



March 18, 2021

ENGROSSED SENATE BILL No. 28

DIGEST OF SB 28 (Updated March 17, 2021 10:56 am - DI 137)

Citations Affected: IC 6-1.1.

Synopsis: Tax sales. Prohibits a person who is delinquent in the payment of personal property taxes or is subject to an existing personal property tax judgment from bidding on or purchasing a tract at a tax sale. Prohibits a business entity from bidding on or purchasing a tract at a tax sale when a person who is prohibited from bidding on or purchasing a tract at a tax sale: (1) formed the business entity; (2) joined with another person or party to form the business entity; (3) joined the business entity as a proprietor, incorporator, partner, shareholder, director, employee, or member; (4) becomes an agent, employee, or board member of the business entity; or (5) is not an attorney at law and represents the business entity in a legal matter.
(Continued next page)

Effective: July 1, 2021.

Niemeyer, Tomes, Melton, Randolph Lonnie M

(HOUSE SPONSORS — SLAGER, OLTHOFF, AYLESWORTH)

January 4, 2021, read first time and referred to Committee on Local Government.
February 18, 2021, reported favorably — Do Pass.
February 22, 2021, read second time, amended, ordered engrossed.
February 23, 2021, engrossed. Read third time, passed. Yeas 49, nays 0.

HOUSE ACTION

March 4, 2021, read first time and referred to Committee on Local Government.
March 18, 2021, amended, reported — Do Pass.

ES 28—LS 6230/DI 137



Digest Continued

Requires a person to acknowledge that providing false information relating to a prohibited bid or purchase is perjury. Creates a new section of code with revised requirements for the forfeiture of a tax sale purchase by an ineligible bidder. Requires a county treasurer, except for in a county containing a consolidated city, to pay all taxes and assessments that accrue on the tract of real estate through the time the record owner is divested of title from the tax sale surplus fund for the tract. Permits a county legislative body to adopt an ordinance prohibiting the assignment of a certificate of sale prior to the issuance of a tax title deed. Adds requirements that must be met within 150 days of the date a court grants a petition to issue a tax deed before a county auditor can issue or record a tax deed.



March 18, 2021

First Regular Session of the 122nd General Assembly (2021)

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 2020 Regular Session of the General Assembly.

ENGROSSED SENATE BILL No. 28

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 6-1.1-24-5.1, AS AMENDED BY P.L.247-2015,
2 SECTION 17, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
3 JULY 1, 2021]: Sec. 5.1. (a) This section applies to the following:
4 (1) A business association that:
5 (A) has not obtained a certificate of authority from, or
6 registered with, the secretary of state in accordance with the
7 procedures described in IC 23, as applicable; or
8 (B) has obtained a certificate of authority from, or registered
9 with, the secretary of state in accordance with the procedures
10 described in IC 23, as applicable, but is not in good standing
11 in Indiana as determined by the secretary of state.
12 (2) A person who is an agent of a person described in this
13 subsection.
14 (b) A person subject to this section may not purchase a tract offered
15 for sale under section 5 or 6.1 of this chapter. However, this section
16 does not prohibit a person from bidding on a tract that is owned by the
17 person and offered for sale under section 5 of this chapter.

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1 (c) If a person purchases a tract that the person was not eligible to
 2 purchase under this section, the sale of the property is subject to
 3 forfeiture. If the county treasurer determines or is notified not more
 4 than six (6) months after the date of the sale that the sale of the
 5 property should be forfeited under this section, the county treasurer
 6 shall:

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

9 (A) the person does not obtain a certificate of authority, or
 10 register with, the secretary of state in accordance with the
 11 procedures described in IC 23, as applicable; or

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

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

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

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

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

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

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

30 (e) If a sale is forfeited under this section and the tract or item of
 31 real property is redeemed from the sale, the county auditor shall deposit
 32 the amount of the redemption into the county general fund and notify
 33 the county executive of the redemption. Upon being notified of the
 34 redemption, the county executive shall surrender the certificate to the
 35 county auditor.

36 (f) (c) A business entity that seeks to register to bid at a tax sale
 37 must provide a certificate of good standing or proof of registration in
 38 accordance with IC 5-23 from the secretary of state to the county
 39 treasurer.

40 SECTION 2. IC 6-1.1-24-5.3, AS AMENDED BY P.L.159-2020,
 41 SECTION 45, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 42 JULY 1, 2021]: Sec. 5.3. (a) This section applies to the following:

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- 1 (1) A person who:
2 (A) owns a fee interest, a life estate interest, or the equitable
3 interest of a contract purchaser in an unsafe building or unsafe
4 premises; and
5 (B) is subject to an order issued under IC 36-7-9-5(a)(2),
6 IC 36-7-9-5(a)(3), IC 36-7-9-5(a)(4), or IC 36-7-9-5(a)(5)
7 regarding which the conditions set forth in IC 36-7-9-10(a)(1)
8 through IC 36-7-9-10(a)(4) exist.
- 9 (2) A person who:
10 (A) owns a fee interest, a life estate interest, or the equitable
11 interest of a contract purchaser in an unsafe building or unsafe
12 premises; and
13 (B) is subject to an order issued under IC 36-7-9-5(a), other
14 than an order issued under IC 36-7-9-5(a)(2),
15 IC 36-7-9-5(a)(3), IC 36-7-9-5(a)(4), or IC 36-7-9-5(a)(5),
16 regarding which the conditions set forth in IC 36-7-9-10(b)(1)
17 through IC 36-7-9-10(b)(4) exist.
- 18 (3) A person who is the defendant in a court action brought under
19 IC 36-7-9-18, IC 36-7-9-19, IC 36-7-9-20, IC 36-7-9-21, or
20 IC 36-7-9-22 that has resulted in a judgment in favor of the
21 plaintiff and the unsafe condition that caused the action to be
22 brought has not been corrected.
- 23 (4) A person who has any of the following relationships to a
24 person, partnership, corporation, or legal entity described in
25 subdivision (1), (2), (3), or (5):
26 (A) A partner of a partnership.
27 (B) A member of a limited liability company.
28 (C) An officer, director, or majority stockholder of a
29 corporation.
30 (D) The person who controls or directs the activities or has a
31 majority ownership in a legal entity other than a partnership or
32 corporation.
- 33 (5) A person who owes:
34 (A) delinquent taxes;
35 (B) special assessments;
36 (C) penalties;
37 (D) interest; or
38 (E) costs directly attributable to a prior tax sale;
39 on a tract or an item of real property listed under section 1 of this
40 chapter.
- 41 (6) A person who owns a fee interest, a life estate interest, or the
42 equitable interest of a contract purchaser in a vacant or abandoned



1 structure subject to an enforcement order under IC 32-30-6,
 2 IC 32-30-7, IC 32-30-8, or IC 36-7-9, or a court order under
 3 IC 36-7-37.

