



Rep. Kelly M. Burke

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10300HB0613ham001

LRB103 04198 HLH 73382 a

1 AMENDMENT TO HOUSE BILL 613

2 AMENDMENT NO. \_\_\_\_\_. Amend House Bill 613 by replacing  
3 everything after the enacting clause with the following:

4 "Section 5. The Property Tax Code is amended by changing  
5 Sections 21-305 22-10, 22-30, 22-35, 22-40, 22-45, 22-55,  
6 22-60, 22-75, 22-80, and 22-85 and by adding Sections 22-100,  
7 22-105, 22-110, 22-115, and 22-120 as follows:

8 (35 ILCS 200/21-305)

9 Sec. 21-305. Payments from Indemnity Fund.

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

16 (1) An owner who resided on property that contained 4

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

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

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

25 (3) In determining the fair cash value of property  
26 less any mortgages or liens on the property, the fair cash

1 value shall be reduced by the principal amount of all  
2 taxes paid by the tax purchaser or his or her assignee  
3 before the issuance of the tax deed.

4 (4) If an award made under paragraph (1) or (2) is  
5 subject to a reduction by the amount of an outstanding  
6 mortgage or lien on the property, other than the principal  
7 amount of all taxes paid by the tax purchaser or his or her  
8 assignee before the issuance of the tax deed and the  
9 petitioner would be personally liable to the mortgagee or  
10 lienholder for all or part of that reduction amount, the  
11 court shall order an additional indemnity award to be paid  
12 directly to the mortgagee or lienholder sufficient to  
13 discharge the petitioner's personal liability. The court,  
14 in its discretion, may order the joinder of the mortgagee  
15 or lienholder as an additional party to the indemnity  
16 action.

17 (b) Indemnity fund; subrogation.

18 (1) Any person claiming indemnity hereunder shall  
19 petition the Court which ordered the tax deed to issue,  
20 shall name the County Treasurer, as Trustee of the  
21 indemnity fund, as defendant to the petition, and shall  
22 ask that judgment be entered against the County Treasurer,  
23 as Trustee, in the amount of the indemnity sought. The  
24 provisions of the Civil Practice Law shall apply to  
25 proceedings under the petition, except that neither the  
26 petitioner nor County Treasurer shall be entitled to trial

1 by jury on the issues presented in the petition. The Court  
2 shall liberally construe this Section to provide  
3 compensation wherever in the discretion of the Court the  
4 equities warrant such action.

5 (2) The County Treasurer, as Trustee of the indemnity  
6 fund, shall be subrogated to all parties in whose favor  
7 judgment may be rendered against him or her, and by  
8 third-party ~~third-party~~ complaint may bring in as a  
9 defendant any person, other than the tax deed grantee and  
10 its successors in title, not a party to the action who is  
11 or may be liable to him or her, as subrogee, for all or  
12 part of the petitioner's claim against him or her.

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

19 (1) the identity of all persons beneficially  
20 interested in the contract, directly or indirectly,  
21 including at least the following information: the names  
22 and addresses of any natural persons; the place of  
23 incorporation of any corporation and the names and  
24 addresses of its shareholders unless it is publicly held;  
25 the names and addresses of all general and limited  
26 partners of any partnership; the names and addresses of

1 all persons having an ownership interest in any entity  
2 doing business under an assumed name, and the county in  
3 which the assumed business name is registered; and the  
4 nature and extent of the interest in the contract of each  
5 person identified;

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

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

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

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

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

21 (e) Any owner who requests an excess proceeds sale  
22 pursuant to Section 22-100 that results in a sale pursuant to  
23 Section 22-105 shall not be entitled to any award under this  
24 Section, regardless of whether any surplus was generated.

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

1 (35 ILCS 200/22-10)

2 Sec. 22-10. Notice of expiration of period of redemption.  
3 A purchaser or assignee shall not be entitled to a tax deed to  
4 the property sold unless, not less than 3 months nor more than  
5 6 months prior to the expiration of the period of redemption,  
6 he or she gives notice of the sale and the date of expiration  
7 of the period of redemption to the owners, occupants, and  
8 parties interested in the property, including any mortgagee of  
9 record, as provided below. For counties or taxing districts  
10 holding certificates pursuant to Section 21-90, the date of  
11 expiration of the period of redemption shall be designated by  
12 the county or taxing district in its petition for tax deed and  
13 identified in the notice below, which shall be filed with the  
14 county clerk.

15 The Notice to be given to the parties shall be in at least  
16 10-point type in the following form completely filled in:

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

18 TAKE NOTICE

19 County of.....

20 Date Premises Sold or Forfeited .....

21 Certificate No.....

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

23 Sold for Special Assessment of (Municipality)

24 and special assessment number .....

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

26 THIS PROPERTY HAS BEEN SOLD 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 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 for a tax deed which will transfer title and the right to possession of this property if redemption is not made on or before .....

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 ARE URGED TO REDEEM IMMEDIATELY

TO PREVENT LOSS OF PROPERTY

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





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

5           (Source: P.A. 102-528, eff. 1-1-22; 102-813, eff. 5-13-22;  
6 102-1003, eff. 5-27-22; 103-154, eff. 6-30-23; 103-555, eff.  
7 1-1-24.)

8           (35 ILCS 200/22-30)

9           Sec. 22-30. Petition for deed. At any time within 6 months  
10 but not less than 3 months prior to the expiration of the  
11 redemption period for property sold pursuant to judgment and  
12 order of sale under Sections 21-110 through 21-120 or 21-260  
13 or otherwise acquired by the county pursuant to Section 21-90,  
14 the purchaser, or the agent pursuant to Section 21-90, may  
15 file a petition in the circuit court in the same proceeding in  
16 which the judgment and order of sale were entered, asking that  
17 the court direct the county clerk to issue a tax deed if the  
18 property is not redeemed from the sale. The petition shall be  
19 accompanied by the statutory filing fee.

