



February 27, 2018

ENGROSSED SENATE BILL No. 296

DIGEST OF SB 296 (Updated February 27, 2018 10:51 am - DI 84)

Citations Affected: IC 6-1.1.

Synopsis: Order to repair tax sale property. Provides that an order for necessary repairs originally issued by an enforcement authority under the unsafe building law to the owner of a vacant or abandoned property that is later sold at a tax sale may subsequently be enforced against the successful bidder at the tax sale. Organizes several tax sale definitions.

Effective: July 1, 2018.

Raatz, Kruse, Taylor G, Lanane

(HOUSE SPONSOR — NEGELE)

January 4, 2018, read first time and referred to Committee on Civil Law.
January 22, 2018, amended, reported favorably — Do Pass.
January 25, 2018, read second time, ordered engrossed. Engrossed.
January 29, 2018, read third time, passed. Yeas 45, nays 4.

HOUSE ACTION

February 6, 2018, read first time and referred to Committee on Judiciary.
February 15, 2018, reassigned to Committee on Government and Regulatory Reform.
February 27, 2018, reported — Do Pass.

ES 296—LS 7017/DI 113



February 27, 2018

Second Regular Session 120th General Assembly (2018)

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

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

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2017 Regular Session of the General Assembly.

ENGROSSED SENATE BILL No. 296

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 6-1.1-23.9 IS ADDED TO THE INDIANA CODE
2 AS A **NEW** CHAPTER TO READ AS FOLLOWS [EFFECTIVE
3 JULY 1, 2018]:

4 **Chapter 23.9. Definitions Applicable to Chapters 24, 24.5, and**
5 **25**

6 **Sec. 1. Except as otherwise provided, the definitions in this**
7 **chapter apply throughout IC 6-1.1-24, IC 6-1.1-24.5, and**
8 **IC 6-1.1-25.**

9 **Sec. 1. "County executive" means the following:**

10 (1) **In a county not containing a consolidated city, the county**
11 **executive or the county executive's designee.**

12 (2) **In a county containing a consolidated city, the executive of**
13 **the consolidated city.**

14 **Sec. 2. "Necessary repairs" means repairs or abatements of a**
15 **vacant or abandoned property that are determined by an**
16 **enforcement authority to be necessary under IC 36-7-9.**

17 **Sec. 3. "Substantial property interest of public record" means**

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1 title to or interest in a tract possessed by a person and recorded in
 2 the office of a county recorder or available for public inspection in
 3 the office of a circuit court clerk no later than the hour and date a
 4 sale is scheduled to commence under IC 6-1.1-24. The term does
 5 not include a lien held by the state or a political subdivision.

6 SECTION 2. IC 6-1.1-24-1.4 IS ADDED TO THE INDIANA
 7 CODE AS A NEW SECTION TO READ AS FOLLOWS
 8 [EFFECTIVE JULY 1, 2018]: Sec. 1.4. (a) This section applies to
 9 real property that is on an executive's certified list of vacant and
 10 abandoned property under section 1.5(a) of this chapter.

11 (b) The executive of a county, city, or town may submit to the
 12 county auditor copies of one (1) or more orders for necessary
 13 repairs for any property on the executive's certified list of vacant
 14 or abandoned property to be included with the notice required
 15 under section 1.5 of this chapter, section 2.3 of this chapter, or
 16 IC 36-7-36.

17 (c) An executive of a county, city, or town that submits orders
 18 for necessary repairs to the county auditor under subsection (b)
 19 shall make information about the necessary repairs available to the
 20 public, upon request or otherwise, at least forty (40) days before
 21 the sale conducted under section 1.5 of this chapter.

22 (d) If the executive of a county, city, or town submits a copy of
 23 an order for necessary repairs for a vacant or abandoned property
 24 to the county auditor under subsection (b) and makes the
 25 information about the necessary repairs available to the public
 26 under subsection (c), a successful bidder for the vacant or
 27 abandoned property at a tax sale conducted under section 1.5 of
 28 this chapter takes the successful bidder's interest in the vacant or
 29 abandoned property subject to the order for necessary repairs for
 30 the vacant or abandoned property.