4 (7) A person who is an agent of the person described in this
 5 subsection.

6 **(8) A person who:**

7 **(A) is delinquent in the payment of any personal property**
 8 **taxes; or**

9 **(B) is subject to an existing personal property tax**
 10 **judgment;**

11 **under IC 6-1.1-22-9.**

12 (b) A person subject to this section may not bid on or purchase a
 13 tract offered for sale under section 5 or 6.1 of this chapter. However,
 14 this section does not prohibit a person from bidding on a tract that is
 15 owned by the person and offered for sale under section 5 of this
 16 chapter.

17 **(c) A business entity may not bid on or purchase a tract offered**
 18 **for sale under section 5 or 6.1 of this chapter if:**

19 **(1) a person subject to this section:**

20 **(A) formed the business entity;**

21 **(B) joined with another person or party to form the**
 22 **business entity; or**

23 **(C) joined the business entity as a proprietor, incorporator,**
 24 **partner, shareholder, director, employee, or member; or**

25 **(2) a person subject to this section:**

26 **(A) becomes an agent, employee, or board member of the**
 27 **business entity; or**

28 **(B) is not an attorney at law and represents the business**
 29 **entity in a legal matter.**

30 (c) The county treasurer shall require each person who will be
 31 bidding at the tax sale to sign a statement in a form substantially
 32 similar to the following:

33 "Indiana law prohibits a person who owes delinquent taxes,
 34 special assessments, penalties, interest, or costs directly
 35 attributable to a prior tax sale of a tract or item of real property
 36 listed under IC 6-1.1-24-1 from bidding on or purchasing tracts or
 37 items of real property at a tax sale. I hereby affirm under the
 38 penalties for perjury that I do not owe delinquent taxes, special
 39 assessments, penalties, interest, costs directly attributable to a
 40 prior tax sale, amounts from a final adjudication in favor of a
 41 political subdivision, any civil penalties imposed for the violation
 42 of a building code or county ordinance, or any civil penalties



1 imposed by a county health department. I also affirm that I am not
 2 purchasing tracts or items of real property on behalf of or as an
 3 agent for a person who is prohibited from purchasing at a tax sale.
 4 Further, I hereby acknowledge that any successful bid I make in
 5 violation of this statement is subject to forfeiture. In the event of
 6 forfeiture, the amount by which my bid exceeds the minimum bid
 7 on the tract or item or real property under IC 6-1.1-24-5(e), if any,
 8 shall be applied to the delinquent taxes, special assessments,
 9 penalties, interest, costs, judgments, or civil penalties I owe, and
 10 a certificate will be issued to the county executive."

11 (d) If a person purchases a tract that the person was not eligible to
 12 purchase under this section, the sale of the property is subject to
 13 forfeiture. If the county treasurer determines or is notified not more
 14 than six (6) months after the date of the sale that the sale of the
 15 property should be forfeited, the county treasurer shall:

16 (1) notify the person in writing that the sale is subject to forfeiture
 17 if the person does not pay the amounts that the person owes
 18 within thirty (30) days of the notice;

19 (2) if the person does not pay the amounts that the person owes
 20 within thirty (30) days after the notice, apply the surplus amount
 21 of the person's bid to the person's delinquent taxes, special
 22 assessments, penalties, and interest;

23 (3) remit the amounts owed from a final adjudication or civil
 24 penalties in favor of a political subdivision to the appropriate
 25 political subdivision; and

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

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

30 (e) A county treasurer may decline to forfeit a sale under this section
 31 because of inadvertence or mistake, lack of actual knowledge by the
 32 bidder, substantial harm to other parties with interests in the tract or
 33 item of real property, or other substantial reasons. If the treasurer
 34 declines to forfeit a sale, the treasurer shall:

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

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

38 (f) If a sale is forfeited under this section and the tract or item of real
 39 property is redeemed from the sale, the county auditor shall deposit the
 40 amount of the redemption into the county general fund and notify the
 41 county executive of the redemption. Upon being notified of the
 42 redemption, the county executive shall surrender the certificate to the



1 county auditor:

2 SECTION 3. IC 6-1.1-24-5.4, AS ADDED BY P.L.66-2014,
3 SECTION 10, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
4 JULY 1, 2021]: Sec. 5.4. (a) This section applies to the following:

- 5 (1) A foreign business association that:
6 (A) has not obtained a certificate of authority from, or
7 registered with, the secretary of state in accordance with the
8 procedures described in IC 23, as applicable; or
9 (B) has obtained a certificate of authority from, or registered
10 with, the secretary of state in accordance with the procedures
11 described in IC 23, as applicable, but is not in good standing
12 in Indiana as determined by the secretary of state.

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

15 (b) As used in this section, "foreign business association" means a
16 corporation, professional corporation, nonprofit corporation, limited
17 liability company, partnership, or limited partnership that is organized
18 under the laws of another state or another country.

19 (c) A person subject to this section may not purchase a tract offered
20 for sale under section 5 or 6.1 of this chapter. However, this section
21 does not prohibit a person from bidding on a tract that is owned by the
22 person and offered for sale under section 5 of this chapter.

23 (d) If a person purchases a tract that the person was not eligible to
24 purchase under this section, the sale of the property is subject to
25 forfeiture. If the county treasurer determines or is notified not more
26 than six (6) months after the date of the sale that the sale of the
27 property should be forfeited under this section, the county treasurer
28 shall:

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

31 (A) the person does not obtain a certificate of authority, or
32 register with, the secretary of state in accordance with the
33 procedures described in IC 23, as applicable; or

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

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

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

41 Upon being notified that a sale has been forfeited, the county auditor
42 shall issue a certificate to the county executive under section 6 of this



1 chapter:

2 (e) A county treasurer may decline to forfeit a sale under this section
3 because of inadvertence or mistake; lack of actual knowledge by the
4 bidder; substantial harm to other parties with interests in the tract or
5 item of real property; or other substantial reasons. If the treasurer
6 declines to forfeit a sale, the treasurer shall:

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

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

10 (f) If a sale is forfeited under this section and the tract or item of real
11 property is redeemed from the sale, the county auditor shall deposit the
12 amount of the redemption into the county general fund and notify the
13 county executive of the redemption. Upon being notified of the
14 redemption, the county executive shall surrender the certificate to the
15 county auditor.

