



January 25, 2022

SENATE BILL No. 303

DIGEST OF SB 303 (Updated January 20, 2022 1:06 pm - DI 87)

Citations Affected: IC 6-1.1.

Synopsis: Tax sales. Adds language requiring that: (1) a tax sale certificate delivered to a purchaser other than a tax sale certificate issued to a county; and (2) an assignment of a purchaser's tax sale certificate; be recorded in the county recorder's office.

Effective: July 1, 2022.

Niemeyer

January 10, 2022, read first time and referred to Committee on Local Government.
January 24, 2022, amended, reported favorably — Do Pass.

SB 303—LS 6708/DI 129



January 25, 2022

Second Regular Session of the 122nd General Assembly (2022)

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 2021 Regular Session of the General Assembly.

SENATE BILL No. 303

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 6-1.1-24-9, AS AMENDED BY P.L.66-2021,
2 SECTION 7, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
3 JULY 1, 2022]: Sec. 9. (a) Immediately after a tax sale purchaser pays
4 the bid, as evidenced by the receipt of the county treasurer, or
5 immediately after the county acquires a lien under section 6 of this
6 chapter, the county auditor shall deliver a certificate of sale to the
7 purchaser or to the county or to the city.
8 (b) The certificate shall be:
9 (1) signed by the auditor and registered in the auditor's office; and
10 (2) in the case of a tax sale certificate other than a tax sale
11 certificate issued to the county after acquiring a lien under
12 section 6 of this chapter, recorded in the county recorder's
13 office and the recording fee:
14 (A) added to the purchase price of the tax sale certificate
15 at the time of sale; and
16 (B) paid to the recorder at the time the tax sale certificate
17 is recorded.

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- 1 (c) The certificate shall contain:
 2 (1) a description of real property that corresponds to the
 3 description used on the notice of sale;
 4 (2) the name of:
 5 (A) the owner of record at the time of the sale of real property
 6 with a single owner; or
 7 (B) at least one (1) of the owners of real property with multiple
 8 owners;
 9 (3) the mailing address of the owner of the real property sold as
 10 indicated in the records of the county auditor;
 11 (4) the name of the purchaser;
 12 (5) the date of sale;
 13 (6) the amount for which the real property was sold;
 14 (7) the amount of the minimum bid for which the tract or real
 15 property was offered at the time of sale as required by section 5
 16 of this chapter;
 17 (8) the date when the period of redemption specified in
 18 IC 6-1.1-25-4 will expire;
 19 (9) the court cause number under which judgment was obtained;
 20 and
 21 (10) the street address, if any, or common description of the real
 22 property.
- 23 ~~(b)~~ (d) When a certificate of sale is issued under this section, the
 24 purchaser acquires a lien against the real property for the entire amount
 25 paid. The lien of the purchaser is superior to all liens against the real
 26 property which exist at the time the certificate is issued.
- 27 ~~(c)~~ (e) A certificate of sale is assignable. A county legislative body
 28 may adopt an ordinance prohibiting the assignment of a certificate of
 29 sale acquired at a treasurer's sale (pursuant to section 5 of this chapter)
 30 or at a county executive's tax sale (pursuant to section 6.1 of this
 31 chapter) prior to the issuance of a tax deed for the real property by the
 32 county auditor. An assignment not prohibited by an ordinance adopted
 33 under this subsection is not valid unless it is acknowledged before an
 34 officer authorized to take acknowledgments of deeds, ~~and~~ registered in
 35 the office of the county auditor, **and recorded in the county**
 36 **recorder's office**. When a certificate of sale is assigned, the assignee
 37 acquires the same rights and obligations that the original purchaser
 38 acquired.
- 39 ~~(d)~~ (f) Subject to IC 36-1-11-8, the county executive may assign a
 40 certificate of sale held in the name of the county executive to any
 41 political subdivision. If an assignment is made under this subsection:
 42 (1) the period of redemption of the real property under