31 (e) If a tax deed for a vacant or abandoned property has been
 32 issued to a successful bidder under section 1.5 of this chapter and
 33 there is an order for necessary repairs for the vacant or abandoned
 34 property to which subsection (d) applies, the enforcement authority
 35 with jurisdiction may enforce the order for necessary repairs
 36 under IC 36-7-9 against the successful bidder.

37 SECTION 3. IC 6-1.1-24-1.5, AS AMENDED BY P.L.187-2016,
 38 SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 39 JULY 1, 2018]: Sec. 1.5. (a) As used in this chapter and IC 6-1.1-25,
 40 "county executive" means the following:

41 (1) In a county not containing a consolidated city, the county
 42 executive or the county executive's designee.



- 1 (2) ~~In a county containing a consolidated city, the executive of the~~
 2 ~~consolidated city.~~
- 3 ~~(b)~~ (a) If:
- 4 (1) any property taxes or special assessments from the prior year's
 5 fall installment or before are delinquent on real property as
 6 determined under IC 6-1.1-37-10; and
- 7 (2) an order from a court or a determination of a hearing authority
 8 has been obtained under IC 36-7-37 that the real property is
 9 vacant or abandoned;
- 10 the executive of the county, city, or town may, after providing either the
 11 notice required by IC 36-7-37 or section 2.3 of this chapter, certify a
 12 list of vacant or abandoned property to the county auditor **and attach**
 13 **copies of any orders for necessary repairs for any properties on the**
 14 **list.** This list **and the attached copies of orders for necessary repairs**
 15 must be delivered to the county auditor not later than fifty-one (51)
 16 days after the first tax payment due date each calendar year.
- 17 ~~(c)~~ (b) Upon receiving lists described in subsection ~~(b)~~, (a), the
 18 county auditor shall do all the following:
- 19 (1) Prepare a combined list of the properties certified by the
 20 executive of the county, city, or town.
- 21 (2) Delete any property described in that list from the delinquent
 22 tax list prepared under section 1 of this chapter.
- 23 (3) Provide public notice of the sale of the properties under
 24 subsection ~~(d)~~ (c) at least thirty (30) days before the date of the
 25 sale, which shall be published in accordance with IC 5-3-1, and
 26 post a copy of the notice at a public place of posting in the county
 27 courthouse or in another public county building at least
 28 twenty-one (21) days before the date of sale.
- 29 (4) Certify to the county treasurer that the real property is to be
 30 sold at auction under this chapter as required by section ~~5(j)~~ **5(h)**
 31 of this chapter.
- 32 (5) Issue a deed to the real property that conveys a fee simple
 33 interest to the highest bidder as long as the bid is at least the
 34 minimum bid specified in this section.
- 35 The minimum bid for a property at the auction under this section is the
 36 proportionate share of the actual costs incurred by the county in
 37 conducting the sale. Any amount collected from the sale of all
 38 properties under this section above the total minimum bids shall first
 39 be used to pay the costs of the county, city, or town that certified the
 40 property vacant or abandoned for title search and court proceedings.
 41 Any amount remaining from the sale shall be certified by the county
 42 treasurer to the county auditor for distribution to other taxing units



1 during settlement.

2 ~~(d)~~ (c) Notice of the sale under this section must contain the
3 following:

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

5 (2) A statement that:

6 (A) the real property included in the list will be sold at public
7 auction to the highest bidder;

8 (B) the county auditor will issue a deed to the real property
9 that conveys a fee simple interest to the highest bidder that
10 bids at least the minimum bid; and

11 (C) the owner will have no right to redeem the real property
12 after the date of the sale.

13 A deed issued under this subdivision to the highest bidder
14 conveys the same fee simple interest in the real property as a deed
15 issued under IC 6-1.1-25.

16 (3) A statement that the real property will not be sold for less than
17 an amount equal to actual proportionate costs incurred by the
18 county that are directly attributable to the abandoned property
19 sale.