20           Notice of filing the petition and a date for redemption,  
21 after which the petitioner intends to apply for an order to  
22 issue a tax deed if the taxes are not redeemed, shall be given  
23 to occupants, owners and persons interested in the property as  
24 part of the notice provided in Sections 22-10 through 22-25,  
25 except that only one publication is required. The county clerk

1 shall be notified of the filing of the petition and any person  
2 owning or interested in the property may, if he or she desires,  
3 appear in the proceeding.

4 Any owner may appear and object to the tax deed  
5 petitioner's request for an order directing the county clerk  
6 to issue the tax deed notwithstanding that a request for an  
7 excess proceeds sale was made by any owner pursuant to Section  
8 22-100.

9 The changes to this Section made by this amendatory Act of  
10 the 95th General Assembly apply only to matters in which a  
11 petition for tax deed is filed on or after the effective date  
12 of this amendatory Act of the 95th General Assembly.

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

14 (35 ILCS 200/22-40)

15 Sec. 22-40. Issuance of deed; possession.

16 (a) To obtain an order for issuance of tax deed, the  
17 petitioner must provide sufficient evidence that:

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

20 (2) all taxes and special assessments which became due  
21 and payable subsequent to the sale have been paid, unless  
22 the county or its agent, as trustee pursuant to Section  
23 21-90, is the petitioner;

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

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

3 (4) the notices required by law have been given, and  
4 all advancements of public funds under the police power  
5 made by a county, city, village or town under Section  
6 22-35 have been paid; and

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

9 Upon receipt of sufficient evidence of the requirements  
10 under this subsection (a), the court shall find that the  
11 petitioner complied with those requirements and shall enter an  
12 order directing the county clerk, on the production of the tax  
13 certificate and a certified copy of the order, to issue to the  
14 purchaser or its assignee a tax deed. The court shall insist on  
15 strict compliance with Section 22-10 through 22-25. Prior to  
16 the entry of an order directing the issuance of a tax deed, the  
17 petitioner shall furnish the court with a report of  
18 proceedings of the evidence received on the application for  
19 tax deed and the report of proceedings shall be filed and made  
20 a part of the court record.

21 (a-5) If, at the time the order directing issuance of tax  
22 deed is entered, no request for an excess proceeds sale has  
23 been made pursuant to subsections (a) or (b) of Section  
24 22-100, the order shall require the tax deed petitioner to  
25 send via first-class mail to all parties that were named in the  
26 tax deed proceeding and to any party entitled to receive

1 notice pursuant to Section 22-5, a copy of the order along with  
2 a request for an excess proceeds sale form as set forth in  
3 Section 22-100. The order and the request for excess proceeds  
4 sale form shall be sent within 14 days after the order  
5 directing issuance of tax deed is entered. The form shall list  
6 the final date upon which a person may request an excess  
7 proceeds sale under subsection (c) of Section 22-100. The tax  
8 deed petitioner must file a notice of filing and certificate  
9 of mailing in the tax deed proceeding that verifies that the  
10 mailing occurred. The county clerk shall not issue any tax  
11 deed prior to the 91st day after the entry of the order unless  
12 proof is presented to the county clerk that the notice  
13 required by this Section was timely mailed, except in cases  
14 where a request for an excess proceeds sale was made pursuant  
15 to subsection (a) or (b) of Section 22-100. If the notice set  
16 forth in this Section is not mailed within 14 days after the  
17 order is entered, the county clerk shall not issue a tax deed  
18 until proof is presented to the clerk that the mailing  
19 occurred. In that case, the county clerk shall issue a tax deed  
20 only after 90 days have passed from the date the notice was  
21 mailed. A copy of the file stamped notice of filing and  
22 certificate of mailing filed in the tax deed proceeding is  
23 satisfactory proof that the mailing occurred on the date  
24 listed in the notice.

25 (a-10) Every order directing issuance of tax deed shall  
26 list the total amount owed to the holder of the certificate of

1 purchase at the time the order is entered, which shall be paid  
2 to the holder of the certificate of purchase if an excess  
3 proceeds sale is held pursuant to Section 22-105. The total  
4 amount due to the holder of the certificate of purchase shall  
5 include the following amounts:

6 (1) the amount necessary to redeem the property from  
7 the sale as of the last day of the period of redemption  
8 plus interest of 16%;

9 (2) all taxes and special assessments paid or redeemed  
10 by the tax purchaser or the purchaser's assignee that are  
11 not included in the redemption amount, plus any indemnity  
12 fund fees paid as required by subsection (e-5);

13 (3) court reporter fees for the hearing on the  
14 application for tax deed and transcript of the hearing;

15 (4) amounts in satisfaction of municipal liens paid by  
16 the tax purchaser or the tax purchaser's assignee; and

17 (5) reasonable attorney's fees.

18 (b) Except as provided in subsection (e), if taxes for  
19 years prior to the year or years sold are or become delinquent  
20 subsequent to the date of sale, the court shall find that the  
21 lien of those delinquent taxes has been or will be merged into  
22 the tax deed grantee's title if the court determines that the  
23 tax deed grantee or any prior holder of the certificate of  
24 purchase, or any person or entity under common ownership or  
25 control with any such grantee or prior holder of the  
26 certificate of purchase, was at no time the holder of any

1 certificate of purchase for the years sought to be merged. If  
2 delinquent taxes are merged into the tax deed pursuant to this  
3 subsection, the court shall enter an order declaring which  
4 specific taxes have been or will be merged into the tax deed  
5 title and directing the county treasurer and county clerk to  
6 reflect that declaration in the warrant and judgment records;  
7 provided, that no such order shall be effective until a tax  
8 deed has been issued and timely recorded. Nothing contained in  
9 this Section shall relieve any owner liable for delinquent  
10 property taxes under this Code from the payment of the taxes  
11 that have been merged into the title upon issuance of the tax  
12 deed.