- 1 IC 6-1.1-25 is one hundred twenty (120) days after the date of the
 2 assignment; and
- 3 (2) notwithstanding IC 6-1.1-25-4.5(a) through
 4 IC 6-1.1-25-4.5(c), the assignee must transmit the notices
 5 required under IC 6-1.1-25-4.5 not later than ninety (90) days
 6 after the date of the assignment.
- 7 If the real property is not redeemed during the period of redemption,
 8 the assignee may petition the court for a tax deed under IC 6-1.1-25-4.6
 9 not later than ninety (90) days after the expiration of the period of
 10 redemption.
- 11 SECTION 2. IC 6-1.1-25-4, AS AMENDED BY P.L.66-2021,
 12 SECTION 9, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 13 JULY 1, 2022]: Sec. 4. (a) There is no right to redeem real property
 14 under this chapter after its sale under IC 6-1.1-24, if the real property
 15 is on the vacant and abandoned property list prepared by the county
 16 auditor under IC 6-1.1-24-1.5. The period for redemption of any other
 17 real property sold under IC 6-1.1-24 is:
- 18 (1) one (1) year after the date of sale; or
 19 (2) one hundred twenty (120) days after the date of sale to a
 20 purchasing agency qualified under IC 36-7-17 or IC 36-7-17.1.
- 21 (b) Subject to subsection (k) and ~~IC 6-1.1-24-9(d)~~; **IC 6-1.1-24-9(f)**,
 22 the period for redemption of real property:
- 23 (1) on which the county executive acquires a lien under
 24 IC 6-1.1-24-6; and
 25 (2) for which the certificate of sale is not sold under
 26 IC 6-1.1-24-6.1;
- 27 is one hundred twenty (120) days after the date the county executive
 28 acquires the lien under IC 6-1.1-24-6.
- 29 (c) The period for redemption of real property:
- 30 (1) on which the county executive acquires a lien under
 31 IC 6-1.1-24-6; and
 32 (2) for which the certificate of sale is sold under IC 6-1.1-24;
 33 is one hundred twenty (120) days after the date of sale of the certificate
 34 of sale under IC 6-1.1-24.
- 35 (d) When a deed for real property is executed under this chapter, the
 36 county auditor shall cancel the certificate of sale and file the canceled
 37 certificate in the office of the county auditor.
- 38 (e) When a deed is issued to a county executive or other political
 39 subdivision under this chapter, the taxes and special assessments for
 40 which the real property was offered for sale, and all subsequent taxes,
 41 special assessments, interest, penalties, and cost of sale shall be
 42 removed from the tax duplicate in the same manner that taxes are



1 removed by certificate of error.

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

- 10 (1) all easements, covenants, declarations, and other deed
 11 restrictions shown by public records;
 12 (2) laws, ordinances, and regulations concerning governmental
 13 police powers, including zoning, building, land use,
 14 improvements on the land, land division, and environmental
 15 protection; and
 16 (3) liens and encumbrances created or suffered by the grantee.

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

- 19 (1) does not operate to extinguish an easement recorded before
 20 the date of the tax sale in the office of the recorder of the county
 21 in which the real property is located, regardless of whether the
 22 easement was taxed under this article separately from the real
 23 property; and
 24 (2) conveys title subject to all easements recorded before the date
 25 of the tax sale in the office of the recorder of the county in which
 26 the real property is located.

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

- 29 (1) the regularity of the sale of the real property described in the
 30 deed;
 31 (2) the regularity of all proper proceedings; and
 32 (3) valid title in fee simple in the grantee of the deed.

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

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



- 1 due as the difference between:
- 2 (1) the amount of:
- 3 (A) the last minimum bid under IC 6-1.1-24-5; plus
- 4 (B) any penalty associated with a delinquency that was not due
- 5 until after the date of the sale under IC 6-1.1-24-5 but is due
- 6 before the issuance of the certificate of sale, with respect to
- 7 taxes included in the minimum bid that were not due at the
- 8 time of the sale under IC 6-1.1-24-5; and
- 9 (2) the amount paid for the certificate of sale.
- 10 (k) If a tract or item of real property did not sell at a tax sale or a
- 11 sale conducted under IC 6-1.1-24-6.1 and the county treasurer and the
- 12 owner of real property agree before the expiration of the period for
- 13 redemption under subsection (b) to a mutually satisfactory arrangement
- 14 for the payment of the entire amount required for redemption under
- 15 section 2 of this chapter before the expiration of a period for
- 16 redemption extended under this subsection:
- 17 (1) the county treasurer may extend the period for redemption;
- 18 and
- 19 (2) except as provided in subsection (1), the extended period for
- 20 redemption expires one (1) year after the date of the agreement.
- 21 (l) If the owner of real property fails to meet the terms of an
- 22 agreement entered into with the county treasurer under subsection (k),
- 23 the county treasurer may terminate the agreement after providing thirty
- 24 (30) days written notice to the owner. If the county treasurer gives
- 25 notice under this subsection, the extended period for redemption
- 26 established under subsection (k) expires thirty (30) days after the date
- 27 of the notice.
- 28 (m) The period of redemption for a property, which was not offered
- 29 for sale under IC 6-1.1-24-4.7(j), is one hundred twenty (120) days
- 30 after the conclusion of the tax sale at which the property was not
- 31 offered.
- 32 (n) A county auditor shall not issue or record a tax deed unless the
- 33 following requirements are met not later than one hundred fifty (150)
- 34 days after the date of the hearing at which a court grants the tax sale
- 35 buyer's petition for the tax deed:
- 36 (1) Copies of the court order to issue the tax deed and the sales
- 37 disclosure form are filed with the county auditor.
- 38 (2) The recording fees for the tax deed are paid.
- 39 (3) All subsequent or outstanding real property taxes on the
- 40 property are paid.



