

January 29, 1998

HOUSE BILL No. 1272

DIGEST OF HB 1272 (Updated January 28, 1998 6:31 pm - DI 58)

Citations Affected: IC 6-1.1.

Synopsis: Tax sales in Gary and East Chicago. Allows the City of Gary and the City of East Chicago to hold tax sales of properties within the cities' jurisdictions that have delinquent taxes and are eligible for tax sale. Provides for the execution of tax deeds to the City of Gary and the City of East Chicago if the property is not purchased at the tax sale. Provides that the cities may not conduct tax sales after June 30, 2001.

Effective: See text of bill.

V. Smith

January 13, 1998, read first time and referred to Committee on Ways and Means.
January 28, 1998, amended, reported — Do Pass.

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HB 1272—LS 7064/DI 92



January 29, 1998

Second Regular Session 110th General Assembly (1998)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 1997 General Assembly.

HOUSE BILL No. 1272

A BILL FOR AN ACT to amend the Indiana Code concerning taxation.

Be it enacted by the General Assembly of the State of Indiana:

- 1 SECTION 1. IC 6-1.1-24-15 IS ADDED TO THE INDIANA CODE
2 AS A **NEW SECTION** TO READ AS FOLLOWS [EFFECTIVE
3 UPON PASSAGE]: (a) **This section applies to the following:**
4 (1) **A city having a population of more than one hundred**
5 **thousand (100,000) but less than one hundred twenty**
6 **thousand (120,000).**
7 (2) **A city having a population of more than thirty-three**
8 **thousand eight hundred fifty (33,850) but less than thirty-five**
9 **thousand (35,000).**
10 (b) **Within fifteen (15) days after a list of delinquent properties**
11 **prepared under section 1 of this chapter is certified to the county**
12 **auditor, the county auditor shall notify the mayor that the list is**
13 **available for inspection. Upon notification, the mayor or the**
14 **mayor's designee may examine the list to determine whether there**
15 **are properties on the list that are within the city's jurisdiction.**
16 (c) **If the mayor or the mayor's designee determines that any of**
17 **the properties included on the list are within the city's jurisdiction,**

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1 the mayor or the mayor's designee shall notify the county auditor
2 that the city wishes to hold a tax sale of certain properties on the
3 list. The mayor or the mayor's designee shall specifically identify
4 the parcels or tracts that the city wishes to include in a tax sale.
5 The mayor or the mayor's designee shall provide the notice
6 required by this subsection to the county auditor within fifteen (15)
7 days after the county auditor notifies the mayor that the tax sale
8 list is available for inspection.

9 (d) Upon receiving notification that the city wishes to hold a tax
10 sale, the county auditor shall authorize the city to hold a tax sale.
11 The county auditor shall also remove the parcels or tracts specified
12 by the city from the list prepared under section 1 of this chapter.

13 (e) The county auditor shall place on a separate tax sale list the
14 parcels or tracts that will be included in the city's tax sale. Except
15 as otherwise provided in this section, the city has the same rights
16 and obligations as the county under this chapter and IC 6-1.1-25
17 with respect to the tax sale. A purchaser at a tax sale held under
18 this section has the same rights and obligations as a purchaser
19 under this chapter and IC 6-1.1-25 with respect to the tax sale.

20 (f) The city may request that the county auditor issue to the city
21 a tax sale certificate for property that is offered for sale under this
22 section but does not receive an amount that is at least equal to the
23 minimum sale price required under section 5(e) of this chapter.

24 (g) Upon receiving a request under subsection (f), the auditor
25 shall immediately issue to the city instead of the county the
26 requested tax sale certificate. The tax sale certificate entitles the
27 city to a lien on the property in the amount of the minimum sale
28 price. In addition, the city acquires the same rights as a purchaser,
29 including the right to sell, assign, or transfer the tax sale certificate
30 to another.

31 (h) When a tax sale certificate is issued to a city, no money shall
32 be paid by the city.

33 (i) The city may waive all or part of the tax lien on the property,
34 and it may sell, assign, or transfer the tax sale certificate to another
35 for an amount less than the tax lien.

36 (j) This subsection applies to the sale of a property on which at
37 least six (6) property tax installments are due. If a certificate of sale
38 is issued to the city under this section and the real property is not
39 redeemed within one hundred twenty (120) days after the city
40 acquires a lien on the property under this section, the county
41 auditor shall, upon receipt of the certificate and subject to the
42 limitations contained in IC 6-1.1-25, execute and deliver a deed for

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1 the property to the city. The county auditor shall execute deeds
 2 issued under this section in the name of the state under the county
 3 auditor's name and seal. If a certificate of sale is lost before the
 4 execution of a deed, the county auditor shall, subject to the
 5 limitations in IC 6-1.1-25, execute and deliver a deed if the court
 6 has made a finding that the certificate did exist.

7 (k) This subsection applies to the sale of a property on which not
 8 more than five (5) property tax installments are due. If a certificate
 9 of sale is issued to the city under this section and the real property
 10 is not redeemed within one (1) year after the city acquires a lien on
 11 the property under this section, the county auditor shall, upon
 12 receipt of the certificate and subject to the limitations contained in
 13 IC 6-1.1-25, execute and deliver a deed for the property to the city.
 14 The county auditor shall execute deeds issued under this section in
 15 the name of the state under the county auditor's name and seal. If
 16 a certificate of sale is lost before the execution of a deed, the county
 17 auditor shall, subject to the limitations in IC 6-1.1-25, execute and
 18 deliver a deed if the court has made a finding that the certificate
 19 did exist.

20 (l) When a deed for real property is executed under this section,
 21 the county auditor shall cancel the certificate of sale and file the
 22 canceled certificate in the office of the county auditor.

23 (m) When a deed is issued to the city under this section, the
 24 taxes and special assessments for which the real property was
 25 offered for sale, and all subsequent taxes, special assessments,
 26 interest, penalties, and costs of sale shall be removed from the tax
 27 duplicate in the same manner that taxes are removed by certificate
 28 of error.

29 (n) A tax deed executed under this section vests in the city an
 30 estate in fee simple absolute, free and clear of all liens and
 31 encumbrances created or suffered before or after the tax sale
 32 except those liens granted priority under federal law and the lien
 33 of the state or a political subdivision for taxes and special
 34 assessments that accrue subsequent to the sale and that are not
 35 removed under subsection (m). However, the estate is subject to all
 36 easements, covenants, declarations, and other deed restrictions and
 37 laws governing land use, including all zoning restrictions and liens
 38 and encumbrances created or suffered by the purchaser at the tax
 39 sale. The deed is prima facie evidence of:

- 40 (1) the regularity of the sale of the real property described in
 41 the deed;
 42 (2) the regularity of all proper proceedings; and



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1 **(3) valid title in fee simple in the grantee of the deed.**
2 **(o) This section expires June 30, 2001.**
3 **SECTION 2. An emergency is declared for this act.**

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COMMITTEE REPORT

Mr. Speaker: Your Committee on Ways and Means, to which was referred House Bill 1272, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:

Delete everything after the enacting clause and insert the following:

(SEE TEXT OF BILL)

and when so amended that said bill do pass.

(Reference is to House Bill 1272 as introduced.)

BAUER, Chair

Committee Vote: yeas 14, nays 3.

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