



97TH GENERAL ASSEMBLY

State of Illinois

2011 and 2012

HB3063

Introduced 2/23/2011, by Rep. Brandon W. Phelps

SYNOPSIS AS INTRODUCED:

35 ILCS 200/21-15

Amends the Property Tax Code. Provides that all property upon which the first installment of taxes remains unpaid on the first installment date (now, June 1) shall be deemed delinquent and shall bear interest after the first installment date (now, June 1). Provides that all property upon which the second installment of taxes remains due and unpaid on the second installment date (now, September 1) shall be deemed delinquent and shall bear interest after the second installment date (now, September 1). Effective immediately.

LRB097 09008 PJG 49142 b

HOME RULE NOTE
ACT MAY APPLY

HOUSING
AFFORDABILITY
IMPACT NOTE ACT
MAY APPLY

1 AN ACT concerning revenue.

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

4 Section 5. The Property Tax Code is amended by changing
5 Section 21-15 as follows:

6 (35 ILCS 200/21-15)

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

22 Property not subject to the interest charge in Section
23 9-260 or Section 9-265 shall also not be subject to the

1 interest charge imposed by this Section until such time as the
2 owner of the property receives actual notice of and is billed
3 for the principal amount of back taxes due and owing.

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

25 Notwithstanding any other provision of law, when any unpaid
26 taxes become delinquent under this Section through the fault of

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

1 resulted from inadequate or inaccurate parcel information
2 provided by the mortgagor, a title or abstract company, or by
3 the agency or unit of government assessing the tax.

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

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