20 (4) A statement for informational purposes only, ~~of describing~~
21 **for each item of real property on the list:**

22 (A) the location of ~~each the~~ item of real property by key
23 number, if any, and street address, if any, or a common
24 description of the property other than a legal description;

25 (B) **whether there are one (1) or more orders to make**
26 **necessary repairs on the real property; and**

27 (C) **where information can be found regarding the orders**
28 **to make necessary repairs for the real property, if any.**

29 The township assessor, or the county assessor if there is no
30 township assessor for the township, upon written request from the
31 county auditor, shall provide the information to be in the notice
32 required by this subsection. A misstatement in the key number or
33 street address does not invalidate an otherwise valid sale.

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

36 (6) A statement that the sale will be conducted at a place
37 designated in the notice and that the sale will continue until all
38 real property has been offered for sale.

39 (7) A statement that the sale will take place at the times and dates
40 designated in the notice.

41 Whenever the public auction is to be conducted as an electronic sale,
42 the notice must include a statement indicating that the public auction



1 will be conducted as an electronic sale and a description of the
 2 procedures that must be followed to participate in the electronic sale.

3 ~~(e)~~ **(d)** For properties that are not sold when initially offered for sale
 4 under this section, the county auditor may omit from the notice the
 5 descriptions of the tracts or items of real property specified in
 6 ~~subsections (d)(1)~~ **subsection (c)(1)** and ~~(d)(4)~~ **(c)(4)** for those
 7 properties that are to be offered again at subsequent sales under this
 8 section if:

- 9 (1) the county auditor includes in the notice a statement that
 10 descriptions of those tracts or items of real property are available
 11 on the Internet web site of the county government or the county
 12 government's contractor and the information may be obtained in
 13 an alternative form from the county auditor upon request; and
 14 (2) the descriptions of those tracts or items of real property
 15 eligible for sale a second or subsequent time under this section are
 16 made available on the Internet web site of the county government
 17 or the county government's contractor and may be obtained from
 18 the county auditor in an alternative form upon request in
 19 accordance with section 3.4 of this chapter.

20 SECTION 4. IC 6-1.1-24-1.9 IS REPEALED [EFFECTIVE JULY
 21 1, 2018]. Sec. 1.9: As used in this chapter and IC 6-1.1-25, "substantial
 22 property interest of public record" means title to or interest in a tract
 23 possessed by a person and recorded in the office of a county recorder
 24 or available for public inspection in the office of a circuit court clerk
 25 no later than the hour and date the sale is scheduled to commence
 26 under this chapter. The term does not include a lien held by the state or
 27 a political subdivision.

28 SECTION 5. IC 6-1.1-24.5-1, AS ADDED BY P.L.236-2015,
 29 SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 30 JULY 1, 2018]: Sec. 1. The following definitions apply throughout this
 31 chapter:

- 32 (1) "Group of affiliated persons" means a group of persons in
 33 which each person of the group has a relationship that is
 34 described in Section 267(b) of the Internal Revenue Code with at
 35 least one (1) other person of the group.
 36 (2) "Person" means an individual, a corporation, a limited liability
 37 company, a partnership, or other legal entity.
 38 (3) "Substantial property interest of public record" has the
 39 meaning set forth in IC 6-1.1-24-1.9.



COMMITTEE REPORT

Madam President: The Senate Committee on Civil Law, to which was referred Senate Bill No. 296, has had the same under consideration and begs leave to report the same back to the Senate with the recommendation that said bill be AMENDED as follows:

Page 1, delete lines 14 through 17.

Page 2, delete lines 1 through 3, begin a new paragraph and insert:

"Sec. 2. "Necessary repairs" means repairs or abatements of a vacant or abandoned property that are determined by an enforcement authority to be necessary under IC 36-7-9."

Page 2, line 13, delete "the executive of a county, city, or town certifies" and insert **"is on an executive's certified"**.

Page 2, line 14, delete "to the county auditor is on a".

Page 2, line 25, delete "ten (10)" and insert **"forty (40)"**.

and when so amended that said bill do pass.

(Reference is to SB 296 as introduced.)

HEAD, Chairperson

Committee Vote: Yeas 8, Nays 0.

COMMITTEE REPORT

Mr. Speaker: Your Committee on Government and Regulatory Reform, to which was referred Senate Bill 296, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill do pass.

(Reference is to SB 296 as printed January 23, 2018.)

MAHAN

Committee Vote: Yeas 9, Nays 0

