



## 97TH GENERAL ASSEMBLY

### State of Illinois

2011 and 2012

SB3250

Introduced 2/1/2012, by Sen. Linda Holmes

#### 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 16916 HLH 62104 b

FISCAL 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.