16 SECTION 4. IC 6-1.1-24-5.7 IS ADDED TO THE INDIANA
17 CODE AS A NEW SECTION TO READ AS FOLLOWS
18 [EFFECTIVE JULY 1, 2021]: **Sec. 5.7. (a) The county treasurer shall**
19 **require each person who will be bidding at the tax sale to sign a**
20 **statement in a form substantially similar to the following:**

21 **"Indiana law prohibits a person who owes delinquent taxes,**
22 **special assessments, penalties, interest, or costs directly**
23 **attributable to a prior tax sale of a tract or item of real**
24 **property listed under IC 6-1.1-24-1 from bidding on or**
25 **purchasing tracts or items of real property at a tax sale. I**
26 **hereby affirm under the penalties for perjury that I do not**
27 **owe delinquent taxes, special assessments, penalties, interest,**
28 **costs directly attributable to a prior tax sale, amounts from a**
29 **final adjudication in favor of a political subdivision, any civil**
30 **penalties imposed for the violation of a building code or**
31 **county ordinance, or any civil penalties imposed by a county**
32 **health department. I also affirm that I am not purchasing**
33 **tracts or items of real property on behalf of or as an agent for**
34 **a person who is prohibited from purchasing at a tax sale.**
35 **Further, I hereby acknowledge that any successful bid I make**
36 **in violation of this statement is subject to forfeiture. In the**
37 **event of forfeiture, the amount by which my bid exceeds the**
38 **minimum bid on the tract or item or real property under**
39 **IC 6-1.1-24-5(e), if any, shall be applied to the delinquent**
40 **taxes, special assessments, penalties, interest, costs,**
41 **judgments, or civil penalties I owe, and a certificate will be**
42 **issued to the county executive. I further acknowledge that a**



1 person who knowingly or intentionally provides false
 2 information on this affidavit commits perjury, a Level 6
 3 felony."

4 (b) If a person purchases real property that the person was not
 5 eligible to purchase under section 5.1, 5.3, or 5.4 of this chapter, the
 6 sale of the real property is subject to forfeiture. If the county
 7 treasurer determines or is notified not more than forty-five (45)
 8 days after the date of the sale that the sale of the real property
 9 should be forfeited, the county treasurer shall:

10 (1) not more than five (5) days after the county treasurer is
 11 notified, notify the person in writing by first class mail that
 12 the sale is subject to forfeiture if the person does not pay the
 13 amounts the person owes within fifteen (15) days of the date
 14 the written notice is mailed;

15 (2) if the person does not meet the conditions described in
 16 subdivision (1) within fifteen (15) days after the written notice
 17 is mailed, apply the surplus amount of the person's bid, if any,
 18 to the delinquent taxes, special assessments, penalties, and
 19 interest on the real property;

20 (3) remit the amounts owed from a final adjudication or civil
 21 penalties in favor of a political subdivision to the political
 22 subdivision;

23 (4) notify the county auditor that the sale has been forfeited;
 24 and

25 (5) file with the county recorder a certification identifying the
 26 forfeited sale that includes:

27 (A) the date of the sale;

28 (B) the name of the buyer;

29 (C) the property identification number of the real
 30 property;

31 (D) the real property's legal description; and

32 (E) a statement that the sale has been forfeited and is null
 33 and void because the buyer was not eligible to purchase the
 34 real property.

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

38 (c) A county treasurer may decline to forfeit a sale under this
 39 section because of inadvertence or mistake, lack of actual
 40 knowledge by the bidder, substantial harm to other parties with
 41 interests in the real property, or other substantial reasons. If the
 42 treasurer declines to forfeit a sale, the treasurer shall:



- 1 **(1) prepare a written statement explaining the reasons for**
 2 **declining to forfeit the sale;**
 3 **(2) retain the written statement as an official record; and**
 4 **(3) file with the county recorder a certification that includes:**
 5 **(A) the date of the sale;**
 6 **(B) the name of the buyer;**
 7 **(C) the property identification number of the real**
 8 **property;**
 9 **(D) the real property's legal description; and**
 10 **(E) a statement that the sale has not been forfeited and is**
 11 **valid.**

12 **(d) If a sale is forfeited under this section and the tract or item**
 13 **of real property is redeemed from the sale, the county auditor shall**
 14 **deposit the amount of the redemption into the county general fund**
 15 **and notify the county executive of the redemption. Upon being**
 16 **notified of the redemption, the county executive shall surrender the**
 17 **certificate to the county auditor.**

18 **(e) If a county treasurer does not take action under subsection**
 19 **(b) within forty-five (45) days of the date the county treasurer**
 20 **determines or is notified that a sale should be forfeited, the person**
 21 **is deemed to be an eligible purchaser for that sale of that real**
 22 **property.**

23 **(f) If a tax deed is issued for real property under IC 6-1.1-25-4,**
 24 **this section cannot be invoked to invalidate, rescind, or set aside**
 25 **the tax deed.**

26 SECTION 5. IC 6-1.1-24-6.1, AS AMENDED BY P.L.171-2018,
 27 SECTION 6, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 28 JULY 1, 2021]: Sec. 6.1. (a) The county executive may do the
 29 following:

- 30 (1) By resolution, identify properties concerning which the county
 31 executive desires to offer to the public the certificates of sale
 32 acquired by the county executive under section 6 of this chapter.
 33 (2) Except as otherwise provided in subsection (c), in conformity
 34 with IC 5-3-1-4, publish:
 35 (A) notice of the date, time, and place for a public sale; and
 36 (B) a listing of parcels on which certificates will be offered by
 37 parcel number and minimum bid amount;
 38 once each week for three (3) consecutive weeks, with the final
 39 advertisement being not less than thirty (30) days before the sale
 40 date. The expenses of the publication shall be paid out of the
 41 county general fund.
 42 (3) Sell each certificate of sale covered by the resolution for a



