for payment of attorney's fees by or on behalf of each party.

Any information disclosed during discovery may be subject to protective order as deemed appropriate by the court. The terms of the contract shall not be used as evidence of value.

(d) No previous owner shall be entitled to an award of surplus equity pursuant to this Section who was awarded a refund of surplus equity on the same property from an auction held under Section 22-40 or 21-90 or who previously petitioned successfully for indemnity from the indemnity fund on the same property under Section 21-305. Any amount awarded under this Section shall be subject to an offset in an amount equal to the amount recovered in any similar filing or cause of action against the county.

(e) If the surplus equity fund does not have sufficient funds to cover any surplus equity award ordered pursuant to Section 21-302, the county shall fund the balance necessary to satisfy the unpaid surplus equity award pursuant to Section 21-302 within 12 months after the date of the court order awarding surplus equity.

(35 ILCS 200/21-305)

Sec. 21-305. Payments from Indemnity Fund.

(a) Any owner of property sold under any provision of this Code who sustains loss or damage by reason of the issuance of a tax deed under Section 21-445 or 22-40 and who is barred or is in any way precluded from bringing an action for the recovery of the property shall have the right to indemnity for the loss or damage sustained, limited as follows:

(1) An owner who resided on property that contained 4 or less dwelling units on the last day of the period of redemption and who is equitably entitled to compensation for the loss or damage sustained has the right to indemnity. An equitable indemnity award shall be limited to the fair cash value of the property as of the date the tax deed was issued less any mortgages or liens on the property, and the award will not exceed $99,000. The Court shall liberally construe this equitable entitlement standard to provide compensation wherever, in the discretion of the Court, the equities warrant the action.

An owner of a property that contained 4 or less dwelling units who requests an award in excess of $99,000 must prove that the loss of his or her property was not attributable to his or her own fault or negligence before an award in excess of $99,000 will be granted.

(2) An owner who sustains the loss or damage of any property occasioned by reason of the issuance of a tax deed, without fault or negligence of his or her own, has the right to indemnity limited to the fair cash value of the property less any mortgages or liens on the property. In determining the existence of fault or negligence, the court shall consider whether the owner exercised ordinary reasonable diligence under all of the relevant circumstances.

(3) In determining the fair cash value of property less any mortgages or liens on the property, the fair cash value shall be reduced by the principal amount of all taxes paid by the tax purchaser or his or her assignee before the issuance of the tax deed, or if the tax certificate was acquired pursuant to Section 21-90, the fair cash value shall be reduced by the principal amount of all taxes for the tax years included in the certificate, plus the principal amount of subsequent, forfeited, or sold taxes excluded from the payment or redemption requirement of Section 22-40(a) when the county or its agent is the tax deed petitioner.

(4) If an award made under paragraph (1) or (2) is subject to a reduction by the amount of an outstanding mortgage or lien on the property, other than the principal

amount of all taxes paid by the tax purchaser or his or her assignee before the issuance of the tax deed and the petitioner would be personally liable to the mortgagee or lienholder for all or part of that reduction amount, the court shall order an additional indemnity award to be paid directly to the mortgagee or lienholder sufficient to discharge the petitioner's personal liability. The court, in its discretion, may order the joinder of the mortgagee or lienholder as an additional party to the indemnity action.

(b) Indemnity fund; subrogation.

(1) Any person claiming indemnity hereunder shall petition the Court which ordered the tax deed to issue, shall name the County Treasurer, as Trustee of the indemnity fund, as defendant to the petition, and shall ask that judgment be entered against the County Treasurer, as Trustee, in the amount of the indemnity sought. The provisions of the Civil Practice Law shall apply to proceedings under the petition, except that neither the petitioner nor County Treasurer shall be entitled to trial by jury on the issues presented in the petition. The Court shall liberally construe this Section to provide compensation wherever in the discretion of the Court the equities warrant such action.

(2) The County Treasurer, as Trustee of the indemnity fund, shall be subrogated to all parties in whose favor

judgment may be rendered against him or her, and by third party complaint may bring in as a defendant any person, other than the tax deed grantee and its successors in title, not a party to the action who is or may be liable to him or her, as subrogee, for all or part of the petitioner's claim against him or her.

(c) Any contract involving the proceeds of a judgment for indemnity under this Section, between the tax deed grantee or its successors in title and the indemnity petitioner or his or her successors, shall be in writing. In any action brought under Section 21-305, the Collector shall be entitled to discovery regarding, but not limited to, the following:

(1) the identity of all persons beneficially interested in the contract, directly or indirectly, including at least the following information: the names and addresses of any natural persons; the place of incorporation of any corporation and the names and addresses of its shareholders unless it is publicly held; the names and addresses of all general and limited partners of any partnership; the names and addresses of all persons having an ownership interest in any entity doing business under an assumed name, and the county in which the assumed business name is registered; and the nature and extent of the interest in the contract of each person identified;

(2) the time period during which the contract was

negotiated and agreed upon, from the date of the first direct or indirect contact between any of the contracting parties to the date of its execution;

(3) the name and address of each natural person who took part in negotiating the contract, and the identity and relationship of the party that the person represented in the negotiations; and

(4) the existence of an agreement for payment of attorney's fees by or on behalf of each party.

Any information disclosed during discovery may be subject to protective order as deemed appropriate by the court. The terms of the contract shall not be used as evidence of value.

(d) A petition of indemnity under this Section must be filed within 10 years after the date the tax deed was issued.

(e) No previous owner shall be entitled to an award of indemnity pursuant to this Section 21-305 who was awarded a refund of surplus equity from an auction held under Section 22-40 or 21-90 or who was previously awarded a refund from the surplus equity fund under Section 21-302.

(Source: P.A. 97-557, eff. 7-1-12.)

(35 ILCS 200/21-310)

Sec. 21-310. Sales in error.

