

PREVAILED	Roll Call No. _____
FAILED	Ayes _____
WITHDRAWN	Noes _____
RULED OUT OF ORDER	

HOUSE MOTION _____

MR. SPEAKER:

I move that House Bill 1272 be amended to read as follows:

- 1 Delete everything after the enacting clause and insert the
- 2 following:
- 3 SECTION 1. IC 6-1.1-24-1.2, AS AMENDED BY P.L.30-1994,
- 4 SECTION 5, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
- 5 JULY 1, 1998]: Sec. 1.2. (a) **Except as provided in subsection (c)**, a
- 6 tract or an item of real property may not be removed from the list
- 7 certified under section 1 of this chapter before the tax sale unless all
- 8 delinquent taxes, special assessments, penalties due on the
- 9 delinquency, interest, and costs directly attributable to the tax sale have
- 10 been paid in full.
- 11 (b) A county treasurer may accept partial payments of delinquent
- 12 property taxes, assessments, penalties, interest, or costs under
- 13 subsection (a) after the list of real property is certified under section 1
- 14 of this chapter.
- 15 (c) **The county auditor in a county having a population of more**
- 16 **than four hundred thousand (400,000) but less than seven hundred**
- 17 **thousand (700,000) may remove a tract or an item of real property**
- 18 **from the list certified under section 1 of this chapter before the tax**
- 19 **sale if the county treasurer and the taxpayer agree to a mutually**
- 20 **satisfactory arrangement for the payment of the delinquent taxes.**
- 21 (d) **The county treasurer may remove the tract or item from**
- 22 **the list certified under section 1 of this chapter if the arrangement**
- 23 **described in subsection (c):**
- 24 (1) **is in writing;**

- 1 (2) is signed by the taxpayer; and
 2 (3) requires the taxpayer to pay the delinquent taxes in full
 3 within one (1) year of the date the agreement is signed.

4 (e) If the taxpayer fails to make a payment under the
 5 arrangement, the county auditor shall immediately place the tract
 6 or item of real property on the list of real property eligible for sale
 7 at a tax sale.

8 (f) If the tract or item of real property subject to a payment
 9 arrangement is within the jurisdiction of a city having a population
 10 of more than one hundred thousand (100,000) but less than one
 11 hundred twenty thousand (120,000), the county auditor shall notify
 12 the mayor of the city of the arrangement.

13 SECTION 2. IC 6-1.1-24-5.6 IS ADDED TO THE INDIANA
 14 CODE AS A NEW SECTION TO READ AS FOLLOWS
 15 [EFFECTIVE JULY 1, 1998]: **Sec. 5.6. (a) This section applies to a**
 16 **city having a population of more than one hundred ten thousand**
 17 **(110,000) but less than one hundred twenty thousand (120,000).**

18 (b) If:

19 (1) a tract or an item of real property within the jurisdiction
 20 of the city is offered for sale under sections 1 through 5 of
 21 this chapter; and

22 (2) an amount is not received that is at least equal to the
 23 minimum sale price required under section 5(e) of this
 24 chapter;

25 the tract or an item of real property may be offered for sale a
 26 second time consistent with the provisions of sections 1 through 5
 27 of this chapter or subsection (c).

28 (c) Notwithstanding any other law, if:

29 (1) a tract or an item of real property within the jurisdiction
 30 of the city is offered for sale under sections 1 through 5 of
 31 this chapter;

32 (2) an amount is not received that is at least equal to the
 33 minimum sale price required under section 5(e) of this
 34 chapter; and

35 (3) the county auditor and the mayor of the city jointly agree
 36 to an expedited tax sale under this subsection;

37 the city may offer the tract or item of real property for sale a
 38 second time on a date that is on or after January 1 and before
 39 March 31 of the year immediately following the year in which the
 40 property was initially offered for sale and at least ninety (90) days
 41 after the date of the initial sale.

42 (d) All notice and judgment requirements set forth in this
 43 chapter and IC 6-1.1-25 are applicable to the second expedited tax
 44 sale under subsection (c).

