

HOUSE BILL No. 1353

DIGEST OF INTRODUCED BILL

Citations Affected: IC 6-1.1; IC 32-21-8.

Synopsis: Tax sale redemptions. Makes changes to the procedure that applies to real property that has been sold at a tax sale if the owner of the real property conveys the property during the redemption period. Changes the redemption period that applies to real property for which a county executive acquires a certificate of sale after the real property failed to sell at a tax sale. Provides that if real property sold at a tax sale is redeemed, the interest rate on the following components of the redemption amount is increased from 5% per annum to the statutory rate for judgments on money (8% per annum under current law): (1) The amount by which the sales price exceeds the minimum bid. (2) The amount of the taxes and special assessments paid by the purchaser. Repeals most of the tax sale surplus disclosure statute, retaining only the provision prohibiting a county auditor from endorsing a document of conveyance for property sold during the tax sale redemption period unless the purchaser has redeemed the property.

Effective: July 1, 2018.

Engleman

January 16, 2018, read first time and referred to Committee on Ways and Means.



Second Regular Session of the 120th General Assembly (2018)

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 2017 Regular Session of the General Assembly.

HOUSE BILL No. 1353

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 6-1.1-24-1.9 IS AMENDED TO READ AS
2 FOLLOWS [EFFECTIVE JULY 1, 2018]: Sec. 1.9. As used in this
3 chapter and IC 6-1.1-25, "substantial property interest of public record"
4 means title to or interest in a tract **that is:**

- 5 (1) possessed by a person; and
- 6 (2) **either:**
 - 7 (A) recorded in the office of a county recorder **within the**
 - 8 **property record's chain of title;** or
 - 9 (B) available for public inspection in the office of a circuit
 - 10 court clerk;
 - 11 no later than the hour and date the sale is scheduled to commence
 - 12 under this chapter.

13 The term does not include a lien held by the state or a political
14 subdivision.

15 SECTION 2. IC 6-1.1-24-2, AS AMENDED BY P.L.251-2015,
16 SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
17 JULY 1, 2018]: Sec. 2. (a) This section does not apply to vacant or



1 abandoned real property that is on the list prepared by the county
2 auditor under section 1.5 of this chapter.

3 (b) In addition to the delinquency list required under section 1 of
4 this chapter, each county auditor shall prepare a notice. The notice shall
5 contain the following:

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

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

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

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

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

18 (C) all penalties due on the delinquencies;

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

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

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

25 (E) any unpaid costs due under subsection (c) from a prior tax
26 sale.

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

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

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

38 (C) the amount by which the purchase price exceeds the
39 minimum bid on the tract or item of real property plus ~~five~~
40 ~~percent (5%)~~ interest ~~per annum~~; on the amount by which the
41 purchase price exceeds the minimum bid **at a rate equal to**
42 **the rate on judgments for money specified under**



- 1 **IC 24-4.6-1-101(2) that is in effect on January 1 of the year**
 2 **in which the tract or item is sold; and**
 3 (D) all taxes and special assessments on the tract or item of
 4 real property paid by the purchaser after the tax sale plus
 5 interest ~~at the rate of five percent (5%) per annum;~~ on the
 6 amount of taxes and special assessments paid by the purchaser
 7 on the redeemed property **at a rate equal to the rate on**
 8 **judgments for money specified under IC 24-4.6-1-101(2)**
 9 **that is in effect on January 1 of the year in which the tract**
 10 **or item is sold.**
- 11 (5) A statement for informational purposes only, of the location
 12 of each tract or item of real property by key number, if any, and
 13 street address, if any, or a common description of the property
 14 other than a legal description. The township assessor, or the
 15 county assessor if there is no township assessor for the township,
 16 upon written request from the county auditor, shall provide the
 17 information to be in the notice required by this subsection. A
 18 misstatement in the key number or street address does not
 19 invalidate an otherwise valid sale.
- 20 (6) A statement that the county does not warrant the accuracy of
 21 the street address or common description of the property.
- 22 (7) A statement indicating:
 23 (A) the name of the owner of each tract or item of real
 24 property with a single owner; or
 25 (B) the name of at least one (1) of the owners of each tract or
 26 item of real property with multiple owners.
- 27 (8) A statement of the procedure to be followed for obtaining or
 28 objecting to a judgment and order of sale, that must include the
 29 following:
 30 (A) A statement:
 31 (i) that the county auditor and county treasurer will apply on
 32 or after a date designated in the notice for a court judgment
 33 against the tracts or real property for an amount that is not
 34 less than the amount set under subdivision (3), and for an
 35 order to sell the tracts or real property at public auction to
 36 the highest bidder, subject to the right of redemption; and
 37 (ii) indicating the date when the period of redemption
 38 specified in IC 6-1.1-25-4 will expire.
 39 (B) A statement that any defense to the application for
 40 judgment must be:
 41 (i) filed with the court; and
 42 (ii) served on the county auditor and the county treasurer;



