March 13, 2007

ENGROSSED
HOUSE BILL No. 1211

DIGEST OF HB 1211 (Updated March 7, 2007 2:32 pm - DI 87)

Citations Affected: IC 6-1.1; noncode.

Synopsis: Tax sales. Limits the circumstances under which a tax sale purchaser may terminate the purchase before conclusion and receive a refund of a part of the purchase price. Reduces the amount of the refund. Requires reinstatement and collection of any remaining delinquencies after the terminated purchase. Provides a procedure for searching the records for an alternative mailing address when service of notice of an order for the sale of property for delinquent property taxes is initially unsuccessful. Eliminates an obsolete reference to the dates when a tax sale must be held. Reduces the period before a tax sale may be conducted when property has been offered at sales without success. Prohibits a tax sale purchaser who fails to make payment and complete the sale from participating in the next succeeding tax sale in the county. Permits a tax sale to be conducted by electronic means. Provides that any civil penalty collected because a purchaser fails to pay the bid must be deposited in the county general fund and not the common school fund. Requires a purchaser of property at a tax sale to certify certain additional costs that must be paid by a redeeming property owner not earlier than 30 days after the tax sale. Requires pleadings and motions related to a defense to a judgment and order of sale to be served on the county auditor and county treasurer. Permits a county before August 1, 2007, to use the expedited sale procedures repealed by HEA 1102-2006 for property that failed to sell at a tax sale conducted before 2007.

Effective: Upon passage; July 1, 2007.

Van Haaften, Buck, Tyler

(SENATE SPONSORS — BOOTS, BRODEN)

January 11, 2007, read first time and referred to Committee on Government and Regulatory Reform.
February 15, 2007, reported — Do Pass.
February 19, 2007, read second time, ordered engrossed. Engrossed.
February 20, 2007, read third time, passed. Yeas 95, nays 0.

SENATE ACTION

February 27, 2007, read first time and referred to Committee on Local Government and Elections.
March 12, 2007, amended, reported favorably — Do Pass.

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March 13, 2007

First Regular Session 115th General Assembly (2007)

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 2006 Regular Session of the General Assembly.

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ENGROSSED HOUSE BILL No. 1211

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

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

SECTION 1. IC 6-1.1-24-2, AS AMENDED BY P.L.169-2006, SECTION 15, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 2. (a) In addition to the delinquency list required under section 1 of this chapter, each county auditor shall prepare a notice. The notice shall contain the following:

(1) A list of tracts or real property eligible for sale under this chapter.

(2) A statement that the tracts or real property included in the list will be sold at public auction to the highest bidder, subject to the right of redemption.

(3) A statement that the tracts or real property will not be sold for an amount which is less than the sum of:

(A) the delinquent taxes and special assessments on each tract or item of real property;

(B) the taxes and special assessments on each tract or item of real property that are due and payable in the year of the sale, whether or not they are delinquent;

(C) all penalties due on the delinquencies;
(D) an amount prescribed by the county auditor that equals the sum of:
(i) the greater of twenty-five dollars ($25) or postage and publication costs; and
(ii) any other actual costs incurred by the county that are directly attributable to the tax sale; and
(E) any unpaid costs due under subsection (b) from a prior tax sale.

(4) A statement that a person redeeming each tract or item of real property after the sale must pay:
(A) one hundred ten percent (110%) of the amount of the minimum bid for which the tract or item of real property was offered at the time of sale if the tract or item of real property is redeemed not more than six (6) months after the date of sale;
(B) one hundred fifteen percent (115%) of the amount of the minimum bid for which the tract or item of real property was offered at the time of sale if the tract or item of real property is redeemed more than six (6) months after the date of sale;
(C) the amount by which the purchase price exceeds the minimum bid on the tract or item of real property plus ten percent (10%) per annum on the amount by which the purchase price exceeds the minimum bid; and
(D) all taxes and special assessments on the tract or item of real property paid by the purchaser after the tax sale plus interest at the rate of ten percent (10%) per annum on the amount of taxes and special assessments paid by the purchaser on the redeemed property.

(5) A statement for informational purposes only, of the location of each tract or item of real property by key number, if any, and street address, if any, or a common description of the property other than a legal description. The township assessor, upon written request from the county auditor, shall provide the information to be in the notice required by this subsection. A misstatement in the key number or street address does not invalidate an otherwise valid sale.

(6) A statement that the county does not warrant the accuracy of the street address or common description of the property.

(7) A statement indicating:
(A) the name of the owner of each tract or item of real property with a single owner; or

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(B) the name of at least one (1) of the owners of each tract or item of real property with multiple owners.

(8) A statement of the procedure to be followed for obtaining or objecting to a judgment and order of sale, that must include the following:

(A) A statement:

(i) that the county auditor and county treasurer will apply on or after a date designated in the notice for a court judgment against the tracts or real property for an amount that is not less than the amount set under subdivision (3), and for an order to sell the tracts or real property at public auction to the highest bidder, subject to the right of redemption; and

(ii) indicating the date when the period of redemption specified in IC 6-1.1-25-4 will expire.

(B) A statement that any defense to the application for judgment must be:

(i) filed with the court; **and**

(ii) served on the county auditor and the county treasurer;

before the date designated as the earliest date on which the application for judgment may be filed.

(C) A statement that the county auditor and the county treasurer are entitled to receive all pleadings, motions, petitions, and other filings related to the defense to the application for judgment.

~~(C)~~ **(D)** A statement that the court will set a date for a hearing at least seven (7) days before the advertised date and that the court will determine any defenses to the application for judgment at the hearing.

(9) A statement that the sale will be conducted at a place designated in the notice and that the sale will continue until all tracts and real property have been offered for sale.

(10) A statement that the sale will take place at the times and dates designated in the notice. ~~The sale must take place on or after August 1 and before November 1 of each year.~~ **Whenever the public auction is to be conducted as an electronic sale, the notice must include a statement indicating that the public auction will be conducted as an electronic sale and a description of the procedures that must be followed to participate in the electronic sale.**

(11) A statement that a person redeeming each tract or item after the sale must pay the costs described in IC 6-1.1-25-2(e).

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(12) If a county auditor and county treasurer have entered into an agreement under IC 6-1.1-25-4.7, a statement that the county auditor will perform the duties of the notification and title search under IC 6-1.1-25-4.5 and the notification and petition to the court for the tax deed under IC 6-1.1-25-4.6.

(13) A statement that, if the tract or item of real property is sold for an amount more than the minimum bid and the property is not redeemed, the owner of record of the tract or item of real property who is divested of ownership at the time the tax deed is issued may have a right to the tax sale surplus.

(14) If a determination has been made under subsection (d), a statement that tracts or items will be sold together.

(b) If within sixty (60) days before the date of the tax sale the county incurs costs set under subsection (a)(3)(D) and those costs are not paid, the county auditor shall enter the amount of costs that remain unpaid upon the tax duplicate of the property for which the costs were set. The county treasurer shall mail notice of unpaid costs entered upon a tax duplicate under this subsection to the owner of the property identified in the tax duplicate.