13 (c) The county clerk is entitled to a fee of \$10 in  
14 counties of 3,000,000 or more inhabitants and \$5 in counties  
15 with less than 3,000,000 inhabitants for the issuance of the  
16 tax deed, with the exception of deeds issued to the county  
17 pursuant to its authority under Section 21-90. The clerk may  
18 not include in a tax deed more than one property as listed,  
19 assessed and sold in one description, except in cases where  
20 several properties are owned by one person. The fee paid to the  
21 county clerk for the issuance of the tax deed shall be  
22 accompanied by a \$300 indemnity fund fee in counties of  
23 3,000,000 or more inhabitants and a \$100 indemnity fund fee in  
24 counties with less than 3,000,000 inhabitants, with the  
25 exception of deeds issued to the county pursuant to its  
26 authority under Section 21-90. All fees received under this

1 subsection shall be paid by the county clerk to the county  
2 treasurer of the county in which the land is situated for the  
3 purpose of funding the county's indemnity fund established  
4 under Section 21-295.

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

10 (d) The court shall retain jurisdiction to enter orders  
11 pursuant to subsections (b) and (c) of this Section. This  
12 amendatory Act of the 92nd General Assembly and this  
13 amendatory Act of the 95th General Assembly shall be construed  
14 as being declarative of existing law and not as a new  
15 enactment.

16 (e) Prior to the issuance of any tax deed under this  
17 Section, the petitioner must redeem all taxes and special  
18 assessments on the property that are subject to a pending tax  
19 petition filed by a county or its assignee pursuant to Section  
20 21-90.

21 (e-5) Following the expiration of the period of  
22 redemption, the petitioner's payment of (i) any subsequent tax  
23 and special assessment and (ii) any redemption of any sale of  
24 subsequent taxes or forfeiture shall be accompanied by a 10%  
25 indemnity fund fee to be paid by the petitioner. All fees  
26 received under this subsection shall be paid by the collector

1 and county clerk to the county treasurer of the county in which  
2 the land is situated for the purpose of funding the county's  
3 indemnity fund established by Section 21-295. No fees incurred  
4 under this subsection shall be posted to the subject tax sale  
5 pursuant to Section 21-355.

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

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

12 (35 ILCS 200/22-45)

13 Sec. 22-45. Tax deed incontestable unless order appealed  
14 or relief petitioned.

15 (a) Tax deeds issued under Section 22-40 are incontestable  
16 except by appeal from the order of the court directing the  
17 county clerk to issue the tax deed. However, relief from such  
18 order may be had under Sections 2-1203 or 2-1401 of the Code of  
19 Civil Procedure in the same manner and to the same extent as  
20 may be had under those Sections with respect to final orders  
21 and judgments in other proceedings. The grounds for relief  
22 under Section 2-1401 shall be limited to:

- 23 (1) proof that the taxes were paid prior to sale;  
24 (2) proof that the property was exempt from taxation;  
25 (3) proof by clear and convincing evidence that the



1 tax deed had been procured by fraud or deception by the tax  
2 purchaser or his or her assignee; or

3 (4) proof by a person or party holding a recorded  
4 ownership or other recorded interest in the property that  
5 he or she was not named as a party in the publication  
6 notice as set forth in Section 22-20, and that the tax  
7 purchaser or his or her assignee did not make a diligent  
8 inquiry and effort to serve that person or party with the  
9 notices required by Sections 22-10 through 22-30.

10 (b) In cases of the sale of homestead property in counties  
11 with 3,000,000 or more inhabitants, a tax deed may also be  
12 voided by the court upon petition, filed not more than 3 months  
13 after an order for tax deed was entered, if the court finds  
14 that the property was owner occupied on the expiration date of  
15 the period of redemption and that the order for deed was  
16 effectuated pursuant to a negligent or willful error made by  
17 an employee of the county clerk or county collector during the  
18 period of redemption from the sale that was reasonably relied  
19 upon to the detriment of any person having a redeemable  
20 interest. In such a case, the tax purchaser shall be entitled  
21 to the original amount required to redeem the property plus  
22 interest from the sale as of the last date of redemption  
23 together with costs actually expended subsequent to the  
24 expiration of the period of redemption and reasonable  
25 attorney's fees, all of which shall be dispensed from the fund  
26 created by Section 21-295. If an excess proceeds sale has

1 occurred pursuant to Section 22-105, the successful purchaser  
2 shall be entitled to the following amounts, all of which shall  
3 be dispensed from the fund created by Section 21-295:

4 (1) the amount owed to the holder of the certificate  
5 listed in the order directing issuance of tax deed, with  
6 interest at the rate of 1% per month from the date the  
7 successful purchaser paid his or her winning excess  
8 proceeds sale bid until the date of payment pursuant to  
9 this Section;

10 (2) all taxes and special assessments paid or redeemed  
11 by the successful purchaser, the tax deed grantee, or or  
12 the tax deed grantee's successors and assigns, after the  
13 excess proceeds sale, with interest at the rate of 1% per  
14 month from the date any such payment was made until the  
15 date of payment pursuant to this Section;

16 (3) the cost of certification of tax deed order, the  
17 cost of issuance of the tax deed, and the cost of recording  
18 of the tax deed, which shall include any indemnity fund  
19 fees as required by subsection (c) of Section 22-40;

20 (4) the total amount of any excess surplus paid by the  
21 winning bidder at any excess proceeds sale, provided that  
22 the amount bid was in excess of the total amount owed to  
23 the holder of the certificate as listed in the order  
24 directing issuance of tax deed; and

25 (5) reasonable attorney's fees and court costs  
26 actually expended.