- 1 before the date designated as the earliest date on which the
2 application for judgment may be filed.
- 3 (C) A statement that the county auditor and the county
4 treasurer are entitled to receive all pleadings, motions,
5 petitions, and other filings related to the defense to the
6 application for judgment.
- 7 (D) A statement that the court will set a date for a hearing at
8 least seven (7) days before the advertised date and that the
9 court will determine any defenses to the application for
10 judgment at the hearing.
- 11 (9) A statement that the sale will be conducted at a place
12 designated in the notice and that the sale will continue until all
13 tracts and real property have been offered for sale.
- 14 (10) A statement that the sale will take place at the times and
15 dates designated in the notice. Whenever the public auction is to
16 be conducted as an electronic sale, the notice must include a
17 statement indicating that the public auction will be conducted as
18 an electronic sale and a description of the procedures that must be
19 followed to participate in the electronic sale.
- 20 (11) A statement that a person redeeming each tract or item after
21 the sale must pay the costs described in IC 6-1.1-25-2(e).
- 22 (12) If a county auditor and county treasurer have entered into an
23 agreement under IC 6-1.1-25-4.7, a statement that the county
24 auditor will perform the duties of the notification and title search
25 under IC 6-1.1-25-4.5 and the notification and petition to the
26 court for the tax deed under IC 6-1.1-25-4.6.
- 27 (13) A statement that, if the tract or item of real property is sold
28 for an amount more than the minimum bid and the property is not
29 redeemed, the owner of record of the tract or item of real property
30 who is divested of ownership at the time the tax deed is issued
31 may have a right to the tax sale surplus.
- 32 (14) If a determination has been made under subsection (e), a
33 statement that tracts or items will be sold together.
- 34 (c) If within sixty (60) days before the date of the tax sale the county
35 incurs costs set under subsection (b)(3)(D) and those costs are not paid,
36 the county auditor shall enter the amount of costs that remain unpaid
37 upon the tax duplicate of the property for which the costs were set. The
38 county treasurer shall mail notice of unpaid costs entered upon a tax
39 duplicate under this subsection to the owner of the property identified
40 in the tax duplicate.
- 41 (d) The amount of unpaid costs entered upon a tax duplicate under
42 subsection (c) must be paid no later than the date upon which the next



1 installment of real estate taxes for the property is due. Unpaid costs
 2 entered upon a tax duplicate under subsection (c) are a lien against the
 3 property described in the tax duplicate, and amounts remaining unpaid
 4 on the date the next installment of real estate taxes is due may be
 5 collected in the same manner that delinquent property taxes are
 6 collected.

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

12 SECTION 3. IC 6-1.1-24-5.1, AS AMENDED BY P.L.247-2015,
 13 SECTION 17, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 14 JULY 1, 2018]: Sec. 5.1. (a) This section applies to the following:

15 (1) A business association that:

16 (A) has not obtained a certificate of **existence or** authority
 17 from, or registered with, the secretary of state in accordance
 18 with the procedures described in IC 23, as applicable; or

19 (B) has obtained a certificate of **existence or** authority from,
 20 or registered with, the secretary of state in accordance with the
 21 procedures described in IC 23, as applicable, but is not in good
 22 standing in Indiana as determined by the secretary of state.

23 (2) A person who is an agent of a person described in this
 24 subsection.

25 (b) A person subject to this section may not purchase a tract offered
 26 for sale under section 5 or 6.1 of this chapter. However, this section
 27 does not prohibit a person from bidding on a tract that is owned by the
 28 person and offered for sale under section 5 of this chapter.

29 (c) If a person purchases a tract that the person was not eligible to
 30 purchase under this section, the sale of the property is subject to
 31 forfeiture. If the county treasurer determines or is notified not more
 32 than six (6) months after the date of the sale that the sale of the
 33 property should be forfeited under this section, the county treasurer
 34 shall:

35 (1) notify the person in writing that the sale is subject to forfeiture
 36 within thirty (30) days after the notice if:

37 (A) the person does not obtain a certificate of **existence or**
 38 authority, or register with, the secretary of state in accordance
 39 with the procedures described in IC 23, as applicable; or

40 (B) the person does not otherwise cure the noncompliance that
 41 is the basis of the person's failure to be in good standing in
 42 Indiana as determined by the secretary of state;



1 (2) if the person does not meet the conditions described in
 2 subdivision (1) within thirty (30) days after the notice, refund the
 3 surplus amount of the person's bid to the person; and

4 (3) notify the county auditor that the sale has been forfeited.

5 Upon being notified that a sale has been forfeited, the county auditor
 6 shall issue a certificate to the county executive under section 6 of this
 7 chapter.

8 (d) A county treasurer may decline to forfeit a sale under this
 9 section because of inadvertence or mistake, lack of actual knowledge
 10 by the bidder, substantial harm to other parties with interests in the
 11 tract or item of real property, or other substantial reasons. If the
 12 treasurer declines to forfeit a sale, the treasurer shall:

13 (1) prepare a written statement explaining the reasons for
 14 declining to forfeit the sale; and

15 (2) retain the written statement as an official record.

16 (e) If a sale is forfeited under this section and the tract or item of
 17 real property is redeemed from the sale, the county auditor shall deposit
 18 the amount of the redemption into the county general fund and notify
 19 the county executive of the redemption. Upon being notified of the
 20 redemption, the county executive shall surrender the certificate to the
 21 county auditor.