(a) When, upon application of the county collector, the owner of the certificate of purchase, the holder of a 5% lien issued pursuant to Section 21-240, or a municipality which owns or has owned the property ordered sold, it appears to the satisfaction of the court which ordered the property sold that any of the following subsections are applicable, the court shall declare the sale to be a sale in error:

(1) the property was not subject to taxation, or all or any part of the lien of taxes sold has become null and void pursuant to Section 21-95 or unenforceable pursuant to subsection (c) of Section 18-250 or subsection (b) of Section 22-40;

(2) the taxes or special assessments had been paid prior to the sale of the property;

(3) there is a double assessment;

(4) the description is void for uncertainty;

(5) the assessor, chief county assessment officer, board of review, board of appeals, or other county official has made an error material to the tax certificate at issue (other than an error of judgment as to the value of any property), provided, however, that a sale in error may not be declared upon application of the owner of the certificate of purchase under this paragraph (5) if the county collector provided notice in accordance with Section 21-118 that the same property received a previous sale in error on the same facts;

(5.5) the owner of the homestead property had tendered timely and full payment to the county collector that the owner reasonably believed was due and owing on the homestead property, and the county collector did not apply the payment to the homestead property; provided that this provision applies only to homeowners, not their agents or third-party payors;

(6) a voluntary or involuntary petition was filed by or against the legal or beneficial owner of the property requesting relief under the provisions of 11 U.S.C. Chapter 7, 11, 12, or 13, and the bankruptcy case was open on the date the collector's application for judgment was filed pursuant to Section 21-150 or 21-155 or the date of the tax sale;

(7) the property is owned by the United States, the State of Illinois, a municipality, or a taxing district; or

(8) the owner of the property is a reservist or guardsperson who is granted an extension of his or her due date under Sections 21-15, 21-20, and 21-25 of this Act.

(b) When, upon application of the owner of the certificate of purchase only, it appears to the satisfaction of the court which ordered the property sold that any of the following subsections are applicable, the court shall declare the sale to be a sale in error:

(1) A voluntary or involuntary petition under the provisions of 11 U.S.C. Chapter 7, 11, 12, or 13 has been filed subsequent to the tax sale and prior to the issuance of the tax deed, and the bankruptcy case was open on the

date the petition for a sale in error was filed.

(2) The improvements upon the property sold have been substantially destroyed subsequent to the tax sale and prior to the issuance of the tax deed; however, if the court declares a sale in error under this paragraph (2), the court may order the holder of the certificate of purchase to assign the certificate to the county collector if requested by the county collector. The county collector may, upon request of the county, as trustee, or upon request of a taxing district having an interest in the taxes sold, further assign any certificate of purchase received pursuant to this paragraph (2) to the county acting as trustee for taxing districts pursuant to Section 21-90 of this Code or to the taxing district having an interest in the taxes sold.

(3) There is an interest held by the United States in the property sold which could not be extinguished by the tax deed.

(4) The real property contains a hazardous substance, hazardous waste, or underground storage tank that would require cleanup or other removal under any federal, State, or local law, ordinance, or regulation, only if the tax purchaser purchased the property without actual knowledge of the hazardous substance, hazardous waste, or underground storage tank. The presence of a grease trap on the property is not grounds for a sale in error under this

paragraph (4). This paragraph (4) applies only if the owner of the certificate of purchase has made application for a sale in error at any time before the issuance of a tax deed. If the court declares a sale in error under this paragraph (4), the court may order the holder of the certificate of purchase to assign the certificate to the county collector if requested by the county collector. The county collector may, upon request of the county, as trustee, or upon request of a taxing district having an interest in the taxes sold, further assign any certificate of purchase received pursuant to this paragraph (4) to the county acting as trustee for taxing districts pursuant to Section 21-90 of this Code or to the taxing district having an interest in the taxes sold.

(5) The certificate of purchase was issued prior to the effective date of this amendatory Act of the 104th General Assembly, the certificate's redemption period has expired, and the certificate has not been deeded, redeemed, vacated, or voided under Section 22-85.

Whenever a court declares a sale in error under this subsection (b), the State's attorney shall promptly notify the county collector in writing.

(c) When the county collector discovers, prior to the expiration of the period of redemption, that a tax sale should not have occurred for one or more of the reasons set forth in subdivision (a)(1), (a)(2), (a)(3), (a)(4), (a)(5.5), (a)(6), (a)(7), or (a)(8) of this Section, the county collector shall notify the last known owner of the tax certificate by certified and regular mail, or other means reasonably calculated to provide actual notice, that the county collector intends to declare an administrative sale in error and of the reasons therefor, including documentation sufficient to establish the reason why the sale should not have occurred. The owner of the certificate of purchase may object in writing within 28 days after the date of the mailing by the county collector. If an objection is filed, the county collector shall not administratively declare a sale in error, but may apply to the circuit court for a sale in error as provided in subsection (a) of this Section. Thirty days following the receipt of notice by the last known owner of the certificate of purchase, or within a reasonable time thereafter, the county collector shall make a written declaration, based upon clear and convincing evidence, that the taxes were sold in error and shall deliver a copy thereof to the county clerk within 30 days after the date the declaration is made for entry in the tax judgment, sale, redemption, and forfeiture record pursuant to subsection (d) of this Section. The county collector shall promptly notify the last known owner of the certificate of purchase of the declaration by regular mail and shall, except if the certificate was issued pursuant to a no-cash bid, promptly pay the amount of the tax sale, together with interest and costs as provided in Section 21-315, upon surrender of the original certificate of purchase.

(c-5) When the holder of the certificate of purchase is the county as trustee for taxing districts, upon request of or consent by the county as trustee, or its agent, if the county collector agrees, prior to the issuance of a tax deed, that a tax sale should not have occurred for one or more of the reasons set forth in subdivision (a)(1), (a)(2), (a)(3), (a)(4), (a)(5.5), (a)(6), (a)(7), (a)(8), or (b)(1) of this Section, or, with the consent of the chief county assessment officer, subdivision (a)(5), the county collector may declare an administrative sale in error. Such declaration shall be a written declaration, based on clear and convincing evidence, that the taxes were sold in error and the county collector shall deliver a copy thereto to the county clerk within 30 days after the date the declaration is made for entry in the tax judgment, sale, redemption, and forfeiture record.

(d) If a sale is declared to be a sale in error for any reason set forth in Section 22-35, Section 22-50, or subdivision (a)(5), (b)(2), or (b)(4) of this Section, the tax certificate shall be forfeited to the county as trustee pursuant to Section 21-90 of this Code, unless the county collector informs the county and the county clerk in writing that the tax certificate shall not be forfeited to the county as trustee. The county clerk shall make entry in the tax judgment, sale, redemption and forfeiture record, that the property was erroneously sold and that the tax certificate is forfeited to the county pursuant to Section 21-90, and the county collector shall, on demand of the owner of the certificate of purchase, refund the amount paid, except for the nonrefundable $80 fee paid, pursuant to Section 21-295, for each item purchased at the tax sale, pay any interest and costs as may be ordered under Sections 21-315 through 21-335, and cancel the certificate so far as it relates to the property. The county collector shall deduct from the accounts of the appropriate taxing bodies their pro rata amounts paid.