1       (c) The treasurer, as trustee of the county indemnity  
2 fund, may file a motion with the court for the release of any  
3 surplus funds held by the clerk of the circuit court as  
4 provided in Section 22-120, and the court shall enter an order  
5 requiring the clerk of the circuit court to release any  
6 surplus funds from the excess proceeds sale to the treasurer  
7 as trustee of the county indemnity fund.

8       ~~(d) In those cases of error where the court vacates the tax~~  
9 ~~deed, it may award the petitioner reasonable attorney's fees~~  
10 ~~and court costs actually expended, payable from that fund.~~ The  
11 court hearing a petition filed under this Section or Section  
12 2-1401 of the Code of Civil Procedure may concurrently hear a  
13 petition filed under Section 21-295 and may grant relief under  
14 any Section.

15       (e) Any owner who requests an excess proceeds sale  
16 pursuant to Section 22-100 shall not be limited to any relief  
17 from the order directing the county clerk to issue the tax deed  
18 as provided in this Section and under and any motion filed  
19 under Sections 2-1203 or 2-1401 of the Code of Civil Procedure  
20 unless an excess proceeds sale occurs. Once the excess  
21 proceeds sale occurs, any owner who made such a request shall  
22 be limited to the results of any excess proceeds sale  
23 regardless if any surplus funds exist. Any surplus funds shall  
24 be recovered only pursuant to the requirements of Section  
25 22-120.

26       This amendatory Act of the 95th General Assembly shall be

1 construed as being declarative of existing law and not as a new  
2 enactment.

3 (Source: P.A. 95-477, eff. 6-1-08.)

4 (35 ILCS 200/22-55)

5 Sec. 22-55. Tax deeds to convey merchantable title.

6 (a) This Section shall be liberally construed so that tax  
7 deeds shall convey merchantable title. In the event the  
8 property has been taken by eminent domain under the Eminent  
9 Domain Act, the tax purchaser shall be entitled to the award  
10 which is the substitute for the property. Tax deeds issued  
11 pursuant to this Section are subject to Section 22-70.

12 (b) Any conveyance from any tax deed grantee, including  
13 any deed issued to the county, a specific county agency, or a  
14 municipality, to a bona fide purchaser shall include a county  
15 indemnity fund charge in the amount of 2.5% of the purchase  
16 price, which shall be paid by the tax deed grantee. The  
17 indemnity fund charge shall be collected by the Illinois  
18 licensed title insurance company that issues an owner's policy  
19 of title insurance from the tax deed grantee to the purchaser  
20 and shall thereafter be paid by the title insurance company to  
21 the county treasurer of the county in which the property is  
22 located, as trustee of the indemnity fund established by  
23 Section 21-295. The title insurance company may charge a  
24 reasonable fee for the collection and turnover of those  
25 charges. This subsection applies to conveyances that occur on

1 or after the effective date of this amendatory Act of the 103rd  
2 General Assembly.

3 (c) In counties of 3,000,000 or more inhabitants, any  
4 conveyance from any tax deed grantee, including any deed that  
5 is issued to the county, to a specific county agency, or to a  
6 municipality, that is not covered in subsection (b) shall  
7 include an indemnity fund fee of \$500 upon recording of the  
8 deed from the tax deed grantee to any grantee. The \$500  
9 indemnity fee received under this subsection shall be paid by  
10 the county recorder or the county clerk to the county  
11 treasurer of the county in which the land is situated and shall  
12 be used for the purpose of funding the county's indemnity fund  
13 established by Section 21-295.

14 (Source: P.A. 94-1055, eff. 1-1-07.)

15 (35 ILCS 200/22-60)

16 Sec. 22-60. Contents of deed; recording.

17 (a) Every tax deed shall contain the full names and the  
18 true post office address and residence of the grantee. A  
19 county receiving a tax deed pursuant to Section 21-90 may  
20 designate a specific county agency to be named as the deed  
21 grantee. It shall not be of any force or effect, and the  
22 recipient shall not take title to the property, until after  
23 the deed has been recorded in the office of the recorder.

24 (b) The cost of recording a tax deed, including, but not  
25 limited to, a tax deed issued to a county, a specific county

1 agency, or a municipality, shall include a \$200 indemnity fund  
2 surcharge fee. All surcharge fees received under this  
3 subsection shall be paid by the county recorder or the county  
4 clerk to the county treasurer of the county in which the land  
5 is situated and shall be used for the purpose of funding the  
6 county's indemnity fund established by Section 21-295.

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

8 (35 ILCS 200/22-75)

9 Sec. 22-75. Deed; prima facie evidence of regularity of  
10 sale.

11 (a) As to the property conveyed therein, tax deeds  
12 executed by the county clerk are prima facie evidence of the  
13 following facts in all controversies and suits in relation to  
14 the rights of the tax deed grantee and his or her heirs or  
15 assigns:

16 (1) the property conveyed was subject to taxation at  
17 the time it was assessed, and was listed and assessed in  
18 the time and manner required by law;

19 (2) the taxes or special assessments were not paid at  
20 any time before the sale;

21 (3) the property was advertised for sale in the manner  
22 and for the length of time required by law;

23 (4) the property was sold for taxes or special  
24 assessments as stated in the deed;

25 (5) the sale was conducted in the manner required by

1 law;

2 (6) the property conveyed was not redeemed from the  
3 sale within the time permitted by law;

4 (7) the grantee in the deed was the purchaser or  
5 assignee of the purchaser.