- 1 price that:
- 2 (A) is less than the minimum sale price prescribed by section
- 3 5 of this chapter; and
- 4 (B) includes any costs to the county directly attributable to the
- 5 sale of the certificate of sale.
- 6 (b) Except as otherwise provided in subsection (c), notice of the list
- 7 of properties prepared under subsection (a) and the date, time, and
- 8 place for the public sale of the certificates of sale shall be published in
- 9 accordance with IC 5-3-1. The notice must:
- 10 (1) include a description of the property by parcel number and
- 11 common address;
- 12 (2) specify that the county executive will accept bids for the
- 13 certificates of sale for the price referred to in subsection (a)(3);
- 14 (3) specify the minimum bid for each parcel;
- 15 (4) include a statement that a person redeeming each tract or item
- 16 of real property after the sale of the certificate must pay:
- 17 (A) the amount of the minimum bid under section 5 of this
- 18 chapter for which the tract or item of real property was last
- 19 offered for sale;
- 20 (B) ten percent (10%) of the amount for which the certificate
- 21 is sold;
- 22 (C) the attorney's fees and costs of giving notice under
- 23 IC 6-1.1-25-4.5;
- 24 (D) the costs of a title search or of examining and updating the
- 25 abstract of title for the tract or item of real property;
- 26 (E) all taxes and special assessments on the tract or item of
- 27 real property paid by the purchaser after the sale of the
- 28 certificate plus interest at the rate of ten percent (10%) per
- 29 annum on the amount of taxes and special assessments paid by
- 30 the purchaser on the redeemed property; ~~and~~
- 31 (F) all costs of sale, advertising costs, and other expenses of
- 32 the county directly attributable to the sale of certificates of
- 33 sale; and
- 34 **(G) all taxes or special assessments, or both, paid by the**
- 35 **county treasurer under section 7(b) of this chapter; and**
- 36 (5) include a statement that, if the certificate is sold for an amount
- 37 more than the minimum bid under section 5 of this chapter for
- 38 which the tract or item of real property was last offered for sale
- 39 and the property is not redeemed, the owner of record of the tract
- 40 or item of real property who is divested of ownership at the time
- 41 the tax deed is issued may have a right to the tax sale surplus.
- 42 (c) For properties identified under subsection (a) for which the



1 certificates of sale are not sold when initially offered for sale under this
2 section, the county executive may omit from the notice the descriptions
3 of the tracts or items of real property under subsection (b)(1) and the
4 associated minimum bids under subsection (b)(3) if:

- 5 (1) the county executive includes in the notice a statement that
- 6 descriptions of those tracts or items of real property are available
- 7 on the Internet web site of the county government or the county
- 8 government's contractor and the information may be obtained in
- 9 an alternative form from the county executive upon request; and
- 10 (2) the descriptions of those tracts or items of real property for
- 11 which a certificate of sale is eligible for sale under this section are
- 12 made available on the Internet web site of the county government
- 13 or the county government's contractor and may be obtained from
- 14 the county executive in an alternative form upon request in
- 15 accordance with section 3.4 of this chapter.

16 SECTION 6. IC 6-1.1-24-7, AS AMENDED BY P.L.85-2017,
17 SECTION 17, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
18 JULY 1, 2021]: Sec. 7. (a) When real property is sold under this
19 chapter, the purchaser at the sale shall immediately pay the amount of
20 the bid to the county treasurer. The county treasurer shall apply the
21 payment in the following manner:

- 22 (1) First, to the taxes, special assessments, penalties, and costs
- 23 described in section 5(e) of this chapter.
- 24 (2) Second, to other delinquent property taxes in the manner
- 25 provided in IC 6-1.1-23-5(b).
- 26 (3) Third, to a separate "tax sale surplus fund".

27 **(b) A county treasurer shall pay taxes or special assessments, or**
28 **both, as follows:**

29 **(1) For any tract or item of real property located in a county**
30 **containing a consolidated city** for which a tax sale certificate is
31 sold under this chapter, if taxes or special assessments, or both,
32 become due on the tract or item of real property during the period
33 of redemption specified under IC 6-1.1-25-4, the county treasurer
34 may pay the taxes or special assessments, or both, on the tract or
35 item of real property from the tax sale surplus held in the name of
36 the taxpayer, if any, after the taxes or special assessments become
37 due.

38 **(2) For any tract or item of real property not located in a**
39 **county containing a consolidated city for which a tax sale**
40 **certificate is sold under this chapter, if taxes or special**
41 **assessments, or both, accrue on the tract or item of real**
42 **property through and including the year in which the owner**



1 **of record is divested of title to the real property, the county**
 2 **treasurer shall pay all taxes or special assessments, or both,**
 3 **on the tract or item of real property from the tax sale surplus**
 4 **held in the name of the taxpayer, if any, after the tax bills are**
 5 **mailed. The county auditor must freeze the tax sale surplus**
 6 **until all payments required under this subdivision are paid.**

7 (c) The:

8 (1) owner of record of the real property at the time the real
 9 property was certified for sale under this chapter and before the
 10 issuance of a tax deed; or

11 (2) tax sale purchaser or purchaser's assignee, upon redemption
 12 of the tract or item of real property;

13 may file a verified claim for money which is deposited in the tax sale
 14 surplus fund. If the claim is approved by the county auditor and the
 15 county treasurer, the county auditor shall issue a warrant to the
 16 claimant for the amount due.

17 (d) If the person who claims money deposited in the tax sale surplus
 18 fund under subsection (c) is:

19 (1) a person who has a contract or agreement described under
 20 section 7.5 of this chapter with a person described in subsection

21 (c)(1); or

22 (2) a person who acts as an executor, attorney-in-fact, or legal
 23 guardian of a person described in subsection (c)(1);

24 the county auditor may issue a warrant to the person only as directed
 25 by the court having jurisdiction over the tax sale of the parcel for which
 26 the surplus claim is made.

27 (e) A court may direct the issuance of a warrant only:

28 (1) on petition by the claimant;

29 (2) within three (3) years after the date of sale of the parcel in the
 30 tax sale; and

31 (3) in the case of a petitioner to whom subsection (d)(1) applies,
 32 if the petitioner has satisfied the requirements of section 7.5 of
 33 this chapter.

34 (f) Unless the redemption period specified under IC 6-1.1-25 has
 35 been extended under federal bankruptcy law, an amount deposited in
 36 the tax sale surplus fund shall be transferred by the county auditor to
 37 the county general fund and may not be disbursed under subsection (c)
 38 if it is not claimed within the three (3) year period after the date of its
 39 receipt.

40 (g) If an amount applied to taxes under this section is later paid out
 41 of the county general fund to the purchaser or the purchaser's successor
 42 due to the invalidity of the sale, all the taxes shall be reinstated and



1 recharged to the tax duplicate and collected in the same manner as if
2 the property had not been offered for sale.