(e) Whenever the collector declares an administrative sale in error under this Section, the collector must send a copy of the declaration of the administrative sale in error, and documentation sufficient to establish the reason why the sale should not have occurred, to the government entity responsible for maintaining assessment books and property record cards for the subject property. That entity must review the documentation sent by the collector, make a determination as to whether an update to the assessment books or property record cards is necessary to prevent a recurrence of the sale in error, and update the assessment books or property record cards as appropriate.

(f) Whenever a court declares a sale in error under this Section, the State's attorney must send a copy of the application and order declaring the sale in error to the county collector, the county clerk, and the government entity responsible for maintaining the assessment books and property record cards for the subject property. The collector, the county clerk, and the other government entity must each review the application and order sent by the State's attorney and make a determination as to whether an update to its respective records is necessary to prevent a recurrence of the sale in error, and update its records as appropriate.

The changes made to this Section by this amendatory Act of the 103rd General Assembly apply to matters concerning tax certificates issued on or after the effective date of this amendatory Act of the 103rd General Assembly.

(Source: P.A. 103-555, eff. 1-1-24.)

(35 ILCS 200/21-350)

Sec. 21-350. Period of redemption. Property sold at a tax sale under this Code may be redeemed at any time before the expiration of 3 ~~2.5~~ years from the date of sale, except that:

(a) If on the date of sale the property is vacant non-farm property or property containing an improvement consisting of a structure or structures with 7 or more residential units or that is commercial or industrial property, it may be redeemed at any time before the expiration of 1 year from the date of the tax sale.

(b) (Blank).

(c) (Blank). ~~If the period of redemption has been extended by the certificate holder as provided in Section 21-385 or Section 22-5, the property may be redeemed on or~~

~~before the extended redemption date. The changes made to this Section by this amendatory Act of the 103rd General Assembly apply to matters concerning tax certificates issued on or after January 1, 2024.~~

The changes made to this Section by Public Act 103-555 apply to matters concerning tax certificates issued on or after January 1, 2024. The changes made to this Section by this amendatory Act of the 104th General Assembly apply to matters concerning tax certificates issued on or after the effective date of this amendatory Act of the 104th General Assembly.

(Source: P.A. 103-555, eff. 1-1-24.)

(35 ILCS 200/22-5)

Sec. 22-5. Notice of sale and redemption rights. In order to be entitled to an order for a judicial tax deed auction and ~~a~~ tax deed, within 4 months and 15 days after any tax sale held under this Code, the purchaser or his or her assignee, and the county for all tax liens or certificates it acquires pursuant to Section 21-90 of this Code ~~forfeited certificates from the annual sale~~, shall deliver to the county clerk a notice to be given to the party in whose name the taxes are last assessed as shown by the most recent tax collector's warrant books, in at least 10 point type in the following form completely filled in:

TAKE NOTICE

County of ....

Date Premises Sold or Forfeited ....

Certificate No..

Sold for General Taxes of (year) ....

Sold for Special Assessment of (Municipality)

and special assessment number ....

Warrant No. .... Inst. No. ....

THIS PROPERTY HAS BEEN SOLD AT A TAX SALE FOR

DELINQUENT TAXES

Property Address (as identified on the most recent tax bill, if available)..

Legal Description or Property Index No. ....

....

....

This notice is to advise you that if you do not redeem by paying your tax debt before the deadline, a petition may be filed in court that ~~for a tax deed which~~ will transfer title and the right to possession of the above-referenced property ("Property"). If you are a homeowner, this may eventually result in eviction from your home ~~if redemption is not made on or before the redemption deadline~~.

Your right to redeem will expire on ....

To request ~~determine the redemption deadline and~~ the total amount you must pay to redeem the sold taxes, you must immediately contact the County Clerk at the address, phone number, or email address below. Check with the County Clerk for the exact amount you owe before redeeming. Payment must be made by certified check, cashier's check, money order, or in cash to the County Clerk.

YOU ARE URGED TO REDEEM IMMEDIATELY TO

PREVENT LOSS OF PROPERTY AND ADDITIONAL COSTS

The longer you wait, the more expensive it will be to redeem and prevent the loss of your property. Interest will continue to accrue on the total amount owed until the property is redeemed, and you may owe additional attorney or filing fees if the certificate holder chooses to pursue an order for a tax deed auction to compel the sale or transfer of the deed to the property.

~~Property sold under the Property Tax Code may be redeemed by any owner or person holding an interest in the Property at any time before the following deadlines (based on property classification as of the Date of Sale):~~

~~You must redeem your taxes within one year of the Date of Sale for the following classifications:~~

~~(1) vacant non-farm property;~~

~~(2) property containing an improvement consisting of a structure or structures with 7 or more residential units; and~~

~~(3) commercial or industrial property.~~

~~You must redeem your taxes within 2 1/2 years of the Date of Sale for the following classifications:~~

~~(1) all residential property with less than 6 units; and~~

~~(2) all other property not covered by the 1-year redemption period outlined above.~~

~~Redemption deadlines may have been extended by the certificate holder or pursuant to Illinois law.~~

To confirm the amount you will need to redeem ~~redemption deadline~~, you must contact the County Clerk at the address, telephone number, or email address below. Redemption can be made at any time on or before .... by applying to the County Clerk of .... County, Illinois at the Office of the County Clerk in ...., Illinois. The address, telephone number, and email address for the County Clerk is as follows:

ADDRESS:...........................

TELEPHONE AND/OR EMAIL ADDRESS:.........................

For further information about the redemption deadline, redemption amount, or payment process, please contact the County Clerk.

Contact the U.S. Department of Housing and Urban Development (HUD) to find local housing counselors in your area.

In counties with 3,000,000 or more inhabitants, the redemption notice shall contain a provision in Spanish, Polish, and Mandarin Chinese, stating that the redemption notice affects important legal rights and should be translated immediately. In counties with fewer than 3,000,000 inhabitants, the redemption notice may include a notice in one or more foreign languages stating that the redemption notice affects important legal rights and should be translated immediately.

Within 10 days after receipt of said notice, the county clerk shall mail to the addresses supplied by the purchaser or assignee, by registered or certified mail, copies of said notice to the party in whose name the taxes are last assessed as shown by the most recent tax collector's warrant books. With the exception of a county or taxing district acquiring certificates pursuant to Section 21-90 and 21-260, all purchasers or assignees shall pay to the clerk postage plus the sum of $10. The clerk shall write or stamp the date of receiving the notices upon the copies of the notices, and retain one copy.