22 (f) A business entity that seeks to register to bid at a tax sale must
 23 provide a certificate of ~~good standing existence, authority,~~ or proof of
 24 registration in accordance with ~~IC 5-23~~ **IC 23** from the secretary of
 25 state to the county treasurer.

26 SECTION 4. IC 6-1.1-24-7.5, AS AMENDED BY P.L.187-2016,
 27 SECTION 8, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 28 JULY 1, 2018]: Sec. 7.5. (a) As used in this section, "property owner"
 29 refers to the owner of record of real property at the time the real
 30 property was certified for sale under this chapter and before issuance
 31 of the tax deed.

32 (b) If a ~~property owner person~~ **person** enters into an agreement **with a**
 33 **property owner** on or after May 1, 2010, ~~that has the primary purpose~~
 34 ~~of paying compensation~~ to locate, deliver, recover, or assist in the
 35 recovery of money deposited in the tax sale surplus fund under section
 36 7(a)(3) of this chapter with respect to real property as a result of a tax
 37 sale, the agreement is valid only if the agreement:

38 (1) requires payment of compensation of not more than ten
 39 percent (10%) of the amount collected from the tax sale surplus
 40 fund, **including attorney's fees and other expenses**, with respect
 41 to the real property, unless the amount collected is fifty dollars
 42 (\$50) or less;



- 1 (2) is in writing;
 2 (3) is signed by the property owner; and
 3 (4) clearly sets forth:
 4 (A) the amount deposited in the tax sale surplus fund under
 5 section 7(a)(3) of this chapter with respect to the real property;
 6 and
 7 (B) the value of the property owner's share of the amount
 8 collected from the tax sale surplus fund with respect to the real
 9 property after the compensation is deducted.
- 10 (c) The attorney general and the attorney general's homeowner
 11 protection unit established under IC 4-6-12 shall enforce this section.
- 12 (d) The attorney general may maintain an action in a court with
 13 jurisdiction to enforce this section. A court in which an action is
 14 brought to enforce this section may do the following:
- 15 (1) Issue an injunction.
 16 (2) Order restitution to an owner aggrieved by a violation of this
 17 section.
 18 (3) Order a person that violates this section to reimburse the state
 19 for the reasonable costs of the attorney general's investigation and
 20 prosecution of the violation.
 21 (4) Impose a civil penalty, in an amount determined by the court,
 22 on a person that violates this section.
- 23 SECTION 5. IC 6-1.1-24-9, AS AMENDED BY P.L.32-2017,
 24 SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 25 JULY 1, 2018]: Sec. 9. (a) Immediately after a tax sale purchaser pays
 26 the bid, as evidenced by the receipt of the county treasurer, or
 27 immediately after the county acquires a lien under section 6 of this
 28 chapter, the county auditor shall deliver a certificate of sale to the
 29 purchaser or to the county or to the city. The certificate shall be signed
 30 by the auditor and registered in the auditor's office. The certificate shall
 31 contain:
- 32 (1) a description of real property that corresponds to the
 33 description used on the notice of sale;
 34 (2) the name of:
 35 (A) the owner of record at the time of the sale of real property
 36 with a single owner; or
 37 (B) at least one (1) of the owners of real property with multiple
 38 owners;
 39 (3) the mailing address of the owner of the real property sold as
 40 indicated in the records of the county auditor;
 41 (4) the name of the purchaser;
 42 (5) the date of sale;



- 1 (6) the amount for which the real property was sold;
 2 (7) the amount of the minimum bid for which the tract or real
 3 property was offered at the time of sale as required by section 5
 4 of this chapter;
 5 (8) the date when the period of redemption specified in
 6 IC 6-1.1-25-4 will expire;
 7 (9) the court cause number under which judgment was obtained;
 8 and
 9 (10) the street address, if any, or common description of the real
 10 property.

11 (b) When a certificate of sale is issued under this section, the
 12 purchaser acquires a lien against the real property for the entire amount
 13 paid. The lien of the purchaser is superior to all liens against the real
 14 property which exist at the time the certificate is issued.

15 (c) A certificate of sale is assignable. However, an assignment is not
 16 valid unless it is acknowledged before an officer authorized to take
 17 acknowledgments of deeds, and registered in the office of the county
 18 auditor. When a certificate of sale is assigned, the assignee acquires the
 19 same rights and obligations that the original purchaser acquired.

20 (d) Subject to IC 36-1-11-8, the county executive may assign a
 21 certificate of sale held in the name of the county executive to any
 22 political subdivision. If an assignment is made under this subsection:

23 (1) the period of redemption of the real property under
 24 IC 6-1.1-25 is ~~one hundred twenty (120) days after the date of the~~
 25 ~~assignment; specified in IC 6-1.1-25-4(b);~~ and

26 (2) notwithstanding IC 6-1.1-25-4.5(a) through
 27 IC 6-1.1-25-4.5(c), the assignee must transmit the notices
 28 required under IC 6-1.1-25-4.5 not later than ninety (90) days
 29 after the date of the assignment.

30 If the real property is not redeemed during the period of redemption,
 31 the assignee may petition the court for a tax deed under IC 6-1.1-25-4.6
 32 not later than ninety (90) days after the expiration of the period of
 33 redemption.

