

First Regular Session of the 123rd General Assembly (2023)

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 2022 Regular Session of the General Assembly.

SENATE ENROLLED ACT No. 157

AN ACT to amend the Indiana Code concerning taxation.

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

SECTION 1. IC 6-1.1-24-2, AS AMENDED BY P.L.251-2015, SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2023]: Sec. 2. (a) This section does not apply to vacant or abandoned real property that is on the list prepared by the county auditor under section 1.5 of this chapter.

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

- (1) A list of tracts or real property eligible for sale under this chapter.
- (2) A statement that the tracts or real property included in the list will be sold at public auction to the highest bidder, subject to the right of redemption.
- (3) A statement that the tracts or real property will not be sold for an amount which is less than the sum of:
 - (A) the delinquent taxes and special assessments on each tract or item of real property;
 - (B) the taxes and special assessments on each tract or item of real property that are due and payable in the year of the sale, whether or not they are delinquent;
 - (C) all penalties due on the delinquencies;
 - (D) an amount prescribed by the county auditor that equals the

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sum of:

- (i) the greater of twenty-five dollars (\$25) or postage and publication costs; and
 - (ii) any other actual costs incurred by the county that are directly attributable to the tax sale; and
- (E) any unpaid costs due under subsection (c) from a prior tax sale.

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

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

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

(C) the amount by which the purchase price exceeds the minimum bid on the tract or item of real property plus five percent (5%) interest per annum, on the amount by which the purchase price exceeds the minimum bid; and

(D) all taxes and special assessments on the tract or item of real property paid by the purchaser after the tax sale plus interest at the rate of five percent (5%) per annum, on the amount of taxes and special assessments paid by the purchaser on the redeemed property.

(5) A statement for informational purposes only, of the location of each tract or item of real property by key number, if any, and street address, if any, or a common description of the property other than a legal description. The township assessor, or the county assessor if there is no township assessor for the township, upon written request from the county auditor, shall provide the information to be in the notice required by this subsection. A misstatement in the key number or street address does not invalidate an otherwise valid sale.

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

(7) A statement indicating:

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

(B) the name of at least one (1) of the owners of each tract or



item of real property with multiple owners.

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

(A) A statement:

- (i) that the county auditor and county treasurer will apply on or after a date designated in the notice for a court judgment against the tracts or real property for an amount that is not less than the amount set under subdivision (3), and for an order to sell the tracts or real property at public auction to the highest bidder, subject to the right of redemption; and
- (ii) indicating the date when the period of redemption specified in IC 6-1.1-25-4 will expire.

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

- (i) filed with the court; and
- (ii) served on the county auditor and the county treasurer; before the date designated as the earliest date on which the application for judgment may be filed.

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

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

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

(10) A statement that the sale will take place at the times and dates designated in the notice. Whenever the public auction is to be conducted as an electronic sale, the notice must include a statement indicating that the public auction will be conducted as an electronic sale and a description of the procedures that must be followed to participate in the electronic sale.

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

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



court for the tax deed under IC 6-1.1-25-4.6.

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

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

(15) A statement that if a tract or item of real property has been offered for sale at a county treasurer's tax sale in accordance with section 5 of this chapter and a county executive's tax sale in accordance with section 6.1 of this chapter on two (2) or more occasions without a bid, the tract or item of real property may be subject to an ordinance adopted under IC 6-1.1-25-4.9.

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

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

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

SECTION 2. IC 6-1.1-24-3, AS AMENDED BY P.L.187-2016, SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2023]: Sec. 3. (a) This section does not apply to vacant or abandoned real property that is on the list prepared by the county auditor under section 1.5 of this chapter.

(b) When real property is eligible for sale under this chapter, the county auditor shall post a copy of the notice required by section 2 of



this chapter at a public place of posting in the county courthouse or in another public county building at least twenty-one (21) days before the earliest date of application for judgment. In addition, the county auditor shall, in accordance with IC 5-3-1-4, publish the notice required in section 2 of this chapter once each week for three (3) consecutive weeks before the earliest date on which the application for judgment may be made. The expenses of this publication shall be paid out of the county general fund without prior appropriation.

(c) At least twenty-one (21) days before the application for judgment is made, the county auditor shall mail a copy of the notice required by section 2 of this chapter by certified mail, return receipt requested, to any:

- (1) mortgagee; **or**
- (2) purchaser under an installment land contract recorded in the office of the county recorder; **or**
- (3) **person who claims a substantial property interest of public record;**

who annually requests, by certified mail, a copy of the notice.

(d) The notices mailed under this section are considered sufficient notice of the intended application for judgment and of the sale of real property under the order of the court.