All ~~With the exception of forfeited tax liens or certificates held by the county pursuant to Section 21-90, all~~ redemption periods shall begin on the date of the tax sale. For forfeited tax liens or certificates held by the county pursuant to Section 21-90, the county may cure any defect in a notice, or failure to send a notice as required by this Section, by delivering to the county clerk a notice to be given to the party in whose name the taxes are last assessed as shown by the most recent tax collector's warrant books. The redemption period begins on the date the county delivered the corrected notice to the clerk, if such extension is otherwise permitted by law.

The changes to this Section made by this amendatory Act of the 97th General Assembly apply only to tax sales that occur on or after the effective date of this amendatory Act of the 97th General Assembly.

The changes made to this Section by this amendatory Act of the 103rd General Assembly apply to matters concerning tax certificates issued on or after the effective date of this amendatory Act of the 103rd General Assembly.

(Source: P.A. 102-815, eff. 5-13-22; 103-555, eff. 1-1-24.)

(35 ILCS 200/22-10)

Sec. 22-10. Notice of expiration of period of redemption. A purchaser or assignee shall not be entitled to request an order for a judicial tax deed auction and a tax deed to the property sold at an annual tax sale unless, not less than 3 months nor more than 6 months prior to the expiration of the period of redemption, he or she gives notice of the sale and the date of expiration of the period of redemption to the owners, occupants, the municipality in which the subject property lies or county if the property lies outside municipal corporate boundaries, and interested parties ~~interested in the property~~, including any mortgagee of record, as provided below. For counties or taxing districts holding certificates pursuant to Section 21-90, the date of expiration of the period of redemption shall be designated by the county or taxing district in its petition for tax deed and identified in the notice below, which shall be filed with the county clerk.

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

TAX DEED NO. .... FILED ....

TAKE NOTICE

County of ....

Date Premises Sold or Forfeited ....

Certificate No...

Sold or Forfeited for General Taxes of (year) ....

Sold for Special Assessment of (Municipality)

and special assessment number ....

Warrant No. .... Inst. No. ....

THIS PROPERTY HAS BEEN SOLD AT A TAX SALE FOR

DELINQUENT TAXES

Property Address (as identified on the most recent tax bill, if available) ....

Legal Description or Property Index No. ....

....

....

This notice is to advise you that the above property has been sold for delinquent taxes at a tax sale and that the period of redemption from the sale will expire on ....

....

Check with the county clerk as to the exact amount you owe before redeeming.

This notice is also to advise you that a petition has been filed in the Circuit Court seeking an order for judicial tax deed auction and ~~for~~ a tax deed which will transfer title and the right to possession of this property if redemption is not made on or before ....

If you are a homeowner, this may eventually result in eviction from your home. This matter is set for hearing in the Circuit Court of this county in ...., Illinois on .....

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

You may respond to the petition or go to the hearing to speak to the court. But if you do not pay the overdue taxes by the hearing and if the court determines that all the rules were followed, you will lose your right to pay and keep the property. The property will then be offered at a public auction. If you are the owner, you may get any extra money left after the taxes and fees are paid. If there is extra money, you will get a notice telling you how to claim it.

YOU ARE URGED TO REDEEM IMMEDIATELY

TO PREVENT LOSS OF PROPERTY AND ADDITIONAL COSTS

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

For further information contact the County Clerk

ADDRESS:....................

TELEPHONE AND/OR EMAIL ADDRESS:.................

....

Purchaser or Assignee.

Dated (insert date).

Contact the United States Department of Housing and Urban Development (HUD) to find local housing counselors.

In counties with 3,000,000 or more inhabitants, the notice shall contain a provision in the Spanish, Polish, and Mandarin Chinese, stating that the notice affects important legal rights and should be translated immediately. Parcels that are either contiguous or have common ownership may be combined in a single notice prepared pursuant to Sections 22-10 and 22-25. In counties with 3,000,000 or more inhabitants, the notice shall also state the address, room number, and time at which the matter is set for hearing. In counties with fewer than 3,000,000 inhabitants, the notice may include a notice in one or more foreign languages, stating that the notice affects important legal rights and should be translated immediately.

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

The changes to this Section made by Public Act 102-1003 apply to matters in which a petition for tax deed is filed on or after May 27, 2022 (the effective date of Public Act

102-1003). Failure of any party or any public official to comply with the changes made to this Section by Public Act 102-528 does not invalidate any tax deed issued prior to May 27, 2022 (the effective date of Public Act 102-1003).

The changes made to this Section by this amendatory Act of the 103rd General Assembly apply to matters concerning tax certificates issued on or after the effective date of this amendatory Act of the 103rd General Assembly.

(Source: P.A. 102-528, eff. 1-1-22; 102-813, eff. 5-13-22; 102-1003, eff. 5-27-22; 103-154, eff. 6-30-23; 103-555, eff. 1-1-24.)

(35 ILCS 200/22-40)

Sec. 22-40. Issuance of order authorizing judicial tax deed auction, confirmation and order for tax deed; possession.

(a) To obtain an order authorizing a judicial tax deed auction and for issuance of tax deed, the petitioner must provide sufficient evidence that:

(1) the redemption period has expired and the property has not been redeemed;

(2) all taxes and special assessments which became due and payable subsequent to the sale have been paid, unless the county or its agent, as trustee pursuant to Section 21-90, is the petitioner;

(3) all forfeitures and sales which occur subsequent to the sale are paid or redeemed, unless the county or its

agent, as trustee pursuant to Section 21-90, is the petitioner;

(4) the notices required by law have been given, and all advancements of public funds under the police power made by a county, city, village, or town under Section 22-35 have been paid; and

(5) the petitioner has complied with all the provisions of law entitling him or her to a deed.