3 (h) When a refund is made to any purchaser or purchaser's successor
4 by reason of the invalidity of a sale, the county auditor shall, at the
5 December settlement immediately following the refund, deduct the
6 amount of the refund from the gross collections in the taxing district in
7 which the land lies and shall pay that amount into the county general
8 fund.

9 SECTION 7. IC 6-1.1-24-9, AS AMENDED BY P.L.32-2017,
10 SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
11 JULY 1, 2021]: Sec. 9. (a) Immediately after a tax sale purchaser pays
12 the bid, as evidenced by the receipt of the county treasurer, or
13 immediately after the county acquires a lien under section 6 of this
14 chapter, the county auditor shall deliver a certificate of sale to the
15 purchaser or to the county or to the city. The certificate shall be signed
16 by the auditor and registered in the auditor's office. The certificate shall
17 contain:

18 (1) a description of real property that corresponds to the
19 description used on the notice of sale;

20 (2) the name of:

21 (A) the owner of record at the time of the sale of real property
22 with a single owner; or

23 (B) at least one (1) of the owners of real property with multiple
24 owners;

25 (3) the mailing address of the owner of the real property sold as
26 indicated in the records of the county auditor;

27 (4) the name of the purchaser;

28 (5) the date of sale;

29 (6) the amount for which the real property was sold;

30 (7) the amount of the minimum bid for which the tract or real
31 property was offered at the time of sale as required by section 5
32 of this chapter;

33 (8) the date when the period of redemption specified in
34 IC 6-1.1-25-4 will expire;

35 (9) the court cause number under which judgment was obtained;
36 and

37 (10) the street address, if any, or common description of the real
38 property.

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



1 (c) A certificate of sale is assignable. **A county legislative body**
 2 **may adopt an ordinance prohibiting the assignment of a certificate**
 3 **of sale acquired at a treasurer's sale (pursuant to section 5 of this**
 4 **chapter) or at a county executive's tax sale (pursuant to section 6.1**
 5 **of this chapter) prior to the issuance of a tax deed for the real**
 6 **property by the county auditor.** ~~However,~~ An assignment **not**
 7 **prohibited by an ordinance adopted under this subsection** is not
 8 valid unless it is acknowledged before an officer authorized to take
 9 acknowledgments of deeds, and registered in the office of the county
 10 auditor. When a certificate of sale is assigned, the assignee acquires the
 11 same rights and obligations that the original purchaser acquired.

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

15 (1) the period of redemption of the real property under
 16 IC 6-1.1-25 is one hundred twenty (120) days after the date of the
 17 assignment; and

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

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

26 SECTION 8. IC 6-1.1-25-2, AS AMENDED BY P.L.187-2018,
 27 SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 28 JULY 1, 2021]: Sec. 2. (a) The total amount of money required for the
 29 redemption of real property equals the following amount, as applicable:

30 (1) If a tract or item of real property is redeemed under section
 31 4(c) of this chapter, the amount prescribed in subsection (g).

32 (2) If subdivision (1) does not apply, the sum of the amounts
 33 prescribed in subsections (b) through (f).

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

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

40 (2) one hundred fifteen percent (115%) of the minimum bid for
 41 which the tract or real property was offered at the time of sale, as
 42 required by IC 6-1.1-24-5, if: the tract or item of real property is



1 redeemed more than six (6) months but not more than one (1)
2 year after the date of sale.

3 (c) Except as provided in subsection (g), in addition to the amount
4 required under subsection (b), the total amount required for redemption
5 includes five percent (5%) per annum on the amount by which the
6 purchase price exceeds the minimum bid on the property, if the date of
7 sale occurs after June 30, 2014.

8 (d) Except as provided in subsection (g), in addition to the amount
9 required under subsections (b) and (c), the total amount required for
10 redemption includes all taxes and special assessments upon the
11 property paid by the purchaser after the sale plus:

12 (1) five percent (5%) per annum on those taxes and special
13 assessments, if the date of sale occurs after June 30, 2014; or

14 (2) ten percent (10%) interest per annum on those taxes and
15 special assessments, if the date of sale occurs before July 1, 2014.

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

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

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

28 (f) The total amount required for redemption includes, in addition
29 to the amounts required under subsections (b) and (e):

30 (1) all taxes, special assessments, interest, penalties, and fees on
31 the property that accrued and are delinquent after the sale; **and**

32 (2) **all taxes or special assessments, or both, paid by the county**
33 **treasurer under IC 6-1.1-24-7(b).**

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

38 SECTION 9. IC 6-1.1-25-4, AS AMENDED BY P.L.251-2015,
39 SECTION 21, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
40 JULY 1, 2021]: Sec. 4. (a) There is no right to redeem real property
41 under this chapter after its sale under IC 6-1.1-24, if the real property
42 is on the vacant and abandoned property list prepared by the county



1 auditor under IC 6-1.1-24-1.5. The period for redemption of any other
2 real property sold under IC 6-1.1-24 is:

- 3 (1) one (1) year after the date of sale; or
4 (2) one hundred twenty (120) days after the date of sale to a
5 purchasing agency qualified under IC 36-7-17 or IC 36-7-17.1.

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

- 8 (1) on which the county executive acquires a lien under
9 IC 6-1.1-24-6; and
10 (2) for which the certificate of sale is not sold under
11 IC 6-1.1-24-6.1;

12 is one hundred twenty (120) days after the date the county executive
13 acquires the lien under IC 6-1.1-24-6.

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

- 15 (1) on which the county executive acquires a lien under
16 IC 6-1.1-24-6; and
17 (2) for which the certificate of sale is sold under IC 6-1.1-24;

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

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

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

29 (f) A tax deed executed under this chapter vests in the grantee an
30 estate in fee simple absolute, free and clear of all liens and
31 encumbrances created or suffered before or after the tax sale except
32 those liens granted priority under federal law and the lien of the state
33 or a political subdivision for taxes and special assessments which
34 accrue subsequent to the sale and which are not removed under
35 subsection (e). However, subject to subsection (g), the estate is subject
36 to:

- 37 (1) all easements, covenants, declarations, and other deed
38 restrictions shown by public records;
39 (2) laws, ordinances, and regulations concerning governmental
40 police powers, including zoning, building, land use,
41 improvements on the land, land division, and environmental
42 protection; and