6 (a-5) No conveyance from a tax deed grantee to a bona fide  
7 purchaser may be challenged on the basis that the former owner  
8 may have suffered a loss of equity. Any such claim must be  
9 adjudicated pursuant to the provisions of Sections 22-100  
10 through 22-120 or 21-305, which provisions shall be the  
11 exclusive remedy for any alleged loss of equity.

12 (b) Any order for the sale of property for delinquent  
13 taxes, except as otherwise provided in this Section, shall  
14 estop all parties from raising any objections to the order or  
15 to a tax title based thereon, which existed at or before the  
16 rendition of the order, and which could have been presented as  
17 a defense to the application for the order. The order itself is  
18 conclusive evidence of its regularity and validity in all  
19 collateral proceedings, except in cases where the tax or  
20 special assessments were paid prior to the sale or the  
21 property was exempt from general taxes or was not subject to  
22 special assessment.

23 (Source: P.A. 88-455; 89-342, eff. 1-1-96.)

24 (35 ILCS 200/22-80)

25 Sec. 22-80. Order of court setting aside tax deed;

1 payments to holder of deed.

2 (a) Any order of court vacating an order directing the  
3 county clerk to issue a tax deed based upon a finding that the  
4 property was not subject to taxation or special assessment, or  
5 that the taxes or special assessments had been paid prior to  
6 the sale of the property, or that the tax sale was otherwise  
7 void, shall declare the tax sale to be a sale in error pursuant  
8 to Section 21-310 of this Act. The order shall direct the  
9 county collector to refund to the tax deed grantee or his or  
10 her successors and assigns (or, if a tax deed has not yet  
11 issued, the holder of the certificate) the following amounts:

12 (1) all taxes and special assessments purchased, paid,  
13 or redeemed by the tax purchaser or his or her assignee, or  
14 by the tax deed grantee or his or her successors and  
15 assigns, whether before or after entry of the order for  
16 tax deed, with interest at the rate of 1% per month from  
17 the date each amount was paid until the date of payment  
18 pursuant to this Section;

19 (2) all costs paid and posted to the judgment record  
20 and not included in paragraph (1) of this subsection (a);  
21 and

22 (3) court reporter fees for the hearing on the  
23 application for tax deed and transcript thereof, the cost  
24 of certification of tax deed order, the cost of issuance  
25 of tax deed, ~~and~~ the cost of recording of tax deed, and any  
26 indemnity fund fees as required by subsection (c) of



1       Section 22-40, subsection (e-5) of Section 22-40,  
2       subsection (b) of 22-50, and subsection (b) of Section  
3       22-60.

4       (a-5) If an excess proceeds sale has occurred pursuant to  
5       Section 22-105, the county collector shall refund to the tax  
6       deed grantee, or to the grantee's successors and assigns, or,  
7       if a tax deed has not yet issued, to the holder of the  
8       certificate of purchase, the following amounts:

9           (1) the amount owed to the holder of the certificate,  
10          which is listed in the order directing issuance of tax  
11          deed, with interest at the rate of 1% per month from the  
12          date the order directing issuance of tax deed was entered  
13          until the date of payment under this Section;

14          (2) all taxes and special assessments paid or redeemed  
15          by the tax purchaser or the tax purchaser's assignee, or  
16          by the tax deed grantee or the grantee's successors and  
17          assigns, after the excess proceeds sale, with interest at  
18          the rate of 1% per month from the date each amount was paid  
19          until the date of payment pursuant to this Section;

20          (3) the cost of certification of tax deed order, the  
21          cost of issuance of tax deed, the cost of recording of tax  
22          deed, and any indemnity fund fees as required by  
23          subsection (d) of Section 22-40, subsection (e-5) of  
24          Section 22-40, subsection (b) of 22-50, subsection (b) of  
25          and 22-60; and

26          (4) the total amount of any excess surplus paid by the

1       winning bidder at any excess proceeds sale, provided that  
2       the amount bid was in excess of the total amount owed to  
3       the holder of the certificate as listed in the order  
4       directing issuance of tax deed with interest at the rate  
5       of 1% per month from the date the winning bidder paid the  
6       amount due at the excess surplus sale until the date of  
7       payment pursuant to this Section. The collector may file a  
8       motion with the court for release of any surplus funds  
9       held by the clerk of the circuit court as provided in  
10       Section 22-120, and the court shall enter an order  
11       requiring the clerk of the circuit court to release any  
12       remaining surplus funds to the collector from that excess  
13       proceeds sale.

14       (b) Except in those cases described in subsection (a) and  
15       (a-5) of this Section, ~~and unless the court on motion of the~~  
16       ~~tax deed petitioner extends the redemption period to a date~~  
17       ~~not later than 3 years from the date of sale,~~ any order of  
18       court finding that an order directing the county clerk to  
19       issue a tax deed should be vacated shall direct the party who  
20       successfully contested the entry of the order to pay to the tax  
21       deed grantee or his or her successors and assigns (or, if a tax  
22       deed has not yet issued, the holder of the certificate) within  
23       90 days after the date of the finding:

24               (1) the amount necessary to redeem the property from  
25               the sale as of the last day of the period of redemption,  
26               except that, if the sale is a scavenger sale pursuant to

1 Section 21-260 of this Act, the redemption amount shall  
2 not include an amount equal to all delinquent taxes on  
3 such property which taxes were delinquent at the time of  
4 sale; and

5 (2) amounts in satisfaction of municipal liens paid by  
6 the tax purchaser or his or her assignee, and the amounts  
7 specified in paragraphs (1) and (3) of subsection (a) of  
8 this Section, to the extent the amounts are not included  
9 in paragraph (1) of this subsection (b).

10 If the payment is not made within the 90-day period, the  
11 petition to vacate the order directing the county clerk to  
12 issue a tax deed shall be denied with prejudice, and the order  
13 directing the county clerk to issue a tax deed shall remain in  
14 full force and effect. No final order vacating any order  
15 directing the county clerk to issue a tax deed shall be entered  
16 pursuant to this subsection (b) until the payment has been  
17 made.