Upon receipt of sufficient evidence of the requirements under this subsection (a), the court shall find that the petitioner complied with those requirements and shall enter an order authorizing a judicial tax deed auction or an order authorizing the issuance of a tax deed to a county trustee pursuant to Section 21-90, subject to the requirements of this Section, or subject to the requirements in Section 21-90 ~~directing the county clerk, on the production of the tax certificate and a certified copy of the order, to issue to the purchaser or its assignee a tax deed~~. The court shall insist on strict compliance with Sections ~~Section~~ 22-10 through 22-25. Prior to the entry of an order under this Section ~~directing the issuance of a tax deed~~, the petitioner shall furnish the court with a report of proceedings of the evidence received on the application for tax deed. The petitioner shall also furnish to the court a statement of redemption from the county clerk showing the total taxes, penalties, and costs that were required to be paid to redeem the tax sale as specified in the notice required under Section 22-10. The petitioner for tax deed must file a statement of, if applicable, (i) all taxes it has paid or redeemed for the property, (ii) the costs paid for court reporter and transcript services in counties of 3,000,000 or more inhabitants, or in counties with less than 3,000,000 inhabitants, a submission of a report of proceedings to the court, (iii) the fees paid to the clerk for the estimate of redemption, (iv) all payments made for municipal advancements required by Section 22-35, and (v) costs incurred pursuant to subsection (c) of Section 21-90. The total of the amount shown on the statement of redemption plus items (i) through (v) above, or portion thereof, plus a fee not to exceed 50% of the then-allowable foreclosure attorney fees for Illinois as published by Fannie Mae, plus the cost of publication of the judicial tax deed auction shall be identified as the tax deed judgment amount. The tax deed judgment amount shall accrue interest at 0.75% per month, or portion thereof, from the date of the judgment until the date of judicial tax deed auction. If the judicial tax deed auction is not concluded within 120 days after the date of the judgment, the judgment shall accrue interest after the 120-day period only if any delay in concluding the auction is the result of legal action taken by the owner or other interested party before issuance of the tax deed. The order for judicial tax deed auction shall include such terms and conditions of the auction as specified by the court ~~and the report of~~

~~proceedings shall be filed and made a part of the court record~~.

(b) Except as provided in subsection (e) of this Section, if taxes for years prior to the year or years sold are or become delinquent subsequent to the date of sale, the court shall find that the lien of those delinquent taxes has been or will be merged into the tax deed grantee's title if the court determines that the tax deed grantee or any prior holder of the certificate of purchase, or any person or entity under common ownership or control with any such grantee or prior holder of the certificate of purchase, was at no time the holder of any certificate of purchase for the years sought to be merged. If delinquent taxes are merged into the tax deed pursuant to this subsection, the court shall enter an order declaring which specific taxes have been or will be merged into the tax deed title and directing the county treasurer and county clerk to reflect that declaration in the warrant and judgment records; provided, that no such order shall be effective until a tax deed has been issued and timely recorded. Nothing contained in this Section shall relieve any owner liable for delinquent property taxes under this Code from the payment of the taxes that have been merged into the title upon issuance of the tax deed.

(c) The county clerk is entitled to a fee of $10 in counties of 3,000,000 or more inhabitants and $5 in counties with less than 3,000,000 inhabitants for the issuance of the tax deed, with the exception of deeds issued to the county pursuant to its authority under Section 21-90. The clerk may not include in a tax deed more than one property as listed, assessed and sold in one description, except in cases where several properties are owned by one person. The fee paid to the county clerk for the issuance of the tax deed shall be accompanied by a $1,000 surplus equity fund fee in counties of 3,000,000 or more inhabitants and a $500 surplus equity fund fee in counties with less than 3,000,000 inhabitants, with the exception of deeds issued to the county pursuant to its authority under Section 21-90. All fees received under this subsection shall be paid by the county clerk to the county treasurer of the county in which the land is situated for the purpose of funding the county's surplus equity fund established under Section 21-296. The surplus equity fund fee shall not be imposed once all claims on the county's surplus equity fund have been paid, as determined by the county treasurer as trustee of the fund.

Upon application, the court shall enter an order to place the tax deed grantee or the grantee's successor in interest in possession of the property and may enter orders and grant relief as may be necessary or desirable to maintain the grantee or the grantee's successor in interest in possession.

(d) The court shall retain jurisdiction to enter orders pursuant to ~~subsections (b) and (c) of~~ this Section. ~~Public Act 92-223 and Public Act 95-477 shall be construed as being declarative of existing law and not as a new enactment.~~

(e) Prior to the issuance of any order for judicial tax deed auction under this Section, the petitioner must redeem all taxes and special assessments on the property that are delinquent after the date of its tax sale ~~subject to a pending tax petition filed by a county or its assignee pursuant to Section 21-90~~.

(e-5) Following the expiration of the period of redemption, the petitioner's payment of (i) any subsequent tax and special assessment and (ii) any redemption of any sale of subsequent taxes or forfeiture shall be accompanied by a surplus equity fund fee of 10% of the principal taxes and interest paid by the petitioner under this section. All fees received under this subsection shall be paid by the collector and county clerk to the county treasurer of the county in which the land is situated for the purpose of funding the county's surplus equity fund established by Section 21-296. Fees incurred under this subsection are not refundable and they shall not be posted to the subject tax sale pursuant to Section 21-355.

(f) If, for any reason, a purchaser fails to obtain an order for judicial tax deed auction or for tax deed within the required time period and no sale in error was granted or redemption paid, then the certificate shall be forfeited to the county, as trustee, pursuant to Section 21-90.

(g) Except as provided in Section 21-90, upon entry of an order requiring a judicial tax deed auction under subsection

(a) of this Section, the property shall be offered for sale by public auction within 120 days after date of the order and sold to the highest bidder at such an auction in accordance with the Section 22-42 and subject to additional requirements set by the court's order.

(h) The changes made to this Section by this amendatory Act of the 104th General Assembly apply to matters concerning tax certificates issued on or after the effective date of this amendatory Act of the 104th General Assembly.

(Source: P.A. 103-555, eff. 1-1-24; 104-417, eff. 8-15-25.)

(35 ILCS 200/22-42 new)

Sec. 22-42. Judicial tax deed auction and procedures.

(a) Notice of tax deed auction. The sheriff, or duly appointed private selling officer, shall give notice of the auction with the following information:

(1) the Property Identification Number and Address listed on the most recent tax bill;

(2) the time and place of the auction including: whether the auction will take place online, in person, or both; and the website where the online bidding may take place, if applicable;

(3) the terms of the auction; and

(4) the amount of the tax deed judgment amount provided in Section 22-40.

In counties with 3,000,000 or more inhabitants, the Notice of Tax Deed Auction shall be in clear and concise language, together with a notice in Spanish, Polish, and Mandarin Chinese, stating that the notice affects important legal rights and should be translated immediately. In counties with fewer than 3,000,000 inhabitants, the Notice of Tax Deed Auction shall be in clear and concise language, and may include a notice in one or more foreign languages, stating that the notice of tax deed auction affects important legal rights and should be translated immediately. The Notice of Tax Deed Auction shall be mailed via first class mail to all interested parties, and via first class mail and certified mail to the owner of the property, at the address at which service of the Section 22-10 Take Notice was attempted and to any parties who have appeared in the proceeding. The notice shall include a sworn certificate of service signed by the party sending the notice attesting to the fact that the notice of auction was placed in the mail at least 10 calendar days prior to the date of the auction.