(c) The amount of unpaid costs entered upon a tax duplicate under subsection (b) must be paid no later than the date upon which the next installment of real estate taxes for the property is due. Unpaid costs entered upon a tax duplicate under subsection (b) are a lien against the property described in the tax duplicate, and amounts remaining unpaid on the date the next installment of real estate taxes is due may be collected in the same manner that delinquent property taxes are collected.

(d) The county auditor and county treasurer may establish the condition that a tract or item will be sold and may be redeemed under this chapter only if the tract or item is sold or redeemed together with one (1) or more other tracts or items. Property may be sold together only if the tract or item is owned by the same person.

SECTION 2. IC 6-1.1-24-4, AS AMENDED BY P.L.169-2006, SECTION 18, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 4. (a) Not less than twenty-one (21) days before the earliest date on which the application for judgment and order for sale of real property eligible for sale may be made, the county auditor shall send a notice of the sale by certified mail, **return receipt requested,** to:

(1) the owner of record of real property with a single owner; or

(2) ~~to~~ at least one (1) of the owners, **as of the date of certification,** of real property with multiple owners;

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at the last address of the owner for the property as indicated in the records of the county auditor **on the date that the tax sale list is certified. In addition, the county auditor shall mail a duplicate notice to the owner of record, as described in subdivisions (1) and (2), by first class mail to the owners from whom the certified mail return receipt was not signed and returned. Additionally, the county auditor may determine that mailing a first class notice to or serving a notice on the property is a reasonable step to notify the owner, if the address of the owner is not the same address as the physical location of the property. If both notices are returned due to incorrect or insufficient addresses, the county auditor shall research the county auditor records to determine a more complete or accurate address. If a more complete or accurate address is found, the county auditor shall resend the notices to the address that is found in accordance with this section. Failure to obtain a more complete or accurate address does not invalidate an otherwise valid sale.** The county auditor shall prepare the notice in the form prescribed by the state board of accounts. The notice must set forth the key number, if any, of the real property and a street address, if any, or other common description of the property other than a legal description. The notice must include the statement set forth in section 2(a)(4) of this chapter. The county auditor must present proof of this mailing to the court along with the application for judgment and order for sale. Failure by an owner to receive or accept the notice required by this section does not affect the validity of the judgment and order. The owner of real property shall notify the county auditor of the owner's correct address. The notice required under this section is considered sufficient if the notice is mailed to the address **or addresses** required by this section.

(b) In addition to the notice required under subsection (a) for real property on the list prepared under section 1(a)(2) or 1.5(d) of this chapter, the county auditor shall prepare and mail the notice required under section 2.2 of this chapter no later than August 15 in the year in which the property is to be sold under this chapter.

(c) On or before the day of sale, the county auditor shall list, on the tax sale record required by IC 6-1.1-25-8, all properties that will be offered for sale.

SECTION 3. IC 6-1.1-24-4.6, AS AMENDED BY P.L.169-2006, SECTION 19, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 4.6. (a) On the day on which the application for judgment and order for sale is made, the county treasurer shall report to the county auditor all of the tracts and real property listed in the

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notice required by section 2 of this chapter upon which all delinquent taxes and special assessments, all penalties due on the delinquencies, any unpaid costs due from a prior tax sale, and the amount due under section 2(a)(3)(D) of this chapter have been paid up to that time. The county auditor, assisted by the county treasurer, shall compare and correct the list, removing tracts and real property for which all delinquencies have been paid, and shall make and subscribe an affidavit in substantially the following form:

State of Indiana)
) ss
County of _____)

I, _____, treasurer of the county of _____, and I, _____, auditor of the county of _____, do solemnly affirm that the foregoing is a true and correct list of the real property within the county of _____ upon which have remained delinquent uncollected taxes, special assessments, penalties and costs, as required by law for the time periods set forth, to the best of my knowledge and belief.

_____
County Treasurer

_____
County Auditor

Dated _____

I, _____, auditor of the county of _____, do solemnly affirm that notice of the application for judgment and order for sale was mailed via certified mail to the owners on the foregoing list, and publication made, as required by law.

_____
County Auditor

Dated _____

(b) Application for judgment and order for sale shall be made as one (1) cause of action to any court of competent jurisdiction jointly by the county treasurer and county auditor. The application shall include the names of at least one (1) of the owners of each tract or item of real property, the dates of mailing of the notice required by sections 2 and 2.2 of this chapter, the dates of publication required by section 3 of this chapter, and the affidavit and corrected list as provided in subsection (a).

(c) Any defense to the application for judgment and order of sale shall be filed with the court on or before the earliest date on which the application may be made as set forth in the notice required under section 2 of this chapter. **The county auditor and the county**

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treasurer for the county where the real property is located are entitled to receive all pleadings, motions, petitions, and other filings related to a defense to the application for judgment and order of sale.

SECTION 4. IC 6-1.1-24-5, AS AMENDED BY P.L.169-2006, SECTION 21, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 5. (a) When a tract or an item of real property is subject to sale under this chapter, it must be sold in compliance with this section.

(b) The sale must:

(1) be held at the times and place stated in the notice of sale; and

(2) not extend beyond one hundred seventy-one (171) days after the list containing the tract or item of real property is certified to the county auditor.

(c) A tract or an item of real property may not be sold under this chapter to collect:

(1) delinquent personal property taxes; or

(2) taxes or special assessments which are chargeable to other real property.

(d) A tract or an item of real property may not be sold under this chapter if all the delinquent taxes, penalties, and special assessments on the tract or an item of real property and the amount prescribed by section 2(a)(3)(D) of this chapter, reflecting the costs incurred by the county due to the sale, are paid before the time of sale.

(e) The county treasurer shall sell the tract or real property, subject to the right of redemption, to the highest bidder at public auction. However, a tract or an item of real property may not be sold for an amount which is less than the sum of:

(1) the delinquent taxes and special assessments on each tract or item of real property;

(2) the taxes and special assessments on each tract or item of real property that are due and payable in the year of the sale, regardless of whether the taxes and special assessments are delinquent;

(3) all penalties which are due on the delinquencies;

(4) the amount prescribed by section 2(a)(3)(D) of this chapter reflecting the costs incurred by the county due to the sale;

(5) any unpaid costs which are due under section 2(b) of this chapter from a prior tax sale; and

(6) other reasonable expenses of collection, including title search expenses, uniform commercial code expenses, and reasonable attorney's fees incurred by the date of the sale.

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(f) For purposes of the sale, it is not necessary for the county treasurer to first attempt to collect the real property taxes or special assessments out of the personal property of the owner of the tract or real property.

(g) The county auditor shall serve as the clerk of the sale.

(h) Real property certified to the county auditor under section ~~1(2)~~ **1(a)(2)** of this chapter must be offered for sale in a different phase of the tax sale or on a different day of the tax sale than the phase or day during which other real property is offered for sale.