- 1 (3) liens and encumbrances created or suffered by the grantee.
 2 (g) A tax deed executed under this chapter for real property sold in
 3 a tax sale:
 4 (1) does not operate to extinguish an easement recorded before
 5 the date of the tax sale in the office of the recorder of the county
 6 in which the real property is located, regardless of whether the
 7 easement was taxed under this article separately from the real
 8 property; and
 9 (2) conveys title subject to all easements recorded before the date
 10 of the tax sale in the office of the recorder of the county in which
 11 the real property is located.
 12 (h) A tax deed executed under this chapter is prima facie evidence
 13 of:
 14 (1) the regularity of the sale of the real property described in the
 15 deed;
 16 (2) the regularity of all proper proceedings; and
 17 (3) valid title in fee simple in the grantee of the deed.
 18 (i) A county auditor is not required to execute a deed to the county
 19 executive under this chapter if the county executive determines that the
 20 property involved contains hazardous waste or another environmental
 21 hazard for which the cost of abatement or alleviation will exceed the
 22 fair market value of the property. The county executive may enter the
 23 property to conduct environmental investigations.
 24 (j) When a deed is issued to a purchaser of a certificate of sale sold
 25 under IC 6-1.1-24-6.1, the county auditor shall, in the same manner that
 26 taxes are removed by certificate of error, remove from the tax duplicate
 27 the taxes, special assessments, interest, penalties, and costs remaining
 28 due as the difference between:
 29 (1) the amount of:
 30 (A) the last minimum bid under IC 6-1.1-24-5; plus
 31 (B) any penalty associated with a delinquency that was not due
 32 until after the date of the sale under IC 6-1.1-24-5 but is due
 33 before the issuance of the certificate of sale, with respect to
 34 taxes included in the minimum bid that were not due at the
 35 time of the sale under IC 6-1.1-24-5; and
 36 (2) the amount paid for the certificate of sale.
 37 (k) If a tract or item of real property did not sell at a tax sale or a
 38 sale conducted under IC 6-1.1-24-6.1 and the county treasurer and the
 39 owner of real property agree before the expiration of the period for
 40 redemption under subsection (b) to a mutually satisfactory arrangement
 41 for the payment of the entire amount required for redemption under
 42 section 2 of this chapter before the expiration of a period for



- 1 redemption extended under this subsection:
- 2 (1) the county treasurer may extend the period for redemption;
- 3 and
- 4 (2) except as provided in subsection (1), the extended period for
- 5 redemption expires one (1) year after the date of the agreement.
- 6 (l) If the owner of real property fails to meet the terms of an
- 7 agreement entered into with the county treasurer under subsection (k),
- 8 the county treasurer may terminate the agreement after providing thirty
- 9 (30) days written notice to the owner. If the county treasurer gives
- 10 notice under this subsection, the extended period for redemption
- 11 established under subsection (k) expires thirty (30) days after the date
- 12 of the notice.
- 13 (m) The period of redemption for a property, which was not offered
- 14 for sale under IC 6-1.1-24-4.7(j), is one hundred twenty (120) days
- 15 after the conclusion of the tax sale at which the property was not
- 16 offered.
- 17 **(n) A county auditor shall not issue or record a tax deed unless**
- 18 **the following requirements are met not later than one hundred**
- 19 **fifty (150) days after the date of the hearing at which a court grants**
- 20 **the tax sale buyer's petition for the tax deed:**
- 21 (1) **Copies of the court order to issue the tax deed and the**
- 22 **sales disclosure form are filed with the county auditor.**
- 23 (2) **The recording fees for the tax deed are paid.**
- 24 (3) **All subsequent or outstanding real property taxes on the**
- 25 **property are paid.**



COMMITTEE REPORT

Madam President: The Senate Committee on Local Government, to which was referred Senate Bill No. 28, has had the same under consideration and begs leave to report the same back to the Senate with the recommendation that said bill DO PASS.

(Reference is to SB 28 as introduced.)

BUCK, Chairperson

Committee Vote: Yeas 8, Nays 0

SENATE MOTION

Madam President: I move that Senate Bill 28 be amended to read as follows:

Page 3, line 38, delete "knowingly, recklessly, or" and insert "**knowingly or**".

Page 3, line 40, delete "a Class A misdemeanor." and insert "**perjury, a Level 6 felony.**".

Page 13, delete lines 21 through 26.

(Reference is to SB 28 as printed February 19, 2021.)

YOUNG M

COMMITTEE REPORT

Mr. Speaker: Your Committee on Local Government, to which was referred Senate Bill 28, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:

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

"SECTION 1. IC 6-1.1-24-5.1, AS AMENDED BY P.L.247-2015, SECTION 17, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2021]: Sec. 5.1. (a) This section applies to the following:

(1) A business association that:

(A) has not obtained a certificate of authority from, or



registered with, the secretary of state in accordance with the procedures described in IC 23, as applicable; or

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

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

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

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

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

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

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

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

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

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

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

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

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

(e) If a sale is forfeited under this section and the tract or item of



real property is redeemed from the sale, the county auditor shall deposit the amount of the redemption into the county general fund and notify the county executive of the redemption. Upon being notified of the redemption, the county executive shall surrender the certificate to the county auditor.

(f) (c) A business entity that seeks to register to bid at a tax sale must provide a certificate of good standing or proof of registration in accordance with IC 5-23 from the secretary of state to the county treasurer."

Page 1, delete lines 1 through 17, begin a new paragraph and insert:

"SECTION 2. IC 6-1.1-24-5.3, AS AMENDED BY P.L.159-2020, SECTION 45, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2021]: Sec. 5.3. (a) This section applies to the following:

(1) A person who:

(A) owns a fee interest, a life estate interest, or the equitable interest of a contract purchaser in an unsafe building or unsafe premises; and

(B) is subject to an order issued under IC 36-7-9-5(a)(2), IC 36-7-9-5(a)(3), IC 36-7-9-5(a)(4), or IC 36-7-9-5(a)(5) regarding which the conditions set forth in IC 36-7-9-10(a)(1) through IC 36-7-9-10(a)(4) exist.

(2) A person who:

(A) owns a fee interest, a life estate interest, or the equitable interest of a contract purchaser in an unsafe building or unsafe premises; and

(B) is subject to an order issued under IC 36-7-9-5(a), other than an order issued under IC 36-7-9-5(a)(2), IC 36-7-9-5(a)(3), IC 36-7-9-5(a)(4), or IC 36-7-9-5(a)(5), regarding which the conditions set forth in IC 36-7-9-10(b)(1) through IC 36-7-9-10(b)(4) exist.

(3) A person who is the defendant in a court action brought under IC 36-7-9-18, IC 36-7-9-19, IC 36-7-9-20, IC 36-7-9-21, or IC 36-7-9-22 that has resulted in a judgment in favor of the plaintiff and the unsafe condition that caused the action to be brought has not been corrected.