The Notice of Tax Deed Auction shall be published at least 3 consecutive calendar weeks (Sunday through Saturday), once in each week, the first such notice to be published not more than 45 days prior to the auction, the last such notice to be published not less than 7 days prior to the auction. If the property is located in a municipality in a county with less than 3,000,000 inhabitants, the purchaser or his or her assignee shall also publish a notice as to the owner or interested party, in some newspaper published in the municipality, and such other publications as may be further ordered by the court. If the petitioner cannot identify a newspaper published in the municipality, or if the property is located in a county with 3,000,000 or more inhabitants, the notice shall be published in a newspaper published within the county, and such other publications as may be further ordered by the court. If no newspaper is published in the county, then the notice shall be published in the newspaper that is published nearest the county seat of the county in which the property is located and such other publications as may be further ordered by the court. The publication shall include all information included in the notice sent pursuant to this Section.

(b) Minimum bid. The selling officer shall start all bidding with a minimum bid equal to (1) the tax deed judgment amount plus interest at the rate of 0.75% per month, or portion thereof, for each month since the date of judgment, except as provided in Section 22-40, (2) the cost for the publication of the judicial sale required in this Section, and (3) the costs of the selling officer. The selling officer shall proceed to a public tax deed auction, offer the real estate for sale, and sell the real estate to the highest bidder. If no bidder is willing to pay the minimum bid, the petitioner shall be the winning bidder and entitled to a tax deed, and it shall be conclusively presumed that there is no surplus equity in the property.

(c) Credit bid for petitioner. At the auction under this Section, the person conducting the auction shall enter a bid in favor of the petitioner in the amount of the minimum bid set forth above. Nothing in this Section shall be construed to prevent the petitioner from bidding at the public auction. However, if the petitioner is the winning bidder, the holder must pay cash for the difference between the winning bid and the minimum bid, plus any applicable costs or fees that may be attached to the winning bid.

(d) Receipt upon judicial tax deed auction. Upon and at the conclusion of the judicial tax deed auction, the person conducting the auction shall give to the purchaser a receipt of sale. The receipt shall describe the real estate purchased and shall show the amount bid, the total amount paid to date, and the amount still to be paid therefor. An additional receipt shall be given at the time of each subsequent payment. Any purchaser who fails to complete the sale for failure to make full payment shall forfeit to the county surplus equity fund any deposit already made, and the court shall order a new auction of the property.

(e) Certificate of tax deed auction. Upon payment in full of the amount bid, the sheriff or duly appointed selling officer conducting the sale shall issue, in duplicate, and give to the purchaser a certificate of judicial tax deed auction. The certificate of judicial tax deed auction shall be in a recordable form, describe the real estate purchased, indicate the date and place of sale and show the amount paid therefor. The certificate of tax deed sale shall further indicate that it is subject to confirmation by the court. The certificate of sale shall be freely assignable by endorsement thereon.

(f) Deposit of surplus funds. To the extent that the winning bid exceeds the minimum bid, upon the expiration of 30 days following confirmation of the sale, the selling officer shall deposit the surplus funds with the treasurer of the county in which the subject property lies and provide the treasurer with the parties and mailing addresses to which all Take Notices were sent pursuant to Section 22-10. The treasurer shall send a notice to all parties sent the Section 22-10 Take Notice, stating that the owner at the time of the sale is entitled to a distribution of surplus proceeds and may file a claim to recover the surplus with the treasurer of the county.

(g) Confirmation of sale; Order for issuance of tax deed.

(1) The sheriff or selling officer conducting the sale shall promptly make a report to the court that issued the order authorizing the judicial tax deed auction, which report shall include a copy of all receipts and, if any, certificate of judicial tax deed sale.

(2) Upon motion and notice in accordance with court rules applicable to motions generally, which motion shall

not be made prior to sale, the court shall conduct a hearing to confirm the sale. Unless the court finds that a notice required in this Section was not issued or the sale was not conducted in accordance with the order for judicial tax deed auction, the court shall enter an order (a) confirming the judicial tax deed auction sale, (b) directing the county clerk to issue a tax deed in the name of the holder of the certificate of judicial tax deed auction sale once presented with a certified copy of the confirmation order and original certificate of judicial tax deed auction sale, and (c) directing the selling officer to pay to the holder of the tax certificate the amount of the credit bid upon surrender of the tax certificate, and to pay the selling officer its fees. The order for issuance of tax deed shall contain the name, address, and telephone number of the holder of the certificate of judicial tax deed auction sale for the clerk to confirm the identity of the tax deed grantee.

(3) Unless the tax certificate was forfeited to the county in the manner described in Section 21-225 of this Code, if the county is the holder of the tax certificate for property sold at a judicial tax deed auction in accordance with this Section, any proceeds of any such sale shall be distributed to the taxing districts in proportion to their respective interests therein. Notwithstanding the preceding, any distribution to the

taxing districts shall be reduced by the following: all costs incurred by either the county, the court, or the selling officer associated with the sale of the property. Any surplus amount to be held by the county treasurer and distributed to former owners in accordance with paragraph (5) of this Section shall be excluded from distributions to taxing districts.

(4) If any tax deed auction sale fails to comply with the requirements in this Section, any party may, by motion supported by affidavit made prior to confirmation of such sale, request that the court which entered the judgment set aside the judicial tax deed auction sale. Any such party shall guarantee or secure by bond a bid equal to the successful bid at the judicial tax deed auction. No guarantee or bond shall be required if the property is residential and the party seeking to set aside the sale is the owner-occupant of the property at the time the motion is filed. If the court denies confirmation of the judicial tax deed auction sale, it shall order a new judicial tax deed auction. Any subsequent auction is subject to the same notice requirement as the original auction.

(5) No sale under this Section shall be held invalid or be set aside because of any immaterial or insignificant defect in the notice thereof or in the publication of the same, or in the proceedings of the officer conducting the sale.

(h) Notice of surplus proceeds. Within 60 days following the deposit of surplus funds with the treasurer of the county, the treasurer shall send notice to all parties to which the Section 22-10 Take Notice was sent, stating that the owner or owners of the property at the time of the sale may submit a claim for the surplus funds to the county treasurer or the circuit court within 3 years of the date on the notice.