34 SECTION 6. IC 6-1.1-25-1, AS AMENDED BY P.L.187-2016,
 35 SECTION 10, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 36 JULY 1, 2018]: Sec. 1. (a) Any person may redeem the tract or real
 37 property:

- 38 (1) sold; or
 39 (2) for which the certificate of sale is sold under IC 6-1.1-24;
 40 under IC 6-1.1-24 at any time before the expiration of the period of
 41 redemption specified in section 4 of this chapter by paying to the
 42 county treasurer the amount required for redemption under section 2 of



- 1 this chapter.
- 2 (b) If a tract or real property to which subsection (a) applies is
 3 conveyed to a person before the expiration of the period of redemption,
 4 ~~and the person wishes to redeem the tract or real property~~; the person
 5 shall:
- 6 (1) redeem the tract or real property in accordance with section 2
 7 of this chapter; and
- 8 (2) satisfy the requirements of IC 32-21-8-7.
- 9 SECTION 7. IC 6-1.1-25-2, AS AMENDED BY P.L.187-2016,
 10 SECTION 11, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 11 JULY 1, 2018]: Sec. 2. (a) The total amount of money required for the
 12 redemption of real property equals the following amount, as applicable:
- 13 (1) If a tract or item of real property is redeemed under section
 14 4(c) of this chapter, the amount prescribed in subsection (g).
- 15 (2) If subdivision (1) does not apply and the real property is
 16 conveyed before the expiration of the period of redemption by the
 17 owner of record at the time the tract or real property was certified
 18 for sale under IC 6-1.1-24, ~~the sum of:~~
- 19 ~~(A) the amounts prescribed in subsections (b) through (f). and~~
 20 ~~(B) the amount held in the tax sale surplus fund.~~
- 21 ~~The amount specified in clause (B) shall be deposited with the~~
 22 ~~county treasurer and made payable to the owner of record at the~~
 23 ~~time the tract or real property was certified for sale under~~
 24 ~~IC 6-1.1-24.~~
- 25 (3) If subdivisions (1) and (2) do not apply, the sum of the
 26 amounts prescribed in subsections (b) through (f), reduced by any
 27 amount held in the tax sale surplus fund.
- 28 (b) Except as provided in subsection (g), the total amount required
 29 for redemption includes:
- 30 (1) one hundred ten percent (110%) of the minimum bid for
 31 which the tract or real property was offered at the time of sale, as
 32 required by IC 6-1.1-24-5, if the tract or item of real property is
 33 redeemed not more than six (6) months after the date of sale; or
 34 (2) one hundred fifteen percent (115%) of the minimum bid for
 35 which the tract or real property was offered at the time of sale, as
 36 required by IC 6-1.1-24-5, if the tract or item of real property is
 37 redeemed more than six (6) months but not more than one (1)
 38 year after the date of sale.
- 39 (c) Except as provided in subsection (g), in addition to the amount
 40 required under subsection (b), the total amount required for redemption
 41 includes the amount by which the purchase price exceeds the minimum
 42 bid on the real property plus:



- 1 **(1) an amount equal to:**
- 2 **(A) the rate on judgments for money specified under**
- 3 **IC 24-4.6-1-101(2) in effect on January 1 of the year in**
- 4 **which the property is sold; multiplied by**
- 5 **(B) the amount by which the purchase price exceeds the**
- 6 **minimum bid on the property;**
- 7 **if the date of sale occurs after June 30, 2018; or**
- 8 ~~(1)~~ **(2) five percent (5%) per annum on the amount by which the**
- 9 purchase price exceeds the minimum bid on the property, if the
- 10 date of sale occurs ~~after June 30, 2014; or before July 1, 2018.~~
- 11 ~~(2) ten percent (10%) per annum on the amount by which the~~
- 12 ~~purchase price exceeds the minimum bid on the property, if the~~
- 13 ~~date of sale occurs before July 1, 2014.~~
- 14 (d) Except as provided in subsection (g), in addition to the amount
- 15 required under subsections (b) and (c), the total amount required for
- 16 redemption includes all taxes and special assessments upon the
- 17 property paid by the purchaser after the sale plus:
- 18 **(1) an amount equal to:**
- 19 **(A) the rate on judgments for money specified under**
- 20 **IC 24-4.6-1-101(2) in effect on January 1 of the year in**
- 21 **which the property is sold; multiplied by**
- 22 **(B) the amount by which the purchase price exceeds the**
- 23 **minimum bid on the property;**
- 24 **if the date of sale occurs after June 30, 2018; or**
- 25 ~~(1)~~ **(2) five percent (5%) per annum on those taxes and special**
- 26 assessments, if the date of sale occurs ~~after June 30, 2014; or~~
- 27 **before July 1, 2018.**
- 28 ~~(2) ten percent (10%) interest per annum on those taxes and~~
- 29 ~~special assessments; if the date of sale occurs before July 1, 2014.~~
- 30 (e) Except as provided in subsection (g), in addition to the amounts
- 31 required under subsections (b), (c), and (d), the total amount required
- 32 for redemption includes the following costs, if certified before
- 33 redemption and not earlier than thirty (30) days after the date of sale of
- 34 the property being redeemed by the payor to the county auditor on a
- 35 form prescribed by the state board of accounts, that were incurred and
- 36 paid by the purchaser, the purchaser's assignee, or the county, before
- 37 redemption:
- 38 (1) The attorney's fees and costs of giving notice under section 4.5
- 39 of this chapter.
- 40 (2) The costs of a title search or of examining and updating the
- 41 abstract of title for the tract or item of real property.
- 42 (f) The total amount required for redemption includes, in addition



1 to the amounts required under subsections (b) and (e), all taxes, special
 2 assessments, interest, penalties, and fees on the property that accrued
 3 and are delinquent after the sale.