COMMITTEE REPORT

Madam President: The Senate Committee on Local Government, to which was referred Senate Bill No. 303, 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, line 7, delete "The certificate shall be signed", begin a new paragraph and insert:

"(b) The certificate shall be:

- (1) signed by the auditor and registered in the auditor's office; and
- (2) in the case of a tax sale certificate other than a tax sale certificate issued to the county after acquiring a lien under section 6 of this chapter, recorded in the county recorder's office and the recording fee:

(A) added to the purchase price of the tax sale certificate at the time of sale; and

(B) paid to the recorder at the time the tax sale certificate is recorded.

(c) The certificate shall contain:"

Page 1, delete lines 8 through 9.

Page 2, line 14, strike "(b)" and insert "(d)".

Page 2, line 18, strike "(c)" and insert "(e)".

Page 2, line 29, strike "(d)" and insert "(f)".

Page 2, after line 42, begin a new paragraph and insert:

"SECTION 1. IC 6-1.1-25-4, AS AMENDED BY P.L.66-2021, SECTION 9, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2022]: Sec. 4. (a) There is no right to redeem real property under this chapter after its sale under IC 6-1.1-24, if the real property is on the vacant and abandoned property list prepared by the county auditor under IC 6-1.1-24-1.5. The period for redemption of any other real property sold under IC 6-1.1-24 is:

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

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

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

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

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

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

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(c) The period for redemption of real property:

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

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

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

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

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

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

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

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

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

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

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

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

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



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

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

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

- (1) the amount of:
 - (A) the last minimum bid under IC 6-1.1-24-5; plus
 - (B) any penalty associated with a delinquency that was not due until after the date of the sale under IC 6-1.1-24-5 but is due before the issuance of the certificate of sale, with respect to taxes included in the minimum bid that were not due at the time of the sale under IC 6-1.1-24-5; and
- (2) the amount paid for the certificate of sale.

(k) If a tract or item of real property did not sell at a tax sale or a sale conducted under IC 6-1.1-24-6.1 and the county treasurer and the owner of real property agree before the expiration of the period for redemption under subsection (b) to a mutually satisfactory arrangement for the payment of the entire amount required for redemption under section 2 of this chapter before the expiration of a period for redemption extended under this subsection:

- (1) the county treasurer may extend the period for redemption; and
- (2) except as provided in subsection (1), the extended period for redemption expires one (1) year after the date of the agreement.

(l) If the owner of real property fails to meet the terms of an agreement entered into with the county treasurer under subsection (k), the county treasurer may terminate the agreement after providing thirty (30) days written notice to the owner. If the county treasurer gives notice under this subsection, the extended period for redemption established under subsection (k) expires thirty (30) days after the date of the notice.

(m) The period of redemption for a property, which was not offered



for sale under IC 6-1.1-24-4.7(j), is one hundred twenty (120) days after the conclusion of the tax sale at which the property was not offered.

(n) A county auditor shall not issue or record a tax deed unless the following requirements are met not later than one hundred fifty (150) days after the date of the hearing at which a court grants the tax sale buyer's petition for the tax deed:

- (1) Copies of the court order to issue the tax deed and the sales disclosure form are filed with the county auditor.
- (2) The recording fees for the tax deed are paid.
- (3) All subsequent or outstanding real property taxes on the property are paid."

Renumber all SECTIONS consecutively.

and when so amended that said bill do pass.

(Reference is to SB 303 as introduced.)

BUCK, Chairperson

Committee Vote: Yeas 9, Nays 0.