(i) The public auction required under subsection (e) may be conducted by electronic means, at the option of the county treasurer. The electronic sale must comply with the other statutory requirements of this section. If an electronic sale is conducted under this subsection, the county treasurer shall provide access to the electronic sale by providing computer terminals open to the public at a designated location. A county treasurer who elects to conduct an electronic sale may receive electronic payments and establish rules necessary to secure the payments in a timely fashion. The county treasurer may not add an additional cost of sale charge to a parcel for the purpose of conducting the electronic sale.

SECTION 5. IC 6-1.1-24-6.1, AS AMENDED BY P.L.169-2006, SECTION 24, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 6.1. (a) The county executive may **do the following:**

(1) By resolution, identify properties:

(A) that are described in section 6.7(a) of this chapter; and

(B) concerning which the county executive desires to offer to the public the certificates of sale acquired by the county executive under section 6 of this chapter.

(2) **In conformity with IC 5-3-1-4,** publish:

(A) notice ~~in accordance with IC 5-3-1~~ of the date, time, and place for a public sale; ~~of the certificates of sale that is not earlier than ninety (90) days after the last date the notice is published;~~ and

(B) a listing of parcels on which certificates will be offered by parcel number and minimum bid amount;

once each week for three (3) consecutive weeks, with the final advertisement being not less than thirty (30) days before the sale date. The expenses of the publication shall be paid out of the county general fund.

(3) Sell each certificate of sale covered by the resolution for a

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price that:

(A) is less than the minimum sale price prescribed by section 5(e) of this chapter; and

(B) includes any costs to the county executive directly attributable to the sale of the certificate of sale.

(b) Notice of the list of properties prepared under subsection (a) and the date, time, and place for the public sale of the certificates of sale shall be published in accordance with IC 5-3-1. The notice must:

(1) include a description of the property by parcel number and common address;

(2) specify that the county executive will accept bids for the certificates of sale for the price referred to in subsection (a)(3);

(3) specify the minimum bid for each parcel;

(4) include a statement that a person redeeming each tract or item of real property after the sale of the certificate must pay:

(A) the amount of the minimum bid under section 5(e) of this chapter for which the tract or item of real property was last offered for sale;

(B) ten percent (10%) of the amount for which the certificate is sold;

(C) the attorney's fees and costs of giving notice under IC 6-1.1-25-4.5;

(D) the costs of a title search or of examining and updating the abstract of title for the tract or item of real property; and

(E) all taxes and special assessments on the tract or item of real property paid by the purchaser after the sale of the certificate plus interest at the rate of ten percent (10%) per annum on the amount of taxes and special assessments paid by the purchaser on the redeemed property; and

(5) include a statement that, if the certificate is sold for an amount more than the minimum bid under section 5(e) of this chapter for which the tract or item of real property was last offered for sale and the property is not redeemed, the owner of record of the tract or item of real property who is divested of ownership at the time the tax deed is issued may have a right to the tax sale surplus.

SECTION 6. IC 6-1.1-24-6.3, AS AMENDED BY P.L.169-2006, SECTION 25, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 6.3. (a) The sale of certificates of sale under this chapter must be held at the time and place stated in the notice of sale.

(b) A certificate of sale may not be sold under this chapter if the following are paid before the time of sale:

(1) All the delinquent taxes, penalties, and special assessments on

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the tract or an item of real property.

(2) The amount prescribed by section 2(a)(3)(D) of this chapter, reflecting the costs incurred by the county due to the sale.

(c) The county executive shall sell the certificate of sale, subject to the right of redemption, to the highest bidder at public auction. **The public auction may be conducted as an electronic sale in conformity with section 5(i) of this chapter.**

(d) The county auditor shall serve as the clerk of the sale.

SECTION 7. IC 6-1.1-24-8 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 8. When one who purchases real property at a tax sale fails to pay the bid, the real property shall again be offered for sale. A purchaser who fails to pay the bid shall pay a **civil** penalty of twenty-five percent (25%) of the amount of the bid. The county prosecuting attorney shall initiate an action in the name of the state treasurer to recover the **civil** penalty. Amounts collected under this section shall be deposited in the ~~common school~~ **county general** fund. ~~of this state.~~

SECTION 8. IC 6-1.1-25-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 2. (a) The total amount of money required for the redemption of real property equals:

(1) the sum of the amounts prescribed in subsections (b) through (e); or

(2) the amount prescribed in subsection (f);

reduced by any amounts held in the name of the taxpayer or the purchaser in the tax sale surplus fund.

(b) Except as provided in subsection (f), the total amount required for redemption includes:

(1) one hundred ten percent (110%) of the minimum bid for which the tract or real property was offered at the time of sale, as required by IC 6-1.1-24-5, if the tract or item of real property is redeemed not more than six (6) months after the date of sale; or

(2) one hundred fifteen percent (115%) of the minimum bid for which the tract or real property was offered at the time of sale, as required by IC 6-1.1-24-5, if the tract or item of real property is redeemed more than six (6) months but not more than one (1) year after the date of sale.

(c) Except as provided in subsection (f), in addition to the amount required under subsection (b), the total amount required for redemption includes the amount by which the purchase price exceeds the minimum bid on the real property plus ten percent (10%) per annum on the amount by which the purchase price exceeds the minimum bid on the property.

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(d) Except as provided in subsection (f), in addition to the amount required under subsections (b) and (c), the total amount required for redemption includes all taxes and special assessments upon the property paid by the purchaser after the sale plus ten percent (10%) interest per annum on those taxes and special assessments.

(e) Except as provided in subsection (f), in addition to the amounts required under subsections (b), (c), and (d), the total amount required for redemption includes the following costs, if certified before redemption **and not earlier than thirty (30) days after the date of sale of the property being redeemed** by the payor to the county auditor on a form prescribed by the state board of accounts, that were incurred and paid by the purchaser, the purchaser's assignee, or the county, before redemption:

(1) The attorney's fees and costs of giving notice under section 4.5 of this chapter.

(2) The costs of a title search or of examining and updating the abstract of title for the tract or item of real property.

(f) With respect to a tract or item of real property redeemed under section 4(c) of this chapter, instead of the amounts stated in subsections (b) through (e), the total amount required for redemption is the amount determined under IC 6-1.1-24-6.1(b)(4).

SECTION 9. IC 6-1.1-25-4.6, AS AMENDED BY P.L.169-2006, SECTION 30, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 4.6. (a) After the expiration of the redemption period specified in section 4 of this chapter but not later than six (6) months after the expiration of the period of redemption:

(1) the purchaser, the purchaser's assignee, the county executive, or the purchaser of the certificate of sale under IC 6-1.1-24 may; or

(2) in a county where the county auditor and county treasurer have an agreement under section 4.7 of this chapter, the county auditor shall, upon the request of the purchaser or the purchaser's assignee;

file a verified petition in the same court and under the same cause number in which the judgment of sale was entered asking the court to direct the county auditor to issue a tax deed if the real property is not redeemed from the sale. Notice of the filing of this petition shall be given to the same parties and in the same manner as provided in section 4.5 of this chapter, except that, if notice is given by publication, only one (1) publication is required. The notice required by this section is considered sufficient if the notice is sent to the address required by section 4.5(d) of this chapter. Any person owning or having an interest

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in the tract or real property may file a written objection to the petition with the court not later than thirty (30) days after the date the petition was filed. If a written objection is timely filed, the court shall conduct a hearing on the objection.