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

8 SECTION 8. IC 6-1.1-25-4, AS AMENDED BY P.L.251-2015,
 9 SECTION 21, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 10 JULY 1, 2018]: Sec. 4. (a) There is no right to redeem real property
 11 under this chapter after its sale under IC 6-1.1-24, if the real property
 12 is on the vacant and abandoned property list prepared by the county
 13 auditor under IC 6-1.1-24-1.5. The period for redemption of any other
 14 real property sold under IC 6-1.1-24 is:

15 (1) one (1) year after the date of sale; or

16 (2) one hundred twenty (120) days after the date of sale to a
 17 purchasing agency qualified under IC 36-7-17 or IC 36-7-17.1.

18 (b) Subject to subsection ~~(k)~~ (l) and IC 6-1.1-24-9(d), the period for
 19 redemption of real property:

20 (1) on which the county executive acquires a lien under
 21 IC 6-1.1-24-6; and

22 (2) for which the certificate of sale is not sold under
 23 IC 6-1.1-24-6.1;

24 is ~~one hundred twenty (120)~~ **forty-five (45)** days after the date ~~the~~
 25 ~~county executive acquires the lien under IC 6-1.1-24-6.~~ **on which the**
 26 **notice required under section 4.5 of this chapter is mailed.**

27 (c) The period for redemption of real property:

28 (1) on which the county executive acquires a lien under
 29 IC 6-1.1-24-6; and

30 (2) for which the certificate of sale is sold under IC 6-1.1-24;

31 is one hundred twenty (120) days after the date of sale of the certificate
 32 of sale under IC 6-1.1-24.

33 (d) When a deed for real property is executed under this chapter, the
 34 county auditor shall cancel the certificate of sale and file the canceled
 35 certificate in the office of the county auditor.

36 (e) When a deed is issued to a county executive or other political
 37 subdivision under this chapter, the taxes and special assessments for
 38 which the real property was offered for sale, and all subsequent taxes,
 39 special assessments, interest, penalties, and cost of sale shall be
 40 removed from the tax duplicate in the same manner that taxes are
 41 removed by certificate of error.

42 (f) A tax deed executed under this chapter vests in the grantee an



1 estate in fee simple absolute, free and clear of all liens and
 2 encumbrances created or suffered before or after the tax sale except
 3 those liens granted priority under federal law and the lien of the state
 4 or a political subdivision for taxes and special assessments which
 5 accrue subsequent to the sale and which are not removed under
 6 subsection (e). However, subject to subsection (g), the estate is subject
 7 to:

8 (1) all easements, covenants, declarations, and other deed
 9 restrictions shown by public records;

10 (2) laws, ordinances, and regulations concerning governmental
 11 police powers, including zoning, building, land use,
 12 improvements on the land, land division, and environmental
 13 protection; and

14 (3) liens and encumbrances created or suffered by the grantee.

15 (g) A tax deed executed under this chapter for real property sold in
 16 a tax sale:

17 (1) does not operate to extinguish an easement recorded before
 18 the date of the tax sale in the office of the recorder of the county
 19 in which the real property is located, regardless of whether the
 20 easement was taxed under this article separately from the real
 21 property; and

22 (2) conveys title subject to all easements recorded before the date
 23 of the tax sale in the office of the recorder of the county in which
 24 the real property is located.

25 (h) A tax deed executed under this chapter is prima facie evidence
 26 of:

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

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

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

31 (i) A county auditor is not required to execute a deed to the county
 32 executive under this chapter if the county executive determines that the
 33 property involved contains hazardous waste or another environmental
 34 hazard for which the cost of abatement or alleviation will exceed the
 35 fair market value of the property. The county executive may enter the
 36 property to conduct environmental investigations.

37 (j) When a deed is issued to a purchaser of a certificate of sale sold
 38 under IC 6-1.1-24-6.1, the county auditor shall, in the same manner that
 39 taxes are removed by certificate of error, remove from the tax duplicate
 40 the taxes, special assessments, interest, penalties, and costs remaining
 41 due as the difference between:

42 (1) the amount of:



1 (A) the last minimum bid under IC 6-1.1-24-5; plus
 2 (B) any penalty associated with a delinquency that was not due
 3 until after the date of the sale under IC 6-1.1-24-5 but is due
 4 before the issuance of the certificate of sale, with respect to
 5 taxes included in the minimum bid that were not due at the
 6 time of the sale under IC 6-1.1-24-5; and
 7 (2) the amount paid for the certificate of sale.
 8 **(k) A tax deed may not be issued to a holder of a certificate of**
 9 **sale sold under IC 6-1.1-24-5 or IC 6-1.1-24-6.1 for a tract or item**
 10 **of real property unless:**
 11 **(1) the property taxes and special assessments that first**
 12 **became due and payable on the tract or item or real property**
 13 **after the date on which the certificate of sale was sold under**
 14 **IC 6-1.1-24-5 or IC 6-1.1-24-6.1; and**
 15 **(2) the penalties for delinquent property taxes and special**
 16 **assessments described in subdivision (1);**
 17 **that are not removed under subsection (j) have been paid in full.**
 18 ~~(k)~~ **(l)** If a tract or item of real property did not sell at a tax sale or
 19 a sale conducted under IC 6-1.1-24-6.1 and the county treasurer and the
 20 owner of real property agree before the expiration of the period for
 21 redemption under subsection (b) to a mutually satisfactory arrangement
 22 for the payment of the entire amount required for redemption under
 23 section 2 of this chapter before the expiration of a period for
 24 redemption extended under this subsection:
 25 (1) the county treasurer may extend the period for redemption;
 26 and
 27 (2) except as provided in subsection ~~(j)~~; **(m)**, the extended period
 28 for redemption expires one (1) year after the date of the
 29 agreement.
 30 ~~(j)~~ **(m)** If the owner of real property fails to meet the terms of an
 31 agreement entered into with the county treasurer under subsection ~~(k)~~;
 32 **(l)**, the county treasurer may terminate the agreement after providing
 33 thirty (30) days written notice to the owner. If the county treasurer
 34 gives notice under this subsection, the extended period for redemption
 35 established under subsection ~~(k)~~ **(l)** expires thirty (30) days after the
 36 date of the notice.
 37 ~~(m)~~ **(n)** The period of redemption for a property, which was not
 38 offered for sale under IC 6-1.1-24-4.7(j), is one hundred twenty (120)
 39 days after the conclusion of the tax sale at which the property was not
 40 offered.
 41 SECTION 9. IC 6-1.1-25-4.5, AS AMENDED BY P.L.236-2015,
 42 SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE



1 JULY 1, 2018]: Sec. 4.5. (a) Except as provided in subsection (d), a
 2 purchaser or the purchaser's assignee is entitled to a tax deed to the
 3 property that was sold only if:

4 (1) the redemption period specified in section 4(a)(1) of this
 5 chapter has expired;

6 (2) the property has not been redeemed within the period of
 7 redemption specified in section 4(a) of this chapter; and

8 (3) not later than six (6) months after the date of the sale:

9 (A) the purchaser or the purchaser's assignee; or

10 (B) in a county where the county auditor and county treasurer
 11 have an agreement under section 4.7 of this chapter, the
 12 county auditor;

13 gives notice of the sale to the owner of record at the time of the
 14 sale and any person with a substantial property interest of public
 15 record in the tract or item of real property.

16 (b) A county executive is entitled to a tax deed to property on which
 17 the county executive acquires a lien under IC 6-1.1-24-6 and for which
 18 the certificate of sale is not sold under IC 6-1.1-24-6.1 only if:

19 (1) the redemption period specified in section 4(b) of this chapter
 20 has expired;

21 (2) the property has not been redeemed within the period of
 22 redemption specified in section 4(b) of this chapter; and

23 (3) ~~not later than ninety (90) days after the date~~ the county
 24 executive acquires the lien under IC 6-1.1-24-6; ~~the county~~
 25 auditor gives ~~has given~~ notice of the sale **in accordance with**
 26 **section 4(b) of this chapter** to:

27 (A) the owner of record at the time the lien was acquired; and

28 (B) any person with a substantial property interest of public
 29 record in the tract or item of real property.

30 (c) A purchaser of a certificate of sale under IC 6-1.1-24-6.1 is
 31 entitled to a tax deed to the property for which the certificate was sold
 32 only if:

33 (1) the redemption period specified in section 4(c) of this chapter
 34 has expired;

35 (2) the property has not been redeemed within the period of
 36 redemption specified in section 4(c) of this chapter; and

37 (3) not later than ninety (90) days after the date of sale of the
 38 certificate of sale under IC 6-1.1-24, the purchaser gives notice of
 39 the sale to:

40 (A) the owner of record at the time of the sale; and

41 (B) any person with a substantial property interest of public
 42 record in the tract or item of real property.



1 (d) The person required to give the notice under subsection (a), (b),
 2 or (c) shall give the notice by sending a copy of the notice by certified
 3 mail, return receipt requested, to:

4 (1) the owner of record at the time of the:

5 (A) sale of the property;

6 (B) acquisition of the lien on the property under IC 6-1.1-24-6;

7 or

8 (C) sale of the certificate of sale on the property under
 9 IC 6-1.1-24;

10 at the last address of the owner for the property, as indicated in
 11 the records of the county auditor; and

12 (2) any person with a substantial property interest of public record
 13 at the address for the person included in the public record that
 14 indicates the interest.

15 However, if the address of the person with a substantial property
 16 interest of public record is not indicated in the public record that
 17 created the interest and cannot be located by ordinary means by the
 18 person required to give the notice under subsection (a), (b), or (c), the
 19 person may give notice by publication in accordance with IC 5-3-1-4
 20 once each week for three (3) consecutive weeks.

21 (e) The notice that this section requires shall contain at least the
 22 following:

23 (1) A statement that a petition for a tax deed will be filed on or
 24 after a specified date.

