



Reprinted  
February 28, 2014

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## ENGROSSED SENATE BILL No. 422

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DIGEST OF SB 422 (Updated February 27, 2014 4:51 pm - DI 58)

**Citations Affected:** IC 4-6; IC 6-1.1; IC 32-29; IC 32-30; IC 34-30; IC 36-7.

**Synopsis:** Abandoned housing. Requires the attorney general to establish and maintain a tax sale blight registry of all persons ineligible to participate in the tax sale. Provides that properties certified as vacant or abandoned may be sold outright at the tax sale. Reduces the interest rate for payments in excess of a minimum bid from 10% to 5%. Lowers the interest rate for refunds on certain tax sales from 6% to 5%. Provides that the notice to a record owner of property must occur six months, instead of nine months, after the date of the tax sale. Requires the executive of a county, city, or town to obtain a judgment that a parcel of real property is vacant or abandoned before a certification can be made to the county auditor for tax sales purposes. Reduces the period from six to three months when a tax sale purchaser may petition the court for a judgment directing the county auditor to issue a tax deed  
(Continued next page)

**Effective:** July 1, 2014; July 1, 2015.

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**Merritt, Head, Paul, Waltz, Breaux,  
Wyss, Steele**

(HOUSE SPONSORS — CLERE, MOED, HAMM, FORESTAL)

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January 14, 2014, read first time and referred to Committee on Local Government.  
January 30, 2014, amended, reported favorably — Do Pass.  
February 3, 2014, read second time, ordered engrossed. Engrossed.  
February 4, 2014, read third time, passed. Yeas 47, nays 1.

HOUSE ACTION

February 10, 2014, read first time and referred to Committee on Government and Regulatory Reform.  
February 25, 2014, amended, reported — Do Pass.  
February 27, 2014, read second time, amended, ordered engrossed.

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ES 422—LS 6850/DI 106



## Digest Continued

if the real property is not redeemed from the sale. Specifies that a property tax penalty for property sold by a county executive through a certificate of sale procedure is to be removed from the tax duplicate if the penalty is associated with a delinquency that was not due until after the date of the original tax sale but is due before the issuance of the certificate of sale by the county executive. Requires, for tax deeds executed for real property sold at a tax sale, that the county auditor submit the tax deed directly to the county recorder for recording and charge the tax sale purchaser the appropriate recording fee. Permits the county auditor to be the only signer of a sales disclosure form. Adds the term "blighted" in determining whether a building is an unsafe building. Requires a business entity that seeks to register to bid at a tax sale to provide a certificate from the secretary of state to the county treasurer. Prohibits foreign business associations that have not registered with the secretary of state from participating in the tax sale. Requires persons who purchase a property or certificate at a tax sale to reimburse the county for the costs of a title search. Permits a county to establish a paddle fee for persons who attend the tax sale. Requires the sheriff to notify the owner of a foreclosed property being sold at auction if the sale is canceled.

**ES 422—LS 6850/DI 106**



Reprinted  
February 28, 2014

Second Regular Session 118th General Assembly (2014)

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 2013 Regular Session and 2013 First Regular Technical Session of the General Assembly.

## ENGROSSED SENATE BILL No. 422

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A BILL FOR AN ACT to amend the Indiana Code concerning state and local administration.

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

- 1 SECTION 1. IC 4-6-12-2 IS AMENDED TO READ AS FOLLOWS  
2 [EFFECTIVE JULY 1, 2015]: Sec. 2. The attorney general shall  
3 establish a homeowner protection unit to enforce IC 24-9, **to operate**  
4 **the tax sale blight registry**, and to carry out this chapter.  
5 SECTION 2. IC 4-6-12-3, AS AMENDED BY P.L.231-2013,  
6 SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
7 JULY 1, 2015]: Sec. 3. (a) ~~Beginning July 1, 2005~~, The unit shall do  
8 the following:  
9 (1) Investigate deceptive acts in connection with mortgage  
10 lending.  
11 (2) Investigate violations of IC 24-9.  
12 (3) Institute appropriate administrative and civil actions to  
13 redress:  
14 (A) deceptive acts in connection with mortgage lending; and  
15 (B) violations of IC 24-5-0.5 and IC 24-9.  
16 (4) Cooperate with federal, state, and local law enforcement

ES 422—LS 6850/DI 106



1 agencies in the investigation of the following:

2 (A) Deceptive acts in connection with mortgage lending.

3 (B) Criminal violations involving deceptive acts in connection  
4 with mortgage lending.

5 (C) Violations of IC 24-5-0.5 and IC 24-9.

6 (D) Violations of:

7 (i) the federal Truth in Lending Act (15 U.S.C. 1601 et  
8 seq.);

9 (ii) the Real Estate Settlement Procedures Act (12 U.S.C.  
10 2601 et seq.); and

11 (iii) any other federal laws or regulations concerning  
12 mortgage lending.

13 To the extent authorized by federal law, the unit may enforce  
14 compliance with the federal statutes or regulations described  
15 in this clause or refer suspected violations of the statutes or  
16 regulations to the appropriate federal regulatory agencies.

17 (5) Enforce violations of IC 32-25.5-3 by homeowners  
18 associations.