(b) Not later than sixty-one (61) days after the petition is filed under subsection (a), the court shall enter an order directing the county auditor (on the production of the certificate of sale and a copy of the order) to issue to the petitioner a tax deed if the court finds that the following conditions exist:

(1) The time of redemption has expired.

(2) The tract or real property has not been redeemed from the sale before the expiration of the period of redemption specified in section 4 of this chapter.

(3) Except with respect to a petition for the issuance of a tax deed under a sale of the certificate of sale on the property under IC 6-1.1-24-6.1, all taxes and special assessments, penalties, and costs have been paid.

(4) The notices required by this section and section 4.5 of this chapter have been given.

(5) The petitioner has complied with all the provisions of law entitling the petitioner to a deed.

The county auditor shall execute deeds issued under this subsection in the name of the state under the county auditor's name. If a certificate of sale is lost before the execution of a deed, the county auditor shall issue a replacement certificate if the county auditor is satisfied that the original certificate existed.

(c) Upon application by the grantee of a valid tax deed in the same court and under the same cause number in which the judgment of sale was entered, the court shall enter an order to place the grantee of a valid tax deed in possession of the real estate. The court may enter any orders and grant any relief that is necessary or desirable to place or maintain the grantee of a valid tax deed in possession of the real estate.

(d) Except as provided in subsections (e) and (f), if:

(1) the verified petition referred to in subsection (a) is timely filed; and

(2) the court refuses to enter an order directing the county auditor to execute and deliver the tax deed because of the failure of the petitioner under subsection (a) to fulfill the ~~requirements~~ **notice requirement** of ~~this section,~~ **subsection (a);**

the court shall order the return of the ~~purchase price~~ **amount, if any, by which the purchase price exceeds the minimum bid on the property under IC 6-1.1-24-5(e)** minus a penalty of twenty-five

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percent (25%) of ~~the amount of the purchase price.~~ **that excess. The petitioner is prohibited from participating in any manner in the next succeeding tax sale in the county under IC 6-1.1-24. The county auditor shall deposit** penalties paid under this subsection ~~shall be deposited~~ in the county general fund.

(e) Notwithstanding subsection (d), in all cases in which:

(1) the verified petition referred to in subsection (a) is timely filed;

~~(1)~~ **(2)** the petitioner under subsection (a) has made a bona fide attempt to comply with the statutory requirements under subsection (b) for the issuance of the tax deed but has failed to comply with these requirements; ~~and~~

~~(2)~~ **(3)** the court refuses to enter an order directing the county auditor to execute and deliver the tax deed because of the failure to comply with these requirements; **and**

(4) the purchaser, the purchaser's successors or assignees, or the purchaser of the certificate of sale under IC 6-1.1-24 files a claim with the county auditor for refund not later than thirty (30) days after the entry of the order of the court refusing to direct the county auditor to execute and deliver the tax deed;

the county auditor shall not execute the deed but shall refund the purchase money ~~plus six percent (6%) interest per annum~~ **minus a penalty of twenty-five percent (25%) of the purchase money** from the county treasury to the purchaser, the purchaser's successors or assignees, or the purchaser of the certificate of sale under IC 6-1.1-24. **The county auditor shall deposit penalties paid under this subsection in the county general fund. All the delinquent taxes and special assessments shall then be reinstated and recharged to the tax duplicate and collected in the same manner as if the property had not been offered for sale.** The tract or item of real property, if it is then eligible for sale under IC 6-1.1-24, shall be placed on the delinquent list as an initial offering under ~~IC 6-1.1-24-6.~~ **IC 6-1.1-24.**

(f) Notwithstanding subsections (d) and (e), the court shall not order the return of the purchase price **or any part of the purchase price** if:

(1) the purchaser or the purchaser of the certificate of sale under IC 6-1.1-24 has failed to provide notice or has provided insufficient notice as required by section 4.5 of this chapter; and

(2) the sale is otherwise valid.

(g) A tax deed executed under this section vests in the grantee an estate in fee simple absolute, free and clear of all liens and encumbrances created or suffered before or after the tax sale except

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those liens granted priority under federal law, and the lien of the state or a political subdivision for taxes and special assessments that accrue subsequent to the sale. However, the estate is subject to all easements, covenants, declarations, and other deed restrictions and laws governing land use, including all zoning restrictions and liens and encumbrances created or suffered by the purchaser at the tax sale. The deed is prima facie evidence of:

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

(2) the regularity of all proper proceedings; and

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

(h) A tax deed issued under this section is incontestable except by appeal from the order of the court directing the county auditor to issue the tax deed filed not later than sixty (60) days after the date of the court's order.

SECTION 10. [EFFECTIVE UPON PASSAGE] **(a) If:**

(1) a tract or an item of real property is offered for sale under IC 6-1.1-24-1 through IC 6-1.1-24-5 (all as effective December 31, 2006) before January 1, 2007; and

(2) an amount is not received that is at least equal to the minimum sale price required under IC 6-1.1-24-5(e) (as effective December 31, 2006);

the tract or item of real property may be offered for sale a second time consistent with IC 6-1.1-24-1 through IC 6-1.1-24-5 (all as effective December 31, 2006) or subsection (b).

(b) Notwithstanding any other law, if:

(1) a tract or an item of real property is offered for sale under IC 6-1.1-24-1 through IC 6-1.1-24-5 (all as effective December 31, 2006);

(2) an amount is not received that is at least equal to the minimum sale price required under IC 6-1.1-24-5(e) (as effective December 31, 2006); and

(3) the county treasurer and the county auditor jointly agree to an expedited tax sale under this subsection;

the tract or item of real property may be offered for sale a second time on a date that is on or after January 1 and before August 1 of the year immediately following the year in which the property was initially offered for sale and at least ninety (90) days after the date of the initial sale.

(c) All notice and judgment requirements set forth in IC 6-1.1-24 and IC 6-1.1-25, both as amended by this act, are applicable to the second expedited tax sale under subsection (b).

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(d) A person subject to IC 6-1.1-24-5.3 may purchase property offered for sale under this SECTION.

(e) The period for redemption of real property sold under IC 6-1.1-24 is one hundred twenty (120) days after the date of sale under subsection (b).

(f) In implementing this SECTION, if a provision in IC 6-1.1 that affects an action under this SECTION that is in effect after December 31, 2006, as amended by HEA 1102-2006, conflicts with a provision of IC 6-1.1 that was in effect on December 31, 2006, this SECTION shall be implemented as if IC 6-1.1 (as effective December 31, 2006) were in effect.