45 (f) If the city offers a tract or item of real property for sale at
 46 an expedited sale under subsection (c), the county may not offer the

1 tract or item of real property for sale under section 5.5 of this
2 chapter.

3 (g) This section expires June 30, 2001.

4 SECTION 3. IC 6-1.1-24-6.6 IS ADDED TO THE INDIANA
5 CODE AS A NEW SECTION TO READ AS FOLLOWS
6 [EFFECTIVE JULY 1, 1998]: **Sec. 6.6. (a) This section applies to a**
7 **city having a population of more than one hundred ten thousand**
8 **(110,000) but less than one hundred twenty thousand (120,000).**

9 (b) When a tract or an item of real property is offered for sale
10 under section 5.6 of this chapter and an amount is not received
11 equal to or in excess of the minimum sale price prescribed in
12 section 5(e) of this chapter, the city acquires a lien in the amount
13 of the minimum sale price. This lien attaches on the day after the
14 last date on which the tract or item was offered for sale under
15 section 5.6 of this chapter.

16 (c) When a city acquires a lien under this section, the county
17 auditor shall issue a tax sale certificate to the city in the manner
18 provided in section 9 of this chapter. The county auditor shall date
19 the certificate the day that the city acquires the lien. When a city
20 acquires a certificate under this section, the city has the same
21 rights as a purchaser. However, the city shall hold the property for
22 the taxing units described in subsection (d).

23 (d) When a lien is acquired by the city under this section, no
24 money shall be paid by the city. However, each of the taxing units
25 having an interest in the taxes on the tract shall be credited with
26 the full amount of all delinquent taxes due them.

27 (e) This section expires June 30, 2001.

28 SECTION 4. IC 6-1.1-24-9, AS AMENDED BY P.L.56-1996,
29 SECTION 6, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
30 JULY 1, 1998]: **Sec. 9. (a) Immediately after a tax sale purchaser pays**
31 **his bid, as evidenced by the receipt of the county treasurer, or**
32 **immediately after the county acquires a lien under section 6 of this**
33 **chapter or a city acquires a lien under section 6.6 of this chapter,**
34 **the county auditor shall deliver a certificate of sale to the purchaser or**
35 **to the county or to the city. The certificate shall be signed by the**
36 **auditor and registered in his office. The certificate shall contain:**

- 37 (1) a description of real property which corresponds to the
38 description used on the notice of sale;
39 (2) the name of the former owner, if known;
40 (3) the name of the purchaser;
41 (4) the date of sale;
42 (5) the amount for which the real property was sold;
43 (6) the amount of the minimum bid for which the tract or real
44 property was offered at the time of sale as required by section 5
45 of this chapter; and
46 (7) the date when the purchaser is first entitled to request a deed

1 to the property.

2 (b) When a certificate of sale is issued under this section, the
3 purchaser acquires a lien against the real property for the entire amount
4 that he paid. The lien of the purchaser is superior to all liens against the
5 real property which exist at the time the certificate is issued.

6 (c) A certificate of sale is assignable. However, an assignment is
7 not valid unless it is endorsed on the certificate of sale, acknowledged
8 before an officer authorized to take acknowledgments of deeds, and
9 registered in the office of the county auditor. When a certificate of sale
10 is assigned, the assignee acquires the same rights and obligations that
11 the original purchaser acquired.

12 SECTION 5. IC 6-1.1-25-4.2 IS ADDED TO THE INDIANA
13 CODE AS A NEW SECTION TO READ AS FOLLOWS
14 [EFFECTIVE JULY 1, 1998]: **Sec. 4.2. (a) This section applies to a**
15 **city having a population of more than one hundred ten thousand**
16 **(110,000) but less than one hundred twenty thousand (120,000)**

17 (b) **If a certificate of sale is issued to a purchaser under**
18 **IC 6-1.1-24-9 and the real property is not redeemed within one**
19 **hundred twenty (120) days after the date of sale under**
20 **IC 6-1.1-24-5.6(b), as extended by compliance with the notice**
21 **provisions in section 4.5 of this chapter, the county auditor shall,**
22 **upon receipt of the certificate and subject to the limitations**
23 **contained in this chapter, execute and deliver a deed for the**
24 **property to the purchaser.**