18 (c) Except as described in subsection (a), (a-5), or (b),  
19 any order of the court finding that an order directing the  
20 county clerk to issue a tax deed shall be vacated when an  
21 excess proceeds sale has occurred shall direct the party who  
22 successfully contested the entry of the order to pay to the tax  
23 deed grantee or the grantee's successors and assigns (or, if a  
24 tax deed has not yet issued, to the holder of the certificate)  
25 within 90 days after the date of the finding the following  
26 amounts:

1           (1) the amount owed to the holder of the certificate  
2           that is listed in the order directing issuance of tax  
3           deed, with interest at the rate of 1% per month from the  
4           date the order directing issuance of tax deed was entered  
5           until the date of payment pursuant to this Section;

6           (2) all taxes and special assessments paid or redeemed  
7           by the tax purchaser or his or her assignee, or by the tax  
8           deed grantee or his or her successors and assigns, after  
9           the excess proceeds sale, with interest at the rate of 1%  
10           per month from the date each amount was paid until the date  
11           of payment pursuant to this Section; and

12           (3) the cost of certification of tax deed order, the  
13           cost of issuance of tax deed, the cost of recording of tax  
14           deed, and any indemnity fund surcharge fees as required by  
15           subsection (c) of Sections 22-40, subsection (e-5) of  
16           Section 22-40, subsection (b) of Section 22-50, and  
17           subsection (b) of Section 22-60.

18           If the payment is not made within the 90-day period, the  
19           petition to vacate the order directing the county clerk to  
20           issue a tax deed shall be denied with prejudice, and the order  
21           directing the county clerk to issue a tax deed shall remain in  
22           full force and effect. No final order vacating any order  
23           directing the county clerk to issue a tax deed shall be entered  
24           pursuant to this subsection (c) until the payment has been  
25           made.

26           (d) If the total amount from any excess proceeds sale

1 exceeds the total amount owed to the holder of the certificate  
2 as listed in the order directing issuance of tax deed. The tax  
3 deed grantee or his or her successors and assigns (or, if a tax  
4 deed has not yet issued, the holder of the certificate) may  
5 file a motion with the court for release of any surplus funds  
6 held by the clerk of the circuit court as provided in Section  
7 22-120 and the court shall order the clerk of the circuit court  
8 to release any remaining surplus funds from said sale to the  
9 movant.

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

11 (35 ILCS 200/22-85)

12 Sec. 22-85. Failure to timely take out and record deed;  
13 deed is void. Unless the holder of the certificate purchased  
14 at any tax sale under this Code takes out the deed in the time  
15 provided by law, and records the same within one year from and  
16 after the time for redemption expires, the certificate or  
17 deed, and the sale on which it is based, shall, after the  
18 expiration of the one-year period ~~one-year period~~, be  
19 absolutely void with no right to reimbursement. If the holder  
20 of the certificate is prevented from obtaining or recording a  
21 deed by injunction or order of any court, ~~or~~ by the refusal or  
22 inability of any court to act upon the application for a tax  
23 deed, ~~or~~ by the refusal of the clerk to execute the same deed,  
24 or by the refusal, inability, or delay of any county, city,  
25 village, or incorporated town to issue transfer stamps, the

1 time he or she is so prevented shall be excluded from  
2 computation of the one-year period ~~one-year period~~.  
3 Certificates of purchase and deeds executed by the clerk shall  
4 recite the qualifications required in this Section. The court  
5 shall retain jurisdiction to enter orders pursuant to this  
6 Section.

7 If any owner of the property sold requests an excess  
8 proceeds sale, the time for recording any tax deed shall be  
9 extended pursuant to the requirement of subsection (g) of  
10 Section 22-105.

11 (Source: P.A. 87-669; 88-455.)

12 (35 ILCS 200/22-100 new)

13 Sec. 22-100. Request for excess proceeds sale. Any owner  
14 who has an interest in the property on the date a tax deed  
15 petition is filed with the clerk of the circuit court may  
16 request an excess proceeds sale by:

17 (1) filing a request for an excess proceeds sale with  
18 the county clerk before the final date of redemption; the  
19 clerk shall provide the request form to the person making  
20 the request and, upon completion of the form, shall  
21 immediately mark the request on the tax judgment, sale,  
22 redemption, and forfeiture record; the county clerk may  
23 charge a reasonable fee for such a request and shall  
24 provide a receipt to the person making such request;

25 (2) filing a request for an excess proceeds sale with

1 the clerk of the circuit court for which the tax deed  
2 proceeding is pending before the entry of any tax deed  
3 order; or

4 (3) filing a request for an excess proceeds sale with  
5 the clerk of the circuit court for which the tax deed  
6 proceeding is pending within 90 days after date the tax  
7 deed order is entered or the date the notice required  
8 under Section 22-40 is mailed, whichever is later.

9 An owner's failure to request an excess proceeds sale  
10 shall not affect any rights the owner may have for  
11 indemnification pursuant to Section 21-305.

12 The request for an excess proceeds sale shall be completed  
13 in its entirety by the owner in the following form:

14 REQUEST FOR AN EXCESS PROCEEDS SALE

15 Name of Owner: .....

16 Property Address:.....

17 Property Index Number: .....

18 Sold or Forfeited for General Taxes of (year) Tax Deed  
19 Case Number: .....

20 I, [insert name], am an owner of the above property. If I  
21 cannot redeem my property from the above tax sale, I hereby  
22 request that the court order an excess proceeds sale, and that  
23 I be given an opportunity to claim any surplus funds that may  
24 be collected in excess of the amounts due for taxes,  
25 penalties, costs, and other encumbrances on the property.