(g) An action conducted after December 31, 2006, and before July 1, 2007, that would have been valid under this SECTION if conducted after June 30, 2007, shall be treated as if it had been conducted after June 30, 2007.

SECTION 11. [EFFECTIVE UPON PASSAGE] **(a) This SECTION applies to a county having a consolidated city.**

(b) Whenever real property on the list prepared under IC 6-1.1-24-1.5 (as effective December 31, 2006) before January 1, 2007:

(1) is offered for sale under IC 6-1.1-24; and

(2) does not receive a bid for at least the amount required under IC 6-1.1-24-5 (as effective December 31, 2006);

the county auditor shall notify the metropolitan development commission that the real property has been offered for sale under IC 6-1.1-24, as amended by this act, and that an adequate bid has not been received.

(c) The metropolitan development commission shall, within a reasonable time after receiving notice under subsection (b), identify any property described under subsection (b) that the metropolitan development commission desires to acquire for urban homesteading under IC 36-7-17 or redevelopment purposes under IC 36-7-15.1. The metropolitan development commission shall then provide the county auditor with a list of the properties identified under this subsection.

(d) The county auditor shall execute and deliver a deed for any property identified under subsection (c) to the metropolitan development commission, subject to IC 6-1.1-25, as amended by this act. Properties identified under subsection (c) but not acquired by the metropolitan development commission shall be restored to the delinquent list prepared under IC 6-1.1-24-1 (as effective December 31, 2006).

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(e) The county acquires a lien under IC 6-1.1-24-6 (as effective December 31, 2006) for any property that is:

(1) not identified under subsection (c); and

(2) offered for sale under IC 6-1.1-24, as amended by this act, for two (2) consecutive sales.

(f) The metropolitan development commission may not pay for any property acquired under subsection (d). However, a taxing unit having an interest in the taxes on the real property shall be credited with the full amount of the delinquent tax due to that unit.

(g) The agency designated or established in IC 36-7-17-2 may acquire real property in the name of the unit, for use as provided in IC 6-1.1-24 and this SECTION. Under this SECTION, the agency may acquire the deed for real property that was offered for sale but for which an adequate bid under IC 6-1.1-24-5(e) (as effective December 31, 2006) was not received by identifying the properties that the agency desires to acquire for urban homesteading or redevelopment purposes.

(h) For purposes of a sale under IC 6-1.1-24 conducted to implement IC 36-7-17-12, the proceeds of the sale shall be applied to the cost of the sale, including advertising and appraisal. If any proceeds remain after payment of the costs of the sale, the proceeds shall be applied to the payment of taxes removed from the tax duplicate under IC 6-1.1-24-6.7(e).

(i) In implementing this SECTION, if a provision in IC 6-1.1 that affects an action under this SECTION that is in effect after December 31, 2006, as amended by HEA 1102-2006, conflicts with a provision of IC 6-1.1 that was in effect on December 31, 2006, this SECTION shall be implemented as if IC 6-1.1 (as effective December 31, 2006) were in effect.

(j) An action conducted after December 31, 2006, and before July 1, 2007, that would have been valid under this SECTION if conducted after June 30, 2007, shall be treated as if it had been conducted after June 30, 2007.

SECTION 12. [EFFECTIVE JULY 1, 2007] **IC 6-1.1-25-4.6, as amended by this act, applies only to:**

(1) tax sales held after June 30, 2007; and

(2) failures of tax sale petitioners to fulfill tax sale requirements under that section after June 30, 2007.

SECTION 13. **An emergency is declared for this act.**

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COMMITTEE REPORT

Mr. Speaker: Your Committee on Government and Regulatory Reform, to which was referred House Bill 1211, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill do pass.

STEVENSON, Chair

Committee Vote: yeas 12, nays 0.

COMMITTEE REPORT

Madam President: The Senate Committee on Local Government and Elections, to which was referred House Bill No. 1211, has had the same under consideration and begs leave to report the same back to the Senate with the recommendation that said bill be AMENDED as follows:

Page 1, between the enacting clause and line 1, begin a new paragraph and insert:

"SECTION 1. IC 6-1.1-24-2, AS AMENDED BY P.L.169-2006, SECTION 15, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 2. (a) In addition to the delinquency list required under section 1 of this chapter, each county auditor shall prepare a notice. The notice shall contain the following:

(1) A list of tracts or real property eligible for sale under this chapter.

(2) A statement that the tracts or real property included in the list will be sold at public auction to the highest bidder, subject to the right of redemption.

(3) A statement that the tracts or real property will not be sold for an amount which is less than the sum of:

(A) the delinquent taxes and special assessments on each tract or item of real property;

(B) the taxes and special assessments on each tract or item of real property that are due and payable in the year of the sale, whether or not they are delinquent;

(C) all penalties due on the delinquencies;

(D) an amount prescribed by the county auditor that equals the sum of:

(i) the greater of twenty-five dollars ($25) or postage and publication costs; and

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(ii) any other actual costs incurred by the county that are directly attributable to the tax sale; and

(E) any unpaid costs due under subsection (b) from a prior tax sale.

(4) A statement that a person redeeming each tract or item of real property after the sale must pay:

(A) one hundred ten percent (110%) of the amount of the minimum bid for which the tract or item of real property was offered at the time of sale if the tract or item of real property is redeemed not more than six (6) months after the date of sale;

(B) one hundred fifteen percent (115%) of the amount of the minimum bid for which the tract or item of real property was offered at the time of sale if the tract or item of real property is redeemed more than six (6) months after the date of sale;

(C) the amount by which the purchase price exceeds the minimum bid on the tract or item of real property plus ten percent (10%) per annum on the amount by which the purchase price exceeds the minimum bid; and

(D) all taxes and special assessments on the tract or item of real property paid by the purchaser after the tax sale plus interest at the rate of ten percent (10%) per annum on the amount of taxes and special assessments paid by the purchaser on the redeemed property.

(5) A statement for informational purposes only, of the location of each tract or item of real property by key number, if any, and street address, if any, or a common description of the property other than a legal description. The township assessor, upon written request from the county auditor, shall provide the information to be in the notice required by this subsection. A misstatement in the key number or street address does not invalidate an otherwise valid sale.

(6) A statement that the county does not warrant the accuracy of the street address or common description of the property.

(7) A statement indicating:

(A) the name of the owner of each tract or item of real property with a single owner; or

(B) the name of at least one (1) of the owners of each tract or item of real property with multiple owners.

(8) A statement of the procedure to be followed for obtaining or objecting to a judgment and order of sale, that must include the following:

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(A) A statement:

(i) that the county auditor and county treasurer will apply on or after a date designated in the notice for a court judgment against the tracts or real property for an amount that is not less than the amount set under subdivision (3), and for an order to sell the tracts or real property at public auction to the highest bidder, subject to the right of redemption; and

(ii) indicating the date when the period of redemption specified in IC 6-1.1-25-4 will expire.

(B) A statement that any defense to the application for judgment must be:

(i) filed with the court; **and**

(ii) served on the county auditor and the county treasurer;

before the date designated as the earliest date on which the application for judgment may be filed.