(i) Upon receipt of a claim for surplus proceeds, the county treasurer, being satisfied of the facts in the case, shall distribute the surplus proceeds to the proper claimant. When the county treasurer is unable to determine the proper claimant, the county treasurer shall file a motion with the circuit court hearing the underlying tax case, requesting that the court determine whether an interested party is the owner of record entitled to a disbursement of surplus proceeds. Within 30 days following the filing of the motion, the court hearing the underlying tax case shall set a hearing to determine whether an interested party is the owner of record entitled to a disbursement of surplus proceeds. All interested parties in the underlying case shall be notified by the county treasurer. Any party claiming to have an ownership interest in the parcel at the time of the issuance of tax deed may present evidence of ownership and request a disbursement of any or all surplus proceeds. The court shall issue an order directing the treasurer to disburse a specific amount of surplus proceeds to specific parties, with sufficient personally identifiable information to accurately identify the parties entitled to disbursement.

(j) Upon filing of a motion by a party claiming to be the owner of the property at the time of sale, within 30 days following the filing of the motion, the court hearing the underlying tax case shall set a hearing to determine whether an interested party is the owner entitled to a disbursement of surplus proceeds. All interested parties in the underlying case shall be notified by the movant. Any party claiming to be the owner of the property at the time of sale may present evidence of ownership and request a disbursement of any or all surplus proceeds. The court shall issue an order directing the treasurer to disburse a specific amount of surplus proceeds to specific parties, with sufficient personally identifiable information to accurately identify the parties entitled to disbursement.

(k) Surplus funds that have not been claimed within 3 years following the date on the county treasurer's notice in accordance with subsection (h) of Section 22-42 shall be disposed of pursuant to the Revised Uniform Unclaimed Property Act.

(l) Interest earned on surplus proceeds while held by the county treasurer shall belong to the lawful claimant and shall be paid with the principal amount of the surplus proceeds.

(35 ILCS 200/22-65)

Sec. 22-65. Form of deed. A tax deed executed by the county clerk under the official seal of the county shall be recorded in the same manner as other conveyances of property, and vests in the grantee, his or her heirs and assigns, the title of the property therein described without further acknowledgment or evidence of the conveyance. Tax Deeds issued under this Section shall not require a municipal transfer stamp, or be subject to any municipal real estate transfer taxes, requirements, or certifications prior to recording. The conveyance shall be substantially in the following form:

State of Illinois)

) ss.

County of ....)

At a tax deed auction ~~public sale~~ of property for the nonpayment of taxes, held in the county above stated, on (insert date), the following described property was sold: (here place description of property conveyed). The property not having been redeemed from the sale, and it appearing that the holder of the certificate of purchase of the property has complied with the laws of the State of Illinois necessary to entitle (insert him, her or them) to a deed of the property: I ...., county clerk of the county of ...., in consideration of the property and by virtue of the statutes of the State of Illinois in such cases provided, grant and convey to ...., his or her heirs and assigns forever, the property described above.

Dated (insert date).

Signature of .... County Clerk

Seal of County of ...., Illinois

(Source: P.A. 91-357, eff. 7-29-99.)

Section 10. The Mobile Home Local Services Tax Enforcement Act is amended by changing Section 255 as follows:

(35 ILCS 516/255)

Sec. 255. Sales in error.

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

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

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

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

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

(4) the description is void for uncertainty,

(5) the assessor, chief county assessment officer, board of review, board of appeals, or other county official has made an error (other than an error of

judgment as to the value of any mobile home),

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

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

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

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

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

(2) The mobile home sold has been substantially destroyed or rendered uninhabitable or otherwise unfit for

occupancy subsequent to the tax sale and prior to the issuance of the tax certificate of title.

(c) When the county collector discovers, prior to the expiration of the period of redemption, that a tax sale should not have occurred for one or more of the reasons set forth in subdivision (a)(1), (a)(2), (a)(3), (a)(4), (a)(5.5), (a)(6), (a)(7), ~~(a)(1), (a)(2), (a)(6), or (a)(7)~~ of this Section, the county collector shall notify the last known owner of the certificate of purchase by certified and regular mail, or other means reasonably calculated to provide actual notice, that the county collector intends to declare an administrative sale in error and of the reasons therefor, including documentation sufficient to establish the reason why the sale should not have occurred. The owner of the certificate of purchase may object in writing within 28 days after the date of the mailing by the county collector. If an objection is filed, the county collector shall not administratively declare a sale in error, but may apply to the circuit court for a sale in error as provided in subsection (a) of this Section. Thirty days following the receipt of notice by the last known owner of the certificate of purchase, or within a reasonable time thereafter, the county collector shall make a written declaration, based upon clear and convincing evidence, that the taxes were sold in error and shall deliver a copy thereof to the county clerk within 30 days after the date the declaration is made for entry in the tax judgment, sale, redemption, and forfeiture record pursuant to subsection (d) of this Section. The county collector shall promptly notify the last known owner of the certificate of purchase of the declaration by regular mail and shall promptly pay the amount of the tax sale, together with interest and costs as provided in Sections 260 through 280, upon surrender of the original certificate of purchase.

(d) When the holder of the certificate of purchase is the county as trustee for taxing districts, upon request of or consent by the county as trustee, or its agent, if the county collector agrees, prior to the issuance of a tax certificate of sale, that a tax sale should not have occurred for one or more of the reasons set forth in subdivision (a)(1), (a)(2), (a)(3), (a)(4), (a)(5.5), (a)(6), (a)(7), or (b)(1) of this Section, or, with the consent of the chief county assessment officer, subdivisions (a)(1.5), (a)(5), the county collector may declare an administrative sale in error. Such declaration shall be a written declaration, based on clear and convincing evidence, that the taxes were sold in error and the county collector shall deliver a copy thereto to the county clerk within 30 days after the date the declaration is made for entry in the tax judgment, sale, redemption, and forfeiture record. ~~If a sale is declared to be a sale in error, the county clerk shall make entry in the tax judgment, sale, redemption and forfeiture record, that the mobile home was erroneously sold, and the county collector shall, on demand of the owner of the~~

~~certificate of purchase, refund the amount paid, pay any interest and costs as may be ordered under Sections 260 through 280, and cancel the certificate so far as it relates to the mobile home. The county collector shall deduct from the accounts of the appropriate taxing bodies their pro rata amounts paid.~~

(Source: P.A. 98-949, eff. 8-15-14.)

Section 15. The Mortgage Rescue Fraud Act is amended by changing Sections 5 and 30 as follows:

(765 ILCS 940/5)

Sec. 5. Definitions. As used in this Act:

"Distressed property" means residential real property consisting of one to 6 family dwelling units that is in foreclosure or at risk of loss due to nonpayment of taxes, or whose owner is more than 30 days delinquent on any loan that is secured by the property.