26 Date:.....

1        Owner: .....

2        If no request for an excess proceeds sale has been made by  
3 any owner prior to the entry of the tax deed order, the holder  
4 of the certificate of purchase as listed in the tax deed order  
5 shall mail the form for a request for an excess proceeds sale  
6 as set forth in this Section to the persons listed in  
7 subsection (a-5) of Section 22-40 as required by that Section.  
8 The form shall include the date on which the excess proceeds  
9 sale is to be held.

10            (35 ILCS 200/22-105 new)

11        Sec. 22-105. Excess proceeds sale.

12        (a) If an owner makes a written request for an excess  
13 proceeds sale, as set forth in Section 22-100, upon entry of an  
14 order directing the county clerk to issue a tax deed (tax deed  
15 order), the certificate of purchase that is the subject of the  
16 tax deed order shall be sold at an excess proceeds sale in  
17 accordance with this Section.

18        (b) The certificate of purchase shall be sold as provided  
19 in this Section, on such terms and conditions as shall be  
20 specified by the court in the tax deed order. The sale may be  
21 conducted by any licensed title insurance company in the State  
22 of Illinois or by the law firm or attorney who obtained the tax  
23 deed order.

24        (c) The title insurance company, law firm, attorney, or  
25 such other party as is designated by the court shall give



1 public notice of the sale as follows:

2 (1) The notice of sale shall include at least the  
3 following information, but an immaterial error in the  
4 information shall not invalidate the legal effect of the  
5 notice:

6 (A) the name, address, and telephone number of the  
7 person to contact for information regarding the  
8 certificate of purchase and the real estate to which  
9 it pertains;

10 (B) the property address (as identified on the  
11 most recent tax bill, if available); the Property  
12 Index Number listed on the certificate of purchase,  
13 and any other common description, if any, of the real  
14 estate;

15 (C) a legal description of the real estate  
16 sufficient to identify it with reasonable certainty;

17 (D) a description of the improvements on the real  
18 estate;

19 (E) the time and place of the sale;

20 (F) the terms of the sale;

21 (G) the case title, case number, and court in  
22 which the tax deed order was entered;

23 (H) such other information as is ordered by the  
24 court.

25 (2) The notice of sale shall be published once each  
26 week for at least 3 consecutive calendar weeks (Sunday

1 through Saturday). The first such notice shall be  
2 published not more than 45 days before the sale, and the  
3 last such notice shall be published not less than 7 days  
4 before the sale. Notice shall be in the following manner:

5 (A) by advertisement in a newspaper circulated to  
6 the general public in the county in which the real  
7 estate is located, in the section of that newspaper  
8 where legal notices are commonly placed;

9 (B) by separate advertisements in the section of  
10 such a newspaper, which (except in counties with a  
11 population in excess of 3,000,000) may be the same  
12 newspaper, in which real estate other than real estate  
13 being sold as part of legal proceedings is commonly  
14 advertised to the general public; provided that the  
15 separate advertisements in the real estate section  
16 need not include a legal description and that, if both  
17 advertisements could be published in the same  
18 newspaper and that newspaper does not have separate  
19 legal notices and real estate advertisement sections,  
20 a single advertisement with the legal description  
21 shall be sufficient; and

22 (C) by such other publications as may be further  
23 ordered by the court.

24 (3) The party who gives notice of public sale in  
25 accordance with this subsection (c) shall also give notice  
26 to all interested parties who were named in the tax deed

1 proceeding via first-class mail at the addresses used in  
2 the tax deed proceeding and to any attorney or person who  
3 appeared in the proceeding to receive notice. After notice  
4 is given as required in this Section, a copy of the notice  
5 shall be filed in the office of the clerk of the court  
6 entering the tax deed order, together with a certificate  
7 of counsel or other proof that notice has been served in  
8 compliance with this Section.

9 (4) The party who gives notice of public sale in  
10 accordance with this subsection (c) shall again give  
11 notice in accordance with this Section of any canceled  
12 sale; provided, however, that, if the canceled sale is to  
13 occur less than 30 days after the last scheduled sale,  
14 notice of any canceled sale need not be given pursuant to  
15 this Section. In the event of cancellation, the person  
16 conducting the sale shall, upon cancellation, announce the  
17 date, time, and place upon which the adjourned sale shall  
18 be held. Notwithstanding any language to the contrary, for  
19 any canceled sale that is to be conducted more than 60 days  
20 after the date on which it was to first be held, the party  
21 giving notice of the sale shall again give notice in  
22 accordance with this Section.

23 (5) No other notice by publication or posting is  
24 necessary unless required by order or rule of the court.

25 (d) Upon and at the sale of the certificate of purchase,  
26 the person conducting the sale shall give to the purchaser a

1 receipt of sale. The receipt shall describe the real estate  
2 purchased and shall show the amount bid, the amount paid, the  
3 total amount paid to date and the amount still to be paid for  
4 it. An additional receipt shall be given at the time of each  
5 subsequent payment. The holder of the certificate of purchase  
6 identified in the tax deed order may place a credit bid equal  
7 to the total amount as listed in the tax deed order.

8 (e) Upon payment in full of the amount bid, the person  
9 conducting the sale shall assign and deliver the original  
10 certificate of purchase to the winning bidder who shall become  
11 the holder of the certificate of purchase. The sale amount of  
12 the certificate of purchase is prima facia evidence of the  
13 fair market value of the real estate as of the date of the  
14 excess proceeds sale. Any certificate of purchase following a  
15 sale under this Section shall be freely assignable by  
16 endorsement as set forth in Section 21-250.

17 (f) Following a sale as set forth in this Section, the  
18 holder of the certificate of purchase, or the holder's  
19 assignee, shall present the certificate of purchase to the  
20 county clerk in order to obtain a tax deed for the property.