25 (c) **If a certificate of sale is issued to the city under**
26 **IC 6-1.1-24-9, and the real property is not redeemed within one**
27 **hundred twenty (120) days after the date of the sale, the county**
28 **auditor shall, upon receipt of the certificate and subject to the**
29 **limitations in this chapter, issue a deed for the property to the city.**

30 (d) **The county auditor shall execute deeds issued under this**
31 **section in the name of the state under the county auditor's name**
32 **and seal. If a certificate of sale is lost before the execution of a**
33 **deed, the county auditor shall, subject to the limitations in this**
34 **chapter, execute and deliver a deed if the court has made a finding**
35 **that the certificate did exist.**

36 (e) **When a deed for real property is executed under this**
37 **section, the county auditor shall cancel the certificate of sale and**
38 **file the canceled certificate in the office of the county auditor.**

39 (f) **When a deed is issued to the city under this section, the**
40 **taxes and special assessments for which the real property was**
41 **offered for sale, and all subsequent taxes, special assessments,**
42 **interest, penalties, and costs of sale shall be removed from the tax**
43 **duplicate in the same manner that taxes are removed by certificate**
44 **of error.**

45 (g) **A tax deed executed under this section vests in the grantee**
46 **an estate in fee simple absolute, free and clear of all liens and**

1 encumbrances created or suffered before or after the tax sale
 2 except those liens granted priority under federal law and the lien
 3 of the state or a political subdivision for taxes and special
 4 assessments that accrue subsequent to the sale and that are not
 5 removed under subsection (f). However, the estate is subject to all
 6 easements, covenants, declarations, and other deed restrictions and
 7 laws governing land use, including all zoning restrictions and liens
 8 and encumbrances created or suffered by the purchaser at the tax
 9 sale. The deed is prima facie evidence of:

10 (1) the regularity of the sale of the real property described in
 11 the deed;

12 (2) the regularity of all proper proceedings; and

13 (3) valid title in fee simple in the grantee of the deed.

14 (h) Notwithstanding the provisions of subsection (c), a county
 15 auditor is not required to execute a deed to the city under
 16 subsection (c) if the mayor determines that the property involved
 17 contains hazardous waste or another environmental hazard for
 18 which the cost of abatement or alleviation will exceed the fair
 19 market value of the property.

20 (i) **This section expires September 30, 2001.**

21 SECTION 6. IC 6-1.1-25-5.5 IS AMENDED TO READ AS
 22 FOLLOWS [EFFECTIVE JULY 1, 1998]: Sec. 5.5. (a) The deed given
 23 by the county auditor to a county which acquired property under
 24 IC 6-1.1-24-6, or to a city agency which acquired property under
 25 IC 36-7-17, shall be in a form prescribed by the state board of accounts
 26 and approved by the attorney general.

27 (b) **The deed given by the county auditor to a city that acquires**
 28 **property under IC 6-1.1-24-6.6 must be in a form prescribed by the**
 29 **state board of accounts and approved by the attorney general.**

30 SECTION 7. IC 6-1.1-25-7, AS AMENDED BY P.L.2-1995,
 31 SECTION 28, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 32 JULY 1, 1998]: Sec. 7. (a) The holder of a certificate of sale, or his
 33 successors or assigns, shall have the county auditor execute a deed to
 34 the real property within two (2) years after the date of the sale. If the
 35 purchaser, or his successors or assigns, fails to have the county auditor
 36 execute a deed within that time period, the purchaser's lien against the
 37 real property terminates at the end of the time period. However, this
 38 section does not apply if the county **or city** is the holder of the
 39 certificate of sale.

40 (b) If the purchaser does not provide notice prior to the expiration
 41 of the period of redemption as specified in IC 6-1.1-25-4.5, the
 42 purchaser's lien against the real property terminates thirty-one (31) days
 43 after the expiration of the redemption period.