(C) A statement that the county auditor and the county treasurer are entitled to receive all pleadings, motions, petitions, and other filings related to the defense to the application for judgment.

~~(C)~~ **(D)** A statement that the court will set a date for a hearing at least seven (7) days before the advertised date and that the court will determine any defenses to the application for judgment at the hearing.

(9) A statement that the sale will be conducted at a place designated in the notice and that the sale will continue until all tracts and real property have been offered for sale.

(10) A statement that the sale will take place at the times and dates designated in the notice. ~~The sale must take place on or after August 1 and before November 1 of each year.~~ **Whenever the public auction is to be conducted as an electronic sale, the notice must include a statement indicating that the public auction will be conducted as an electronic sale and a description of the procedures that must be followed to participate in the electronic sale.**

(11) A statement that a person redeeming each tract or item after the sale must pay the costs described in IC 6-1.1-25-2(e).

(12) If a county auditor and county treasurer have entered into an agreement under IC 6-1.1-25-4.7, a statement that the county auditor will perform the duties of the notification and title search under IC 6-1.1-25-4.5 and the notification and petition to the court for the tax deed under IC 6-1.1-25-4.6.

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(13) A statement that, if the tract or item of real property is sold for an amount more than the minimum bid and the property is not redeemed, the owner of record of the tract or item of real property who is divested of ownership at the time the tax deed is issued may have a right to the tax sale surplus.

(14) If a determination has been made under subsection (d), a statement that tracts or items will be sold together.

(b) If within sixty (60) days before the date of the tax sale the county incurs costs set under subsection (a)(3)(D) and those costs are not paid, the county auditor shall enter the amount of costs that remain unpaid upon the tax duplicate of the property for which the costs were set. The county treasurer shall mail notice of unpaid costs entered upon a tax duplicate under this subsection to the owner of the property identified in the tax duplicate.

(c) The amount of unpaid costs entered upon a tax duplicate under subsection (b) must be paid no later than the date upon which the next installment of real estate taxes for the property is due. Unpaid costs entered upon a tax duplicate under subsection (b) are a lien against the property described in the tax duplicate, and amounts remaining unpaid on the date the next installment of real estate taxes is due may be collected in the same manner that delinquent property taxes are collected.

(d) The county auditor and county treasurer may establish the condition that a tract or item will be sold and may be redeemed under this chapter only if the tract or item is sold or redeemed together with one (1) or more other tracts or items. Property may be sold together only if the tract or item is owned by the same person.

SECTION 2. IC 6-1.1-24-4, AS AMENDED BY P.L.169-2006, SECTION 18, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 4. (a) Not less than twenty-one (21) days before the earliest date on which the application for judgment and order for sale of real property eligible for sale may be made, the county auditor shall send a notice of the sale by certified mail, **return receipt requested,** to:

(1) the owner of record of real property with a single owner; or

(2) ~~to~~ at least one (1) of the owners, **as of the date of certification,** of real property with multiple owners;

at the last address of the owner for the property as indicated in the records of the county auditor **on the date that the tax sale list is certified. In addition, the county auditor shall mail a duplicate notice to the owner of record, as described in subdivisions (1) and (2), by first class mail to the owners from whom the certified mail**

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return receipt was not signed and returned. Additionally, the county auditor may determine that mailing a first class notice to or serving a notice on the property is a reasonable step to notify the owner, if the address of the owner is not the same address as the physical location of the property. If both notices are returned due to incorrect or insufficient addresses, the county auditor shall research the county auditor records to determine a more complete or accurate address. If a more complete or accurate address is found, the county auditor shall resend the notices to the address that is found in accordance with this section. Failure to obtain a more complete or accurate address does not invalidate an otherwise valid sale. The county auditor shall prepare the notice in the form prescribed by the state board of accounts. The notice must set forth the key number, if any, of the real property and a street address, if any, or other common description of the property other than a legal description. The notice must include the statement set forth in section 2(a)(4) of this chapter. The county auditor must present proof of this mailing to the court along with the application for judgment and order for sale. Failure by an owner to receive or accept the notice required by this section does not affect the validity of the judgment and order. The owner of real property shall notify the county auditor of the owner's correct address. The notice required under this section is considered sufficient if the notice is mailed to the address **or addresses** required by this section.

(b) In addition to the notice required under subsection (a) for real property on the list prepared under section 1(a)(2) or 1.5(d) of this chapter, the county auditor shall prepare and mail the notice required under section 2.2 of this chapter no later than August 15 in the year in which the property is to be sold under this chapter.

(c) On or before the day of sale, the county auditor shall list, on the tax sale record required by IC 6-1.1-25-8, all properties that will be offered for sale.

SECTION 3. IC 6-1.1-24-4.6, AS AMENDED BY P.L.169-2006, SECTION 19, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 4.6. (a) On the day on which the application for judgment and order for sale is made, the county treasurer shall report to the county auditor all of the tracts and real property listed in the notice required by section 2 of this chapter upon which all delinquent taxes and special assessments, all penalties due on the delinquencies, any unpaid costs due from a prior tax sale, and the amount due under section 2(a)(3)(D) of this chapter have been paid up to that time. The county auditor, assisted by the county treasurer, shall compare and

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correct the list, removing tracts and real property for which all delinquencies have been paid, and shall make and subscribe an affidavit in substantially the following form:

State of Indiana)
) ss
County of _____)

I, _____, treasurer of the county of _____, and I, _____, auditor of the county of _____, do solemnly affirm that the foregoing is a true and correct list of the real property within the county of _____ upon which have remained delinquent uncollected taxes, special assessments, penalties and costs, as required by law for the time periods set forth, to the best of my knowledge and belief.

_____
County Treasurer

_____
County Auditor

Dated _____

I, _____, auditor of the county of _____, do solemnly affirm that notice of the application for judgment and order for sale was mailed via certified mail to the owners on the foregoing list, and publication made, as required by law.

_____
County Auditor

Dated _____

(b) Application for judgment and order for sale shall be made as one (1) cause of action to any court of competent jurisdiction jointly by the county treasurer and county auditor. The application shall include the names of at least one (1) of the owners of each tract or item of real property, the dates of mailing of the notice required by sections 2 and 2.2 of this chapter, the dates of publication required by section 3 of this chapter, and the affidavit and corrected list as provided in subsection (a).

(c) Any defense to the application for judgment and order of sale shall be filed with the court on or before the earliest date on which the application may be made as set forth in the notice required under section 2 of this chapter. **The county auditor and the county treasurer for the county where the real property is located are entitled to receive all pleadings, motions, petitions, and other filings related to a defense to the application for judgment and order of sale.**

SECTION 4. IC 6-1.1-24-5, AS AMENDED BY P.L.169-2006,

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SECTION 21, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 5. (a) When a tract or an item of real property is subject to sale under this chapter, it must be sold in compliance with this section.