(4) A person who has any of the following relationships to a person, partnership, corporation, or legal entity described in subdivision (1), (2), (3), or (5):

(A) A partner of a partnership.

(B) A member of a limited liability company.

(C) An officer, director, or majority stockholder of a corporation.



- (D) The person who controls or directs the activities or has a majority ownership in a legal entity other than a partnership or corporation.
- (5) A person who owes:
- (A) delinquent taxes;
 - (B) special assessments;
 - (C) penalties;
 - (D) interest; or
 - (E) costs directly attributable to a prior tax sale;
- on a tract or an item of real property listed under section 1 of this chapter.
- (6) A person who owns a fee interest, a life estate interest, or the equitable interest of a contract purchaser in a vacant or abandoned structure subject to an enforcement order under IC 32-30-6, IC 32-30-7, IC 32-30-8, or IC 36-7-9, or a court order under IC 36-7-37.
- (7) A person who is an agent of the person described in this subsection.

(8) A person who:

- (A) is delinquent in the payment of any personal property taxes; or**
- (B) is subject to an existing personal property tax judgment;**

under IC 6-1.1-22-9.

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

(c) A business entity may not bid on or purchase a tract offered for sale under section 5 or 6.1 of this chapter if:

(1) a person subject to this section:

- (A) formed the business entity;**
- (B) joined with another person or party to form the business entity; or**
- (C) joined the business entity as a proprietor, incorporator, partner, shareholder, director, employee, or member; or**

(2) a person subject to this section:

- (A) becomes an agent, employee, or board member of the business entity; or**
- (B) is not an attorney at law and represents the business entity in a legal matter.**



(c) The county treasurer shall require each person who will be bidding at the tax sale to sign a statement in a form substantially similar to the following:

"Indiana law prohibits a person who owes delinquent taxes, special assessments, penalties, interest, or costs directly attributable to a prior tax sale of a tract or item of real property listed under IC 6-1.1-24-1 from bidding on or purchasing tracts or items of real property at a tax sale. I hereby affirm under the penalties for perjury that I do not owe delinquent taxes, special assessments, penalties, interest, costs directly attributable to a prior tax sale; amounts from a final adjudication in favor of a political subdivision; any civil penalties imposed for the violation of a building code or county ordinance; or any civil penalties imposed by a county health department. I also affirm that I am not purchasing tracts or items of real property on behalf of or as an agent for a person who is prohibited from purchasing at a tax sale. Further, I hereby acknowledge that any successful bid I make in violation of this statement is subject to forfeiture. In the event of forfeiture, the amount by which my bid exceeds the minimum bid on the tract or item or real property under IC 6-1.1-24-5(e), if any, shall be applied to the delinquent taxes, special assessments, penalties, interest, costs, judgments, or civil penalties I owe, and a certificate will be issued to the county executive."

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

- (1) notify the person in writing that the sale is subject to forfeiture if the person does not pay the amounts that the person owes within thirty (30) days of the notice;
- (2) if the person does not pay the amounts that the person owes within thirty (30) days after the notice, apply the surplus amount of the person's bid to the person's delinquent taxes, special assessments, penalties, and interest;
- (3) remit the amounts owed from a final adjudication or civil penalties in favor of a political subdivision to the appropriate political subdivision; and
- (4) notify the county auditor that the sale has been forfeited.

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



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

- (1) prepare a written statement explaining the reasons for declining to forfeit the sale; and
- (2) retain the written statement as an official record.

(f) If a sale is forfeited under this section and the tract or item of real property is redeemed from the sale; the county auditor shall deposit the amount of the redemption into the county general fund and notify the county executive of the redemption. Upon being notified of the redemption; the county executive shall surrender the certificate to the county auditor."

Delete pages 2 through 3.

Page 4, delete lines 1 through 31.

Page 4, between lines 31 and 32, begin a new paragraph and insert:
 "SECTION 3. IC 6-1.1-24-5.4, AS ADDED BY P.L.66-2014, SECTION 10, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2021]: Sec. 5.4. (a) This section applies to the following:

- (1) A foreign business association that:
 - (A) has not obtained a certificate of authority from, or registered with, the secretary of state in accordance with the procedures described in IC 23, as applicable; or
 - (B) has obtained a certificate of authority from, or registered with, the secretary of state in accordance with the procedures described in IC 23, as applicable, but is not in good standing in Indiana as determined by the secretary of state.
- (2) A person who is an agent of a person described in this subsection.

(b) As used in this section, "foreign business association" means a corporation, professional corporation, nonprofit corporation, limited liability company, partnership, or limited partnership that is organized under the laws of another state or another country.

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

(d) If a person purchases a tract that the person was not eligible to purchase under this section; the sale of the property is subject to forfeiture. If the county treasurer determines or is notified not more than six (6) months after the date of the sale that the sale of the



property should be forfeited under this section; the county treasurer shall:

- (1) notify the person in writing that the sale is subject to forfeiture within thirty (30) days of the notice if:
 - (A) the person does not obtain a certificate of authority; or register with; the secretary of state in accordance with the procedures described in IC 23; as applicable; or
 - (B) the person does not otherwise cure the noncompliance that is the basis of the person's failure to be in good standing in Indiana as determined by the secretary of state;
- (2) if the person does not meet the conditions described in subdivision (1) within thirty (30) days after the notice; refund the surplus amount of the person's bid to the person; and
- (3) notify the county auditor that the sale has been forfeited.

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

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

- (1) prepare a written statement explaining the reasons for declining to forfeit the sale; and
- (2) retain the written statement as an official record.

(f) If a sale is forfeited under this section and the tract or item of real property is redeemed from the sale; the county auditor shall deposit the amount of the redemption into the county general fund and notify the county executive of the redemption. Upon being notified of the redemption; the county executive shall surrender the certificate to the county auditor.