(e) For properties not sold at their initial tax sale, the county auditor may omit the descriptions of the tracts or items of real property specified in section 2(b)(1) and 2(b)(5) of this chapter for those properties when they come up for sale at subsequent tax sales if:

- (1) the county auditor includes in the notice a statement that descriptions of those tracts or items of real property are available on the ~~Internet web site~~ **website** of the county government or the county government's contractor and the information may be obtained in an alternative form from the county auditor upon request; and
- (2) the descriptions of those tracts or items of real property eligible for sale a second or subsequent time are made available on the ~~Internet web site~~ **website** of the county government or the county government's contractor and may be obtained from the county auditor in an alternative form upon request in accordance with section 3.4 of this chapter.

SECTION 3. IC 6-1.1-24-5.3, AS AMENDED BY P.L.66-2021, SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2023]: 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.

(9) A person who owns any tract or item of real property that has been offered for sale under sections 5 and 6.1 of this chapter on two (2) or more occasions and no bid was submitted for the tract or item of real property.

(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.

SECTION 4. IC 6-1.1-25-4.9 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2023]: **Sec. 4.9. (a) This section applies only to:**

(1) a parcel of real property that has been offered for sale at a county treasurer's tax sale in accordance with IC 6-1.1-24-5 and a county executive's tax sale in accordance with IC 6-1.1-24-6.1 on two (2) or more occasions without a bid; and

(2) a county in which the county legislative body adopts this section by ordinance.

(b) A county legislative body may adopt the provisions of this

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section by ordinance. A parcel of real property subject to this section may be determined to be a public hazard, and this section is the statutory procedure for a county or municipality that adopts an ordinance under this section to obtain title to the parcel subject to the rights of parties with a substantial property interest of record.

(c) A parcel of real property must meet the following criteria to be eligible for the procedure established by this section:

- (1) The parcel must be included on the certified list prepared under subsection (e).
- (2) The assessed value of the parcel exceeds the opening bid for the property at the last county executive's tax sale under IC 6-1.1-24-6.1.
- (3) The parcel is not in bankruptcy.
- (4) The tax sale certificate for the parcel is either:
 - (A) transferred to a municipality; or
 - (B) retained by the county executive;
 in accordance with subsection (h).

(d) A parcel of real property is considered a public hazard if all of the following criteria apply:

- (1) Real estate taxes have not been paid for two (2) or more years and the property is on the delinquent tax list prepared under IC 6-1.1-24-1.
- (2) No appeal of any property tax assessment notice received in the last two (2) years has been filed.
- (3) No appeal of any change in any property assessment filed in the last two (2) years has been filed.
- (4) No permit to construct improvements or to improve the property has been filed in the last two (2) years with the county or municipality (as applicable).
- (5) No objection was filed by any party in accordance with IC 6-1.1-24-4.7(b) to the last county treasurer's tax sale under IC 6-1.1-24-5.
- (6) There is no existing statutory agreement with the county treasurer to pay the amount due over time in accordance with IC 6-1.1-24-1.2.
- (7) No party has redeemed the parcel after the last immediately preceding county treasurer's tax sale under IC 6-1.1-24-5.
- (8) No party has redeemed the parcel after the last immediately preceding county executive's tax sale under IC 6-1.1-24-6.1.



(9) There is no improvement on the property that is occupied.

(e) The auctioneer employed to conduct the county treasurer's tax sale in accordance with IC 6-1.1-24-5 and the auctioneer employed to conduct the county executive's tax sale in accordance with IC 6-1.1-24-6.1 shall, after each respective sale is closed, prepare a certified list of the parcels that have gone through each sale on two (2) or more occasions without a bid and submit the certified list to the county treasurer, county auditor, and county executive. If the sales were conducted by the county auditor without employing a licensed auctioneer, the county auditor shall prepare the certified list.

(f) The certified list shall be made available to the municipality's executive that submits a written request for the certified list prepared under subsection (e). The county auditor shall provide the list in either paper format or in data format at the preference of the municipality's executive.

(g) The municipality's executive shall review the certified list of parcels prepared in accordance with subsection (e) and submit this list to the municipality's legislative body for approval before submission of the list to the county executive. The municipality's legislative body may by ordinance authorize the municipality's executive to prepare and submit a request to the county executive to acquire the tax sale certificates that are eligible in accordance with subsections (c) and (d).

(h) The county executive shall, within twenty (20) days after receipt of the municipality's request for a tax sale certificate under subsection (g), place the request on the county executive's agenda for action, and if approved shall transfer title to the tax sale certificates to the municipality in accordance with IC 6-1.1-24-6.2. The county executive may retain any tax sale certificates that are not transferred to the municipality under this subsection.