44 SECTION 8. IC 6-1.1-25-9.5 IS ADDED TO THE INDIANA
 45 CODE AS A NEW SECTION TO READ AS FOLLOWS
 46 [EFFECTIVE JULY 1, 1998]: **Sec. 9.5. (a) This section applies to a**

1 city having a population of more than one hundred ten thousand
2 (110,000) but less than one hundred twenty thousand (120,000).

3 (b) Whenever a city acquires title to real property under
4 IC 6-1.1-24 and this chapter, the city may dispose of the real
5 property under IC 36-1-11 or subsection (f). The proceeds of a sale
6 under IC 36-1-11 must be applied as follows:

7 (1) First, to the cost of the sale, including the cost of
8 maintenance, preservation, and administration of the
9 property before sale, including prior unpaid costs of sales,
10 preparation of the property for sale, advertising, and
11 appraisal.

12 (2) Second, to the payment of the taxes that were removed
13 from the tax duplicate under section 4.2(f) of this chapter.

14 (3) Third, any surplus remaining must be deposited in the
15 city's general fund.

16 (c) The mayor or the mayor's designee shall file a report with
17 the county board of commissioners before January 31. The report
18 must:

19 (1) list the real property acquired under IC 6-1.1-24 and this
20 chapter; and

21 (2) indicate if a person resides or conducts a business on the
22 property.

23 (d) The city shall mail a notice by certified mail before
24 March 31 of each year to each person listed in subsection (c)(2).
25 The notice must state that the city has acquired title to the tract the
26 person occupies.

27 (e) If the city determines under IC 36-1-11 that real property
28 acquired under IC 6-1.1-24 or this chapter must be retained by the
29 city, the city may not dispose of the real property. The mayor or
30 the mayor's designee may repair, maintain, equip, alter, and
31 construct buildings upon the real property retained under this
32 section in the same manner prescribed for other city buildings.

33 (f) The city may transfer title to real property described in
34 subsection (b) to its redevelopment commission at no cost to the
35 commission for sale or grant under IC 36-7-14-22.1. However, the
36 city may not transfer title to real property under this subsection
37 unless the city fiscal body approves the transfer under
38 IC 36-1-11-3.

39 (g) This section expires December 31, 2001.

40 SECTION 9. IC 36-1-11-3, AS AMENDED BY P.L.82-1995,
41 SECTION 9, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
42 JULY 1, 1998]: Sec. 3. (a) This section does not apply to the disposal
43 of real property under section 5, 5.5, or 8 of this chapter.

44 (b) Disposal of real property under this chapter is subject to the
45 approval of:

46 (1) the executive of the political subdivision or agency; or

1 (2) the fiscal body of the political subdivision or agency, if there
2 is no executive.

3 The executive or fiscal body may not approve a disposal of property
4 without conducting a public hearing after giving notice under IC 5-3-1.
5 However, in a municipality the executive shall designate a board or
6 commission of the municipality to give notice, conduct the hearing, and
7 notify the executive of its recommendation.

8 (c) In addition, the fiscal body of a unit must approve:

9 (1) every sale of real property having an appraised value of fifty
10 thousand dollars (\$50,000) or more;

11 (2) every lease of real property for which the total annual rental
12 payments will be twenty-five thousand dollars (\$25,000) or
13 more; and

14 (3) every transfer of real property under section 14 or 15 of this
15 chapter.

16 **(d) Notwithstanding subsection (c), the fiscal body of a city**
17 **having a population of more than one hundred ten thousand**
18 **(110,000) but less than one hundred twenty thousand (120,000)**
19 **must approve:**

20 **(1) every sale of real property having an appraised value of**
21 **ten thousand dollars (\$10,000) or more;**

22 **(2) every lease of real property for which the total annual**
23 **rental payments will be five thousand dollars (\$5,000) or**
24 **more;**

25 **(3) every transfer of real property under section 14 or 15 of**
26 **this chapter; and**

27 **(4) every transfer of real property under IC 36-7-14-22.1.**

28 (Reference is to HB 1272 as printed January 29, 1998.)

Representative V. Smith