(b) The sale must:

(1) be held at the times and place stated in the notice of sale; and

(2) not extend beyond one hundred seventy-one (171) days after the list containing the tract or item of real property is certified to the county auditor.

(c) A tract or an item of real property may not be sold under this chapter to collect:

(1) delinquent personal property taxes; or

(2) taxes or special assessments which are chargeable to other real property.

(d) A tract or an item of real property may not be sold under this chapter if all the delinquent taxes, penalties, and special assessments on the tract or an item of real property and the amount prescribed by section 2(a)(3)(D) of this chapter, reflecting the costs incurred by the county due to the sale, are paid before the time of sale.

(e) The county treasurer shall sell the tract or real property, subject to the right of redemption, to the highest bidder at public auction. However, a tract or an item of real property may not be sold for an amount which is less than the sum of:

(1) the delinquent taxes and special assessments on each tract or item of real property;

(2) the taxes and special assessments on each tract or item of real property that are due and payable in the year of the sale, regardless of whether the taxes and special assessments are delinquent;

(3) all penalties which are due on the delinquencies;

(4) the amount prescribed by section 2(a)(3)(D) of this chapter reflecting the costs incurred by the county due to the sale;

(5) any unpaid costs which are due under section 2(b) of this chapter from a prior tax sale; and

(6) other reasonable expenses of collection, including title search expenses, uniform commercial code expenses, and reasonable attorney's fees incurred by the date of the sale.

(f) For purposes of the sale, it is not necessary for the county treasurer to first attempt to collect the real property taxes or special assessments out of the personal property of the owner of the tract or real property.

(g) The county auditor shall serve as the clerk of the sale.

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(h) Real property certified to the county auditor under section ~~1(2)~~ **1(a)(2)** of this chapter must be offered for sale in a different phase of the tax sale or on a different day of the tax sale than the phase or day during which other real property is offered for sale.

(i) The public auction required under subsection (e) may be conducted by electronic means, at the option of the county treasurer. The electronic sale must comply with the other statutory requirements of this section. If an electronic sale is conducted under this subsection, the county treasurer shall provide access to the electronic sale by providing computer terminals open to the public at a designated location. A county treasurer who elects to conduct an electronic sale may receive electronic payments and establish rules necessary to secure the payments in a timely fashion. The county treasurer may not add an additional cost of sale charge to a parcel for the purpose of conducting the electronic sale.

SECTION 5. IC 6-1.1-24-6.1, AS AMENDED BY P.L.169-2006, SECTION 24, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 6.1. (a) The county executive may **do the following:**

(1) By resolution, identify properties:

(A) that are described in section 6.7(a) of this chapter; and

(B) concerning which the county executive desires to offer to the public the certificates of sale acquired by the county executive under section 6 of this chapter.

(2) **In conformity with IC 5-3-1-4,** publish:

(A) notice ~~in accordance with IC 5-3-1~~ of the date, time, and place for a public sale; ~~of the certificates of sale that is not earlier than ninety (90) days after the last date the notice is published;~~ and

(B) a listing of parcels on which certificates will be offered by parcel number and minimum bid amount;

once each week for three (3) consecutive weeks, with the final advertisement being not less than thirty (30) days before the sale date. The expenses of the publication shall be paid out of the county general fund.

(3) Sell each certificate of sale covered by the resolution for a price that:

(A) is less than the minimum sale price prescribed by section 5(e) of this chapter; and

(B) includes any costs to the county executive directly attributable to the sale of the certificate of sale.

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(b) Notice of the list of properties prepared under subsection (a) and the date, time, and place for the public sale of the certificates of sale shall be published in accordance with IC 5-3-1. The notice must:

(1) include a description of the property by parcel number and common address;

(2) specify that the county executive will accept bids for the certificates of sale for the price referred to in subsection (a)(3);

(3) specify the minimum bid for each parcel;

(4) include a statement that a person redeeming each tract or item of real property after the sale of the certificate must pay:

(A) the amount of the minimum bid under section 5(e) of this chapter for which the tract or item of real property was last offered for sale;

(B) ten percent (10%) of the amount for which the certificate is sold;

(C) the attorney's fees and costs of giving notice under IC 6-1.1-25-4.5;

(D) the costs of a title search or of examining and updating the abstract of title for the tract or item of real property; and

(E) all taxes and special assessments on the tract or item of real property paid by the purchaser after the sale of the certificate plus interest at the rate of ten percent (10%) per annum on the amount of taxes and special assessments paid by the purchaser on the redeemed property; and

(5) include a statement that, if the certificate is sold for an amount more than the minimum bid under section 5(e) of this chapter for which the tract or item of real property was last offered for sale and the property is not redeemed, the owner of record of the tract or item of real property who is divested of ownership at the time the tax deed is issued may have a right to the tax sale surplus.

SECTION 6. IC 6-1.1-24-6.3, AS AMENDED BY P.L.169-2006, SECTION 25, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 6.3. (a) The sale of certificates of sale under this chapter must be held at the time and place stated in the notice of sale.

(b) A certificate of sale may not be sold under this chapter if the following are paid before the time of sale:

(1) All the delinquent taxes, penalties, and special assessments on the tract or an item of real property.

(2) The amount prescribed by section 2(a)(3)(D) of this chapter, reflecting the costs incurred by the county due to the sale.

(c) The county executive shall sell the certificate of sale, subject to the right of redemption, to the highest bidder at public auction. **The**

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public auction may be conducted as an electronic sale in conformity with section 5(i) of this chapter.

(d) The county auditor shall serve as the clerk of the sale.

SECTION 7. IC 6-1.1-24-8 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 8. When one who purchases real property at a tax sale fails to pay the bid, the real property shall again be offered for sale. A purchaser who fails to pay the bid shall pay a **civil** penalty of twenty-five percent (25%) of the amount of the bid. The county prosecuting attorney shall initiate an action in the name of the state treasurer to recover the **civil** penalty. Amounts collected under this section shall be deposited in the ~~common school~~ **county general** fund. ~~of this state.~~

SECTION 8. IC 6-1.1-25-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 2. (a) The total amount of money required for the redemption of real property equals:

(1) the sum of the amounts prescribed in subsections (b) through (e); or

(2) the amount prescribed in subsection (f);

reduced by any amounts held in the name of the taxpayer or the purchaser in the tax sale surplus fund.

(b) Except as provided in subsection (f), the total amount required for redemption includes:

(1) one hundred ten percent (110%) of the minimum bid for which the tract or real property was offered at the time of sale, as required by IC 6-1.1-24-5, if the tract or item of real property is redeemed not more than six (6) months after the date of sale; or

(2) one hundred fifteen percent (115%) of the minimum bid for which the tract or real property was offered at the time of sale, as required by IC 6-1.1-24-5, if the tract or item of real property is redeemed more than six (6) months but not more than one (1) year after the date of sale.

(c) Except as provided in subsection (f), in addition to the amount required under subsection (b), the total amount required for redemption includes the amount by which the purchase price exceeds the minimum bid on the real property plus ten percent (10%) per annum on the amount by which the purchase price exceeds the minimum bid on the property.