SECTION 4. IC 6-1.1-24-5.7 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2021]: **Sec. 5.7. (a) The county treasurer shall require each person who will be bidding at the tax sale to sign a statement in a form substantially similar to the following:**

"Indiana law prohibits a person who owes delinquent taxes, special assessments, penalties, interest, or costs directly attributable to a prior tax sale of a tract or item of real property listed under IC 6-1.1-24-1 from bidding on or purchasing tracts or items of real property at a tax sale. I hereby affirm under the penalties for perjury that I do not



owe delinquent taxes, special assessments, penalties, interest, costs directly attributable to a prior tax sale, amounts from a final adjudication in favor of a political subdivision, any civil penalties imposed for the violation of a building code or county ordinance, or any civil penalties imposed by a county health department. I also affirm that I am not purchasing tracts or items of real property on behalf of or as an agent for a person who is prohibited from purchasing at a tax sale. Further, I hereby acknowledge that any successful bid I make in violation of this statement is subject to forfeiture. In the event of forfeiture, the amount by which my bid exceeds the minimum bid on the tract or item or real property under IC 6-1.1-24-5(e), if any, shall be applied to the delinquent taxes, special assessments, penalties, interest, costs, judgments, or civil penalties I owe, and a certificate will be issued to the county executive. I further acknowledge that a person who knowingly or intentionally provides false information on this affidavit commits perjury, a Level 6 felony."

(b) If a person purchases real property that the person was not eligible to purchase under section 5.1, 5.3, or 5.4 of this chapter, the sale of the real property is subject to forfeiture. If the county treasurer determines or is notified not more than forty-five (45) days after the date of the sale that the sale of the real property should be forfeited, the county treasurer shall:

- (1) not more than five (5) days after the county treasurer is notified, notify the person in writing by first class mail that the sale is subject to forfeiture if the person does not pay the amounts the person owes within fifteen (15) days of the date the written notice is mailed;
- (2) if the person does not meet the conditions described in subdivision (1) within fifteen (15) days after the written notice is mailed, apply the surplus amount of the person's bid, if any, to the delinquent taxes, special assessments, penalties, and interest on the real property;
- (3) remit the amounts owed from a final adjudication or civil penalties in favor of a political subdivision to the political subdivision;
- (4) notify the county auditor that the sale has been forfeited; and
- (5) file with the county recorder a certification identifying the forfeited sale that includes:



- (A) the date of the sale;
- (B) the name of the buyer;
- (C) the property identification number of the real property;
- (D) the real property's legal description; and
- (E) a statement that the sale has been forfeited and is null and void because the buyer was not eligible to purchase the real property.

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

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

- (1) prepare a written statement explaining the reasons for declining to forfeit the sale;
- (2) retain the written statement as an official record; and
- (3) file with the county recorder a certification that includes:
 - (A) the date of the sale;
 - (B) the name of the buyer;
 - (C) the property identification number of the real property;
 - (D) the real property's legal description; and
 - (E) a statement that the sale has not been forfeited and is valid.

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

(e) If a county treasurer does not take action under subsection (b) within forty-five (45) days of the date the county treasurer determines or is notified that a sale should be forfeited, the person is deemed to be an eligible purchaser for that sale of that real property.

(f) If a tax deed is issued for real property under IC 6-1.1-25-4, this section cannot be invoked to invalidate, rescind, or set aside the tax deed."

Page 6, delete lines 22 through 42, begin a new paragraph and



insert:

"SECTION 6. IC 6-1.1-24-7, AS AMENDED BY P.L.85-2017, SECTION 17, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2021]: Sec. 7. (a) When real property is sold under this chapter, the purchaser at the sale shall immediately pay the amount of the bid to the county treasurer. The county treasurer shall apply the payment in the following manner:

- (1) First, to the taxes, special assessments, penalties, and costs described in section 5(e) of this chapter.
- (2) Second, to other delinquent property taxes in the manner provided in IC 6-1.1-23-5(b).
- (3) Third, to a separate "tax sale surplus fund".

(b) A county treasurer shall pay taxes or special assessments, or both, as follows:

(1) For any tract or item of real property located in a county containing a consolidated city for which a tax sale certificate is sold under this chapter, if taxes or special assessments, or both, become due on the tract or item of real property during the period of redemption specified under IC 6-1.1-25-4, the county treasurer may pay the taxes or special assessments, or both, on the tract or item of real property from the tax sale surplus held in the name of the taxpayer, if any, after the taxes or special assessments become due.

(2) For any tract or item of real property not located in a county containing a consolidated city for which a tax sale certificate is sold under this chapter, if taxes or special assessments, or both, accrue on the tract or item of real property through and including the year in which the owner of record is divested of title to the real property, the county treasurer shall pay all taxes or special assessments, or both, on the tract or item of real property from the tax sale surplus held in the name of the taxpayer, if any, after the tax bills are mailed. The county auditor must freeze the tax sale surplus until all payments required under this subdivision are paid.

(c) The:

- (1) owner of record of the real property at the time the real property was certified for sale under this chapter and before the issuance of a tax deed; or
- (2) tax sale purchaser or purchaser's assignee, upon redemption of the tract or item of real property;

may file a verified claim for money which is deposited in the tax sale surplus fund. If the claim is approved by the county auditor and the



county treasurer, the county auditor shall issue a warrant to the claimant for the amount due.

(d) If the person who claims money deposited in the tax sale surplus fund under subsection (c) is:

(1) a person who has a contract or agreement described under section 7.5 of this chapter with a person described in subsection (c)(1); or

(2) a person who acts as an executor, attorney-in-fact, or legal guardian of a person described in subsection (c)(1);

the county auditor may issue a warrant to the person only as directed by the court having jurisdiction over the tax sale of the parcel for which the surplus claim is made.

(e) A court may direct the issuance of a warrant only:

(1) on petition by the claimant;

(2) within three (3) years after the date of sale of the parcel in the tax sale; and

(3) in the case of a petitioner to whom subsection (d)(1) applies, if the petitioner has satisfied the requirements of section 7.5 of this chapter.

(f) Unless the redemption period specified under IC 6-1.1-25 has been extended under federal bankruptcy law, an amount deposited in the tax sale surplus fund shall be transferred by the county auditor to the county general fund and may not be disbursed under subsection (c) if it is not claimed within the three (3) year period after the date of its receipt.

(g) If an amount applied to taxes under this section is later paid out of the county general fund to the purchaser or the purchaser's successor due to the invalidity of the sale, all the taxes shall be reinstated and recharged to the tax duplicate and collected in the same manner as if the property had not been offered for sale.

(h) When a refund is made to any purchaser or purchaser's successor by reason of the invalidity of a sale, the county auditor shall, at the December settlement immediately following the refund, deduct the amount of the refund from the gross collections in the taxing district in which the land lies and shall pay that amount into the county general fund."

Delete page 7.

Page 8, delete lines 1 through 3.

Renumber all SECTIONS consecutively.

and when so amended that said bill do pass.



(Reference is to SB 28 as reprinted February 23, 2021.)

ZENT

Committee Vote: yeas 11, nays 0.

