

AN ACT concerning real property.

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

Section 5. The Code of Civil Procedure is amended by changing Section 12-112 as follows:

(735 ILCS 5/12-112) (from Ch. 110, par. 12-112)

Sec. 12-112. What liable to enforcement. All the lands, tenements, real estate, goods and chattels (except such as is by law declared to be exempt) of every person against whom any judgment has been or shall be hereafter entered in any court, for any debt, damages, costs, or other sum of money, shall be liable to be sold upon such judgment. Any real property, ~~or~~ any beneficial interest in a land trust, or any interest in real property held in a revocable inter vivos trust or revocable inter vivos trusts created for estate planning purposes, held in tenancy by the entirety shall not be liable to be sold upon judgment entered on or after October 1, 1990 against only one of the tenants, except if the property was transferred into tenancy by the entirety with the sole intent to avoid the payment of debts existing at the time of the transfer beyond the transferor's ability to pay those debts as they become due. However, any income from such property shall be subject to garnishment as provided in Part 7 of this Article XII, whether

judgment has been entered against one or both of the tenants.

If the court authorizes the piercing of the ownership veil pursuant to Section 505 of the Illinois Marriage and Dissolution of Marriage Act or Section 15 of the Illinois Parentage Act of 1984, any assets determined to be those of the non-custodial parent, although not held in name of the non-custodial parent, shall be subject to attachment or other provisional remedy in accordance with the procedure prescribed by this Code. The court may not authorize attachment of property or any other provisional remedy under this paragraph unless it has obtained jurisdiction over the entity holding title to the property by proper service on that entity. With respect to assets which are real property, no order entered as described in this paragraph shall affect the rights of bona fide purchasers, mortgagees, judgment creditors, or other lien holders who acquire their interests in the property prior to the time a notice of lis pendens pursuant to this Code or a copy of the order is placed of record in the office of the recorder of deeds for the county in which the real property is located.

This amendatory Act of 1995 (P.A. 89-438) is declarative of existing law.

This amendatory Act of 1997 (P.A. 90-514) is intended as a clarification of existing law and not as a new enactment.

(Source: P.A. 89-88, eff. 6-30-95; 89-438, eff. 12-15-95; 90-476, eff. 1-1-98; 90-514, eff. 8-22-97; 90-655, eff.

7-30-98.)

Section 10. The Joint Tenancy Act is amended by changing Section 1c as follows:

(765 ILCS 1005/1c) (from Ch. 76, par. 1c)

Sec. 1c. Whenever a devise, conveyance, assignment, or other transfer of property, including a beneficial interest in a land trust, maintained or intended for maintenance as a homestead by both husband and wife together during coverture shall be made and the instrument of devise, conveyance, assignment, or transfer expressly declares that the devise or conveyance is made to tenants by the entirety, or if the beneficial interest in a land trust is to be held as tenants by the entirety, the estate created shall be deemed to be in tenancy by the entirety. Where the homestead is held in the name or names of a trustee or trustees of a revocable inter vivos trust or of revocable inter vivos trusts made by the settlors of such trust or trusts who are husband and wife, and the husband and wife are the primary beneficiaries of one or both of the trusts so created, and the deed or deeds conveying title to the homestead to the trustee or trustees of the trust or trusts specifically state that the interests of the husband and wife to the homestead property are to be held as tenants by the entirety, the estate created shall be deemed to be a tenancy by the entirety. Subject to the provisions of paragraph

(d) of Section 2 and unless otherwise assented to in writing by both tenants by the entirety, the estate in tenancy by the entirety so created shall exist only if, and as long as, the tenants are and remain married to each other, and upon the death of either such tenant the survivor shall retain the entire estate; provided that, upon a judgment of dissolution of marriage or of declaration of invalidity of marriage, the estate shall, by operation of law, become a tenancy in common until and unless the court directs otherwise; provided further that the estate shall, by operation of law, become a joint tenancy upon the creation and maintenance by both spouses together of other property as a homestead. A devise, conveyance, assignment, or other transfer to 2 grantees who are not in fact husband and wife that purports to create an estate by the entirety shall be construed as having created an estate in joint tenancy. An estate in tenancy by the entirety may be created notwithstanding the fact that a grantor is or the grantors are also named as a grantee or the grantees in a deed. No deed, contract for deed, mortgage, or lease of homestead property held in tenancy by the entirety shall be effective unless signed by both tenants. This Section shall not apply to nor operate to change the effect of any devise or conveyance.

This amendatory Act of 1995 is declarative of existing law.
(Source: P.A. 92-136, eff. 1-1-02.)