21 (g) Notwithstanding the provisions of Section 22-85, if a  
22 sale occurs under this Section, the winning bidder or the  
23 bidder's assignee shall have one year from the date of the sale  
24 under this Section to take out and record the tax deed. If the  
25 bidder or the bidder's assignee fails to record the tax deed  
26 within one year after the sale under this Section, the

1 certificate or deed, and the sale on which it is based, shall  
2 be absolutely void with no right to reimbursement. If the  
3 holder of the certificate is prevented from obtaining or  
4 recording a deed by injunction or order of any court, by the  
5 refusal or inability of any court to act upon the application  
6 for a tax deed, by the refusal of the clerk to execute the same  
7 deed, or by the refusal, inability, or delay of any county,  
8 city, village, or incorporated town to issue transfer stamps,  
9 then the time during which the holder is so prevented shall be  
10 excluded from computation of the one-year period. The court  
11 shall retain jurisdiction to enter orders pursuant to this  
12 Section.

13 (35 ILCS 200/22-110 new)

14 Sec. 22-110. Excess Proceeds Sale; Indemnity Fund.

15 (a) Upon and at the excess proceeds sale under Section  
16 22-105, the purchaser shall pay to the person conducting the  
17 sale a fee for deposit into the county indemnity fund  
18 established by Section 21-295. The fee shall be \$500 and shall  
19 be paid by the purchaser to the person conducting the sale, as  
20 reflected in the receipt of sale issued to the purchaser. This  
21 fee shall also be paid by the holder of the certificate of  
22 purchase pursuant to any credit bid at the sale. Upon the  
23 completion of the sale, the person conducting the sale shall  
24 remit the fee to the county treasurer as trustee of the county  
25 indemnity fund for the county in which the sale occurred.

1       (b) All fees paid by purchasers under this Section shall  
2 be disbursed within 60 days after receipt by the person  
3 conducting the sale as follows: (i) 95% to the county  
4 treasurer, as trustee of the county indemnity fund for deposit  
5 into the indemnity fund; and (ii) 5% to be retained by the  
6 person conducting the sale to defray administrative expenses  
7 related to implementation of this Section.

8       (c) Not later than March 1 of each year, the county  
9 treasurer, as trustee of the indemnity fund, shall submit to  
10 the county clerk a report of the funds collected and remitted  
11 during the preceding year.

12       (35 ILCS 200/22-115 new)

13       Sec. 22-115. Application of proceeds of sale. The proceeds  
14 resulting from a sale of a certificate of purchase under  
15 Section 22-105 shall be applied in the following order:

16       (1) an amount equal to the cost of facilitating the  
17 excess proceeds sale, including the costs of providing all  
18 notices required by Section 22-105, to the person  
19 appointed by the court to conduct the sale;

20       (2) a reasonable fee for conducting the sale, which  
21 shall not exceed \$1,500, to the person appointed by the  
22 court to conduct the sale; and

23       (3) the amount set forth in the tax deed order to be  
24 paid to the holder of the certificate of purchase at the  
25 time the order was entered.

1 (35 ILCS 200/22-120 new)

2 Sec. 22-120. Surplus distribution.

3 (a) Within 30 days after the completion of the sale, if  
4 there is a surplus following the distributions made pursuant  
5 to Section 22-115, the person conducting the sale shall  
6 deposit all surplus proceeds with the clerk of the circuit  
7 court in the county in which the sale was held until further  
8 order of the court. The surplus shall be held until a person  
9 obtains a court order for its distribution or until, in the  
10 absence of an order, the surplus is forfeited to the State.

11 (b) Within 14 days after any surplus deposit is made to the  
12 clerk of the circuit court, the person appointed by the court  
13 to conduct the sale shall file a notice of deposit of surplus  
14 with the clerk of the circuit court in the same case in which  
15 the tax deed order was entered. The notice shall list the  
16 amount of the surplus and the date on which the surplus was  
17 deposited with the clerk of the circuit court, together with a  
18 certificate of counsel or other proof that notice has been  
19 mailed to the person who made the written request for an excess  
20 proceeds sale and to all persons named in the tax deed  
21 proceeding, via first-class mail at the addresses used in the  
22 tax deed proceeding, and to any attorney or person who  
23 appeared in the proceeding. In addition to the notice of  
24 surplus, a form motion and petition for turnover of surplus  
25 funds must be included.

1       (c) Any owner desiring to make a claim for any surplus  
2 proceeds must file a motion and petition for turnover of  
3 surplus funds in the circuit court and obtain a court order  
4 requiring the circuit court to release any surplus funds. The  
5 circuit court shall retain jurisdiction over the matter and  
6 enter any surplus order requiring the circuit court to release  
7 funds to satisfy all claims in the order of priority.

8       (d) Any owner who requested an Excess Proceeds Sale need  
9 not pay an appearance fee in order to make a motion to claim  
10 any surplus.

11       (e) The county treasurer, as trustee of the county  
12 indemnity fund, may file a motion and petition for turnover of  
13 surplus funds in the circuit court and obtain a court order  
14 requiring the circuit court to release any surplus funds as  
15 authorized by subsection (c) of Section 22-45.

16       (f) The county collector may file a motion and petition  
17 for turnover of surplus funds in the circuit court and obtain a  
18 court order requiring the circuit court to release any surplus  
19 funds as authorized by Section subsection (a-5) of Section  
20 22-80.

21       (g) The tax deed grantee or the grantee's successors and  
22 assigns (or, if a tax deed has not yet issued, the holder of  
23 the certificate) may file a motion and petition for turnover  
24 of surplus funds in the circuit court and obtain a court order  
25 requiring the circuit court to release any surplus funds as  
26 authorized by subsection (d) of Section 22-80.



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