(d) Except as provided in subsection (f), in addition to the amount required under subsections (b) and (c), the total amount required for redemption includes all taxes and special assessments upon the property paid by the purchaser after the sale plus ten percent (10%) interest per annum on those taxes and special assessments.

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(e) Except as provided in subsection (f), in addition to the amounts required under subsections (b), (c), and (d), the total amount required for redemption includes the following costs, if certified before redemption **and not earlier than thirty (30) days after the date of sale of the property being redeemed** by the payor to the county auditor on a form prescribed by the state board of accounts, that were incurred and paid by the purchaser, the purchaser's assignee, or the county, before redemption:

(1) The attorney's fees and costs of giving notice under section 4.5 of this chapter.

(2) The costs of a title search or of examining and updating the abstract of title for the tract or item of real property.

(f) With respect to a tract or item of real property redeemed under section 4(c) of this chapter, instead of the amounts stated in subsections (b) through (e), the total amount required for redemption is the amount determined under IC 6-1.1-24-6.1(b)(4).".

Page 3, line 5, after "excess." insert "**The petitioner is prohibited from participating in any manner in the next succeeding tax sale in the county under IC 6-1.1-24.**".

Page 4, delete lines 18 through 20, begin a new paragraph and insert:

"SECTION 10. [EFFECTIVE UPON PASSAGE] **(a) If:**

(1) a tract or an item of real property is offered for sale under IC 6-1.1-24-1 through IC 6-1.1-24-5 (all as effective December 31, 2006) before January 1, 2007; and

(2) an amount is not received that is at least equal to the minimum sale price required under IC 6-1.1-24-5(e) (as effective December 31, 2006);

the tract or item of real property may be offered for sale a second time consistent with IC 6-1.1-24-1 through IC 6-1.1-24-5 (all as effective December 31, 2006) or subsection (b).

(b) Notwithstanding any other law, if:

(1) a tract or an item of real property is offered for sale under IC 6-1.1-24-1 through IC 6-1.1-24-5 (all as effective December 31, 2006);

(2) an amount is not received that is at least equal to the minimum sale price required under IC 6-1.1-24-5(e) (as effective December 31, 2006); and

(3) the county treasurer and the county auditor jointly agree to an expedited tax sale under this subsection;

the tract or item of real property may be offered for sale a second time on a date that is on or after January 1 and before August 1 of

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the year immediately following the year in which the property was initially offered for sale and at least ninety (90) days after the date of the initial sale.

(c) All notice and judgment requirements set forth in IC 6-1.1-24 and IC 6-1.1-25, both as amended by this act, are applicable to the second expedited tax sale under subsection (b).

(d) A person subject to IC 6-1.1-24-5.3 may purchase property offered for sale under this SECTION.

(e) The period for redemption of real property sold under IC 6-1.1-24 is one hundred twenty (120) days after the date of sale under subsection (b).

(f) In implementing this SECTION, if a provision in IC 6-1.1 that affects an action under this SECTION that is in effect after December 31, 2006, as amended by HEA 1102-2006, conflicts with a provision of IC 6-1.1 that was in effect on December 31, 2006, this SECTION shall be implemented as if IC 6-1.1 (as effective December 31, 2006) were in effect.

(g) An action conducted after December 31, 2006, and before July 1, 2007, that would have been valid under this SECTION if conducted after June 30, 2007, shall be treated as if it had been conducted after June 30, 2007.

SECTION 11. [EFFECTIVE UPON PASSAGE] **(a) This SECTION applies to a county having a consolidated city.**

(b) Whenever real property on the list prepared under IC 6-1.1-24-1.5 (as effective December 31, 2006) before January 1, 2007:

(1) is offered for sale under IC 6-1.1-24; and

(2) does not receive a bid for at least the amount required under IC 6-1.1-24-5 (as effective December 31, 2006);

the county auditor shall notify the metropolitan development commission that the real property has been offered for sale under IC 6-1.1-24, as amended by this act, and that an adequate bid has not been received.

(c) The metropolitan development commission shall, within a reasonable time after receiving notice under subsection (b), identify any property described under subsection (b) that the metropolitan development commission desires to acquire for urban homesteading under IC 36-7-17 or redevelopment purposes under IC 36-7-15.1. The metropolitan development commission shall then provide the county auditor with a list of the properties identified under this subsection.

(d) The county auditor shall execute and deliver a deed for any

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property identified under subsection (c) to the metropolitan development commission, subject to IC 6-1.1-25, as amended by this act. Properties identified under subsection (c) but not acquired by the metropolitan development commission shall be restored to the delinquent list prepared under IC 6-1.1-24-1 (as effective December 31, 2006).

(e) The county acquires a lien under IC 6-1.1-24-6 (as effective December 31, 2006) for any property that is:

(1) not identified under subsection (c); and

(2) offered for sale under IC 6-1.1-24, as amended by this act, for two (2) consecutive sales.

(f) The metropolitan development commission may not pay for any property acquired under subsection (d). However, a taxing unit having an interest in the taxes on the real property shall be credited with the full amount of the delinquent tax due to that unit.

(g) The agency designated or established in IC 36-7-17-2 may acquire real property in the name of the unit, for use as provided in IC 6-1.1-24 and this SECTION. Under this SECTION, the agency may acquire the deed for real property that was offered for sale but for which an adequate bid under IC 6-1.1-24-5(e) (as effective December 31, 2006) was not received by identifying the properties that the agency desires to acquire for urban homesteading or redevelopment purposes.

(h) For purposes of a sale under IC 6-1.1-24 conducted to implement IC 36-7-17-12, the proceeds of the sale shall be applied to the cost of the sale, including advertising and appraisal. If any proceeds remain after payment of the costs of the sale, the proceeds shall be applied to the payment of taxes removed from the tax duplicate under IC 6-1.1-24-6.7(e).

(i) In implementing this SECTION, if a provision in IC 6-1.1 that affects an action under this SECTION that is in effect after December 31, 2006, as amended by HEA 1102-2006, conflicts with a provision of IC 6-1.1 that was in effect on December 31, 2006, this SECTION shall be implemented as if IC 6-1.1 (as effective December 31, 2006) were in effect.

(j) An action conducted after December 31, 2006, and before July 1, 2007, that would have been valid under this SECTION if conducted after June 30, 2007, shall be treated as if it had been conducted after June 30, 2007.

SECTION 12. [EFFECTIVE JULY 1, 2007] **IC 6-1.1-25-4.6, as amended by this act, applies only to:**

(1) tax sales held after June 30, 2007; and

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(2) failures of tax sale petitioners to fulfill tax sale requirements under that section after June 30, 2007.

SECTION 13. **An emergency is declared for this act.**".

Renumber all SECTIONS consecutively.

and when so amended that said bill do pass.

(Reference is to HB 1211 as printed February 16, 2007.)

LAWSON C, Chairperson

Committee Vote: Yeas 9, Nays 0.

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