25 (2) The date on or after which the petitioner intends to petition for
 26 a tax deed to be issued.

27 (3) A description of the tract or item of real property shown on the
 28 certificate of sale.

29 (4) The date the tract or item of real property was sold at a tax
 30 sale.

31 (5) The name of the:

32 (A) purchaser or purchaser's assignee;

33 (B) county executive that acquired the lien on the property
 34 under IC 6-1.1-24-6; or

35 (C) person that purchased the certificate of sale on the
 36 property under IC 6-1.1-24.

37 (6) A statement that any person may redeem the tract or item of
 38 real property.

39 (7) The components of the amount required to redeem the tract or
 40 item of real property.

41 (8) A statement that an entity identified in subdivision (5) is
 42 entitled to reimbursement for additional taxes or special



1 assessments on the tract or item of real property that were paid by
 2 the entity subsequent to the tax sale, lien acquisition, or purchase
 3 of the certificate of sale, and before redemption, plus interest.

4 (9) A statement that the tract or item of real property has not been
 5 redeemed.

6 (10) A statement that an entity identified in subdivision (5) is
 7 entitled to receive a deed for the tract or item of real property if it
 8 is not redeemed before the expiration of the period of redemption
 9 specified in section 4 of this chapter.

10 (11) A statement that an entity identified in subdivision (5) is
 11 entitled to reimbursement for costs described in section 2(e) of
 12 this chapter.

13 (12) The date of expiration of the period of redemption specified
 14 in section 4 of this chapter.

15 (13) A statement that if the property is not redeemed, the owner
 16 of record at the time the tax deed is issued may have a right to the
 17 tax sale surplus, if any.

18 (14) The street address, if any, or a common description of the
 19 tract or item of real property.

20 (15) The key number or parcel number of the tract or item of real
 21 property.

22 (f) The notice under this section must include not more than one (1)
 23 tract or item of real property listed and sold in one (1) description.
 24 However, when more than one (1) tract or item of real property is
 25 owned by one (1) person, all of the tracts or items of real property that
 26 are owned by that person may be included in one (1) notice.

27 (g) A single notice under this section may be used to notify joint
 28 owners of record at the last address of the joint owners for the property
 29 sold, as indicated in the records of the county auditor.

30 (h) The notice required by this section is considered sufficient if the
 31 notice is mailed to the address required under subsection (d).

32 (i) The notice under this section and the notice under section 4.6 of
 33 this chapter are not required for persons in possession not shown in the
 34 public records.

35 (j) If the purchaser fails to:

36 (1) comply with subsection (c)(3); or

37 (2) petition for the issuance of a tax deed within the time
 38 permitted under section 4.6(a) of this chapter;

39 the certificate of sale reverts to the county executive and may be
 40 retained by the county executive or sold under IC 6-1.1-24-6.1.

41 SECTION 10. IC 6-1.1-25-4.6, AS AMENDED BY P.L.32-2017,
 42 SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE



1 JULY 1, 2018]: Sec. 4.6. (a) After the expiration of the redemption
2 period specified in section 4 of this chapter but not later than three (3)
3 months after the expiration of the period of redemption:

4 (1) the purchaser, the purchaser's assignee, the county executive,
5 the county executive's assignee, or the purchaser of the certificate
6 of sale under IC 6-1.1-24-6.1 may; or

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

11 file a verified petition in accordance with subsection (b) in the same
12 court in which the judgment of sale was entered asking the court to
13 direct the county auditor to issue a tax deed if the real property is not
14 redeemed from the sale. Notice of the filing of this petition shall be
15 given to the same parties as provided in section 4.5 of this chapter,
16 except that, if notice is given by publication, only one (1) publication
17 is required. The notice required by this section is considered sufficient
18 if the notice is sent to the address required by section 4.5(d) of this
19 chapter. Any person owning or having an interest in the tract or item of
20 real property may file a written objection to the petition with the court
21 not later than thirty (30) days after the date the petition was filed. If a
22 written objection is timely filed, the court shall conduct a hearing on
23 the objection. If there is not a written objection that is timely filed, the
24 court may consider the petition without conducting a hearing.

25 (b) Unless the county auditor and the county treasurer have entered
26 into an agreement under section 4.7 of this chapter, a verified petition
27 filed under subsection (a) may include the following:

28 (1) Copies of all notices sent under section 4.5 of this chapter.

29 (2) Copies of all notices sent under this section.

30 (3) Copies of all certified mail mailing receipts, return receipts,
31 and returned mailing envelopes for notices sent under section 4.5
32 of this chapter.

33 (4) Copies of all certified mail mailing receipts, return receipts,
34 and returned mailing envelopes for notices sent under this section.

35 (5) Copies or descriptions of the evidence used by the petitioner
36 or the petitioner's assignor to identify the owner and other persons
37 with a substantial property interest of public record in the real
38 property.

39 (c) If the purchaser or the purchaser's assignee includes the
40 documents described in subsection (b), the issuance of a tax deed
41 constitutes prima facie evidence of the sale referenced in subsection
42 (k).