(i) If any tax sale certificates are:

(1) transferred to a municipality under subsection (h); or

(2) retained by the county executive under subsection (h);

the county or municipality may file a petition with the circuit court requesting the issuance of a deed for the property to the requesting county or municipality transferring the title in fee simple absolute to that county or municipality subject to the rights of any party with a substantial property interest of record in the property. The county or municipality shall designate an attorney to represent the county or municipality at the hearings conducted by the circuit court for the issuance of the tax title deed.



(j) At the request of a municipality, the county auditor and county treasurer, if there is an appropriation in the county auditor's budget to cover the cost of the services to be provided, shall enter into a mutual agreement for the county auditor to perform the following duties instead of the municipality with respect to the tax sale certificates:

(1) Provide notification to the owner, a mortgagee, a person purchasing the parcel under a land contract, and any person filing a request under IC 6-1.1-24-3(c) of the party's right to redeem the parcel under this chapter. The notice shall be sent in accordance with the procedures set forth in section 4.5 of this chapter.

(2) Provide for notification and petition to the court for the tax deed under section 4.6 of this chapter. A single petition that includes all of the parcels owned by one (1) or more owners may be prepared and submitted or the county auditor and county treasurer may submit multiple petitions.

(3) If the county treasurer and county auditor perform the procedures described in this subsection for the municipality, any cost incurred by the county in preparing and sending all notices required by sections 4.5 and 4.6 of this chapter and for filing the petition with the court shall be paid for out of funds in the county general fund appropriated for this purpose. In the first year of the program to carry out the procedures described in this subsection, the county fiscal body may appropriate one million dollars (\$1,000,000) in the budget of the county auditor to defray the cost of the program. The amount of the appropriation in the initial year of the program may be approved in the annual budget or through an additional appropriation. The fiscal body may increase this amount in subsequent budget years for the cost of the program.

The agreement described in this subsection shall be for a calendar year and shall be structured so that the cost to process the number of parcels transferred to the county shall not exceed the amount of the money appropriated by the fiscal body for the services provided through the county auditor in accordance with subdivision (3).

(k) The court shall hold a hearing to determine if the court will order the auditor to issue a deed to the county or municipality. Following the hearing, if the proper procedure has been followed and the parcel meets the criteria of a public hazard, the court shall



issue an order that does the following:

- (1) Declares the parcel to be a public hazard and orders the county auditor to issue a deed to the county or municipality.
- (2) Acknowledges in the deed that the order does not change or affect any substantial property interest of record other than the ownership interest of the current owner or owners.
- (3) Cancels the personal tax liability of the owner or owners.
- (4) Provides that the taxes that are a lien on the property since the date of the county treasurer's tax sale will be canceled and the county or municipality will not have to pay these taxes prior to the county auditor issuing the deed.
- (5) Provides that no fee will be charged by the county auditor or the county recorder for processing the deed issued by the county auditor and then recording the deed with the county recorder.

(l) If the county or municipality files a quiet title action for a parcel placed into its name, the following apply to the quiet title action:

- (1) Any party of record with a substantial property interest of record including any mortgagee and any purchaser under an installment land contract recorded in the office of the county recorder shall be made a party.
- (2) Except for a party identified in subdivision (3), any party joined as a defendant to the quiet title action or entering the quiet title action as a party defendant shall have the right to redeem the property and have the court order the issuance of a deed in that party's name if the party pays the following:
 - (A) Any and all costs, interest, and taxes due and owing at the time that the tax sale certificate was acquired by the county or municipality.
 - (B) All taxes that would have been paid by the party had the party redeemed the property at the time the county or municipality took title to the tax sale certificate.
- (3) A person is not eligible to take title in the quiet title action if the person is ineligible or is associated with any person in a real property or business venture manner who is ineligible to purchase a property in accordance with IC 6-1.1-24-5.1, IC 6-1.1-24-5.3, or IC 6-1.1-24-5.4.
- (4) If no party redeems and takes title to the parcel in the quiet title action, then all substantial property interests of record in the parcel are extinguished and the county or municipality takes title free and clear of any such



encumbrance.

SECTION 5. IC 6-1.1-25-5.1 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2023]: **Sec. 5.1. (a) An owner of a parcel of real property that has been offered for sale at a county treasurer's tax sale in accordance with IC 6-1.1-24-5 and a county executive's tax sale in accordance with IC 6-1.1-24-6.1 on two (2) or more occasions without a bid may transfer the real property, subject to any liens and encumbrances, by warranty deed to a county or municipality.**

(b) If the transfer is accepted by the county or municipality and the warranty deed is recorded, the owner's personal liability for the taxes on the real property is canceled but the lien for the unpaid taxes remains on the real property.



President of the Senate

President Pro Tempore

Speaker of the House of Representatives

Governor of the State of Indiana

Date: _____ Time: _____

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