"Distressed property consultant" means any person who, directly or indirectly, for compensation from the owner, makes any solicitation, representation, or offer to perform or who, for compensation from the owner, performs any service that the person represents will in any manner do any of the following:

(1) stop or postpone the foreclosure sale or stop or postpone the loss of the home due to nonpayment of taxes;

(2) obtain any forbearance from any beneficiary or

mortgagee, or relief with respect to a tax sale of the property;

(3) assist the owner to exercise any right of reinstatement or right of redemption;

(4) obtain any extension of the period within which the owner may reinstate the owner's rights with respect to the property;

(5) obtain any waiver of an acceleration clause contained in any promissory note or contract secured by a mortgage on a distressed property or contained in the mortgage;

(6) assist the owner in foreclosure, loan default, or post-tax sale redemption period to obtain a loan or advance of funds;

(7) avoid or ameliorate the impairment of the owner's credit resulting from the recording of a notice of default or the conduct of a foreclosure sale or tax sale; or

(8) save the owner's residence from foreclosure or save the owner from loss of home due to nonpayment of taxes.

A "distressed property consultant" does not include any of the following:

(1) a person or the person's authorized agent acting under the express authority or written approval of the Department of Housing and Urban Development;

(2) a person who holds or is owed an obligation

secured by a lien on any distressed property, or a person acting under the express authorization or written approval of such person, when the person performs services in connection with the obligation or lien, if the obligation or lien did not arise as the result of or as part of a proposed distressed property conveyance;

(3) banks, savings banks, savings and loan associations, credit unions, and insurance companies organized, chartered, or holding a certificate of authority to do business under the laws of this State or any other state or under the laws of the United States;

(4) attorneys licensed in Illinois engaged in the practice of law;

(5) a Department of Housing and Urban Development approved mortgagee and any subsidiary or affiliate of these persons or entities, and any agent or employee of these persons or entities, while engaged in the business of these persons or entities;

(6) a 501(c)(3) nonprofit agency or organization, doing business for no less than 5 years, that offers counseling or advice to an owner of a distressed property, if they do not contract for services with for-profit lenders or distressed property purchasers, or any person who structures or plans such a transaction;

(7) (blank);

(8) licensees of the Consumer Installment Loan Act who

are authorized to make loans secured by real property; or

(9) licensees of the Real Estate License Act of 2000 when providing licensed activities.

"Distressed property purchaser" means any person who solicits an owner of distressed property and acquires any interest in fee in a distressed property or a beneficial interest in a trust holding title to a distressed property ~~while allowing the owner to possess, occupy, or retain any present or future interest in fee in the property~~, or any person who participates in a joint venture or joint enterprise involving a distressed property conveyance. "Distressed property purchaser" does not mean any person who acquires distressed property at a short sale or any person acting in participation with any person who acquires distressed property at a short sale, if that person does not promise to convey an interest in fee back to the owner or does not give the owner an option to purchase the property at a later date.

"Distressed property conveyance" means a transaction in which an owner of a distressed property transfers an interest in fee in the distressed property or in which the holder of all or some part of the beneficial interest in a trust holding title to a distressed property transfers that interest~~; the acquirer of the property allows the owner of the distressed property to occupy the property; and the acquirer of the property or a person acting in participation with the acquirer of the property conveys or promises to convey an interest in~~

~~fee back to the owner or gives the owner an option to purchase the property at a later date~~.

"Person" means any individual, partnership, corporation, limited liability company, association, or other group or entity, however organized.

"Service" means, without limitation, any of the following:

(1) debt, budget, or financial counseling of any type;

(2) receiving money for the purpose of distributing it to creditors in payment or partial payment of any obligation secured by a lien on a distressed property;

(3) contacting creditors on behalf of an owner of a residence that is distressed property;

(4) arranging or attempting to arrange for an extension of the period within which the owner of a distressed property may cure the owner's default and reinstate his or her obligation;

(5) arranging or attempting to arrange for any delay or postponement of the time of sale of the distressed property;

(6) advising the filing of any document or assisting in any manner in the preparation of any document for filing with any court; or

(7) giving any advice, explanation, or instruction to an owner of a distressed property that in any manner relates to the cure of a default or forfeiture or to the postponement or avoidance of sale of the distressed

property.

(Source: P.A. 94-822, eff. 1-1-07; 95-691, eff. 6-1-08; 95-1047, eff. 4-6-09.)

(765 ILCS 940/30)

Sec. 30. Distressed property conveyance contract terms. Every contract required by Section 25 must contain the entire agreement of the parties, be fully assignable, and survive delivery of any instrument of conveyance of the distressed property. Every lease entered into pursuant to a contract required by Section 25 is terminable at will by the distressed property owner, without liability. Every contract required by Section 25 must include the following terms:

(1) the name, business address, and the telephone number of the distressed property purchaser;

(2) the address of the distressed property;

(3) the total consideration to be given by the distressed property purchaser or tax lien payor in connection with or incident to the sale;

(4) a complete description of the terms of payment or other consideration including, but not limited to, any services of any nature that the distressed property purchaser represents he or she will perform for the owner of the distressed property before or after the sale;

(5) a complete description of the terms of any related agreement designed to allow the owner of the distressed

property to remain in the home such as a rental agreement, repurchase agreement, contract for deed, or lease with option to buy;

(6) a notice of cancellation as provided in this Section;

(7) the following notice in at least 12-point boldface type, if the contract is printed, or in capital letters, if the contract is typed, and completed with the name of the distressed property purchaser, immediately above the statement required by this Section:

"NOTICE REQUIRED BY ILLINOIS LAW

Until your right to cancel this contract has ended, ...(Name) or anyone working for ....(Name) CANNOT ask you to sign or have you sign any deed or any other document. You are urged to have this contract reviewed by an attorney of your choice within 5 business days of signing it."; ~~and~~

(8) if title to the distressed property will be transferred in the conveyance transaction, the following notice in at least 14-point boldface type if the contract is printed, or in capital letters if the contract is typed, and completed with the name of the distressed property purchaser, immediately above the statement required by this Section:

"NOTICE REQUIRED BY ILLINOIS LAW

As part of this transaction, you are giving up title to your home."; and~~.~~

(9) if a distressed property is at risk of loss for the non-payment of real estate taxes, a statement that the property owner may have the right to obtain money for any equity lost if a tax deed is issued, either through the right to indemnity or public auction, that the property owner will lose the right to claim the surplus equity if the property owner sells the property, and that the property owner should consult an attorney to discuss the property owner's options before selling the property.

(Source: P.A. 94-822, eff. 1-1-07.)

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