1 (d) If a verified petition is brought by the county auditor under an
 2 agreement provided for under section 4.7 of this chapter, a tax deed
 3 constitutes prima facie evidence of the validity of the sale referenced
 4 in subsection (k) upon timely production by the county of all
 5 documents described in subsection (b) in response to a challenge to a
 6 tax deed.

7 (e) If the issuance of a tax deed does not constitute prima facie
 8 evidence of the validity of the sale due to the failure to comply with
 9 this section, the purchaser or the purchaser's successor has the burden
 10 of proving the validity of the sale by a preponderance of the evidence
 11 in any subsequent challenge to the sale.

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

17 (1) The time of redemption has expired.

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

21 (3) Except with respect to a petition for the issuance of a tax deed
 22 under a sale of the certificate of sale on the property under
 23 IC 6-1.1-24-6.1 or IC 6-1.1-24-6.8, or with respect to penalties
 24 described in section 4(j) of this chapter, all taxes and special
 25 assessments, penalties, and costs have been paid, **including the**
 26 **property taxes, special assessments, and penalties described**
 27 **in section 4(k) of this chapter.**

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

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

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

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



1 (h) Except as provided in subsections (i) and (j), if:

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

4 (2) the court refuses to enter an order directing the county auditor
5 to execute and deliver the tax deed because of the failure of the
6 petitioner under subsection (a) to fulfill the notice requirement of
7 subsection (a);

8 the court shall order the return of the amount, if any, by which the
9 purchase price exceeds the minimum bid on the property under
10 IC 6-1.1-24-5 minus a penalty of twenty-five percent (25%) of that
11 excess. The petitioner is prohibited from participating in any manner
12 in the next succeeding tax sale in the county under IC 6-1.1-24. The
13 county auditor shall deposit penalties paid under this subsection in the
14 county general fund.

15 (i) Notwithstanding subsection (h), in all cases in which:

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

18 (2) the petitioner under subsection (a) has made a bona fide
19 attempt to comply with the statutory requirements under
20 subsection (f) for the issuance of the tax deed but has failed to
21 comply with these requirements;

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

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

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

41 (j) Notwithstanding subsections (h) and (i), the court shall not order
42 the return of the purchase price or any part of the purchase price if:



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

5 (k) A tax deed executed under this section vests in the grantee an
 6 estate in fee simple absolute, free and clear of all liens and
 7 encumbrances created or suffered before or after the tax sale except
 8 those liens granted priority under federal law, and the lien of the state
 9 or a political subdivision for taxes and special assessments that accrue
 10 subsequent to the sale. However, the estate is subject to all easements,
 11 covenants, declarations, and other deed restrictions and laws governing
 12 land use, including all zoning restrictions and liens and encumbrances
 13 created or suffered by the purchaser at the tax sale. Except as provided
 14 in subsections (b), (c), (d), and (e), the deed is prima facie evidence of:

- 15 (1) the regularity of the sale of the real property described in the
 16 deed;
 17 (2) the regularity of all proper proceedings; and
 18 (3) valid title in fee simple in the grantee of the deed.

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

23 SECTION 11. IC 32-21-8-2 IS REPEALED [EFFECTIVE JULY 1,
 24 2018]. **Sec. 2: A taxpayer must file a tax sale surplus fund disclosure
 25 form in duplicate with the county auditor before the taxpayer may
 26 transfer title to property if:**

- 27 (1) the taxpayer owes delinquent taxes on the property;
 28 (2) the property was sold at a tax sale under IC 6-1.1-24; and
 29 (3) a part of the tax sale purchaser's bid on the property was
 30 deposited into the tax sale surplus fund under IC 6-1.1-24-7.

31 SECTION 12. IC 32-21-8-3 IS REPEALED [EFFECTIVE JULY 1,
 32 2018]. **Sec. 3: A tax sale surplus fund disclosure form must contain the
 33 following information:**

- 34 (1) The name and address of the taxpayer transferring the
 35 property;
 36 (2) The name and address of the person acquiring the property;
 37 (3) The proposed date of transfer;
 38 (4) The purchase price for the transfer;
 39 (5) The date the property was sold at a tax sale under IC 6-1.1-24;
 40 (6) The amount of the tax sale purchaser's bid that was deposited
 41 into the tax sale surplus fund under IC 6-1.1-24-7.
 42 (7) Proof from the county treasurer that the person acquiring the



1 property has paid to the county treasurer the amount required
2 under IC 6-1.1-25 for redemption of the property.
3 SECTION 13. IC 32-21-8-4 IS REPEALED [EFFECTIVE JULY 1,
4 2018]. Sec. 4. The tax sale surplus fund disclosure form must be signed
5 by the taxpayer transferring the property and acknowledged before an
6 officer authorized to take acknowledgments of deeds.
7 SECTION 14. IC 32-21-8-5 IS REPEALED [EFFECTIVE JULY 1,
8 2018]. Sec. 5. The county auditor shall:
9 (1) stamp the tax sale surplus fund disclosure form to indicate the
10 county auditor's receipt of the form; and
11 (2) remit the duplicate to the taxpayer.
12 SECTION 15. IC 32-21-8-6 IS REPEALED [EFFECTIVE JULY 1,
13 2018]. Sec. 6. The state board of accounts shall prescribe the tax sale
14 surplus fund disclosure form required by this chapter.