19 **(6) Beginning July 1, 2015, operate and maintain the tax sale  
20 blight registry established by section 3.6 of this chapter.**

21 (b) The attorney general shall adopt rules under IC 4-22-2 to the  
22 extent necessary to organize the unit.

23 SECTION 3. IC 4-6-12-3.6 IS ADDED TO THE INDIANA CODE  
24 AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY  
25 1, 2014]: **Sec. 3.6. (a) Beginning July 1, 2015, the unit shall establish  
26 a registry of persons described in IC 6-1.1-24-5.3 who are  
27 prohibited from purchasing certain properties at a tax sale.**

28 **(b) The registry described in subsection (a) is named the tax sale  
29 blight registry.**

30 **(c) The tax sale blight registry:**

31 **(1) shall be made available in an electronic format or over the  
32 Internet to county officials responsible for conducting tax  
33 sales to ensure that persons not permitted to participate in the  
34 tax sale are excluded; and**

35 **(2) may be made available to the public in a form to be  
36 determined by the attorney general; however, confidential  
37 information, if any, must be excluded.**

38 **(d) Notwithstanding subsection (c)(2), information contained in  
39 the tax sale blight registry that is not otherwise confidential is a  
40 public record for purposes of IC 5-14-3.**

41 SECTION 4. IC 4-6-12-4, AS AMENDED BY P.L.1-2007,  
42 SECTION 14, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE



1 JULY 1, 2014]: Sec. 4. (a) The following may cooperate with the unit  
2 to implement this chapter:

- 3 (1) The Indiana professional licensing agency and the appropriate  
4 licensing boards with respect to persons licensed under IC 25.  
5 (2) The department of financial institutions.  
6 (3) The department of insurance with respect to the sale of  
7 insurance in connection with mortgage lending.  
8 (4) The securities division of the office of the secretary of state.  
9 (5) The supreme court disciplinary commission with respect to  
10 attorney misconduct.  
11 (6) The Indiana housing and community development authority.  
12 (7) The department of state revenue.  
13 (8) The state police department.  
14 (9) A prosecuting attorney.  
15 (10) Local law enforcement agencies.  
16 (11) The lieutenant governor.  
17 **(12) The county auditor.**  
18 **(13) The county treasurer.**  
19 **(14) The county recorder.**

20 (b) Notwithstanding IC 5-14-3, the entities listed in subsection (a)  
21 may share information with the unit.

22 SECTION 5. IC 6-1.1-24-1, AS AMENDED BY P.L.203-2013,  
23 SECTION 5, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
24 JULY 1, 2014]: Sec. 1. (a) On or after January 1 of each calendar year  
25 in which a tax sale will be held in a county and not later than fifty-one  
26 (51) days after the first tax payment due date in that calendar year, the  
27 county treasurer ~~(or county executive, in the case of property described~~  
28 ~~in subdivision (2))~~ shall certify to the county auditor a list of real  
29 property on which any of the following exist:

- 30 (1) ~~In the case of real property other than real property described~~  
31 ~~in subdivision (2);~~ Any property taxes or special assessments  
32 certified to the county auditor for collection by the county  
33 treasurer from the prior year's spring installment or before are  
34 delinquent as determined under IC 6-1.1-37-10 and the delinquent  
35 property tax or special assessments due exceed twenty-five dollars  
36 (\$25).  
37 ~~(2) In the case of real property for which a county executive has~~  
38 ~~certified to the county auditor that the real property is:~~  
39 ~~(A) vacant; or~~  
40 ~~(B) abandoned;~~  
41 ~~any property taxes or special assessments from the prior year's fall~~  
42 ~~installment or before that are delinquent as determined under~~



1 IC 6-1.1-37-10: The county executive must make a certification  
 2 under this subdivision not later than sixty-one (61) days before  
 3 the earliest date on which application for judgment and order for  
 4 sale may be made. The executive of a city or town may provide to  
 5 the county executive of the county in which the city or town is  
 6 located a list of real property that the city or town has determined  
 7 to be vacant or abandoned. The county executive shall include  
 8 real property included on the list provided by a city or town  
 9 executive on the list certified by the county executive to the  
 10 county auditor under this subsection:

11 ~~(3)~~ (2) Any unpaid costs are due under section 2(b) of this chapter  
 12 from a prior tax sale.

13 (b) The county auditor shall maintain a list of all real property  
 14 eligible for sale. Except as provided in section 1.2 or another provision  
 15 of this chapter, the taxpayer's property shall remain on the list. The list  
 16 must:

17 (1) describe the real property by parcel number and common  
 18 address, if any;

19 (2) for a tract or item of real property with a single owner,  
 20 indicate the name of the owner; and

21 (3) for a tract or item with multiple owners, indicate the name of  
 22 at least one (1) of the owners.

23 (c) Except as otherwise provided in this chapter, the real property  
 24 so listed is eligible for sale in the manner prescribed in this chapter.

25 (d) Not later than fifteen (15) days after the date of the county  
 26 treasurer's certification under subsection (a), the county auditor shall  
 27 mail by certified mail a copy of the list described in subsection (b) to  
 28 each mortgagee who requests from the county auditor by certified mail  
 29 a copy of the list. Failure of the county auditor to mail the list under  
 30 this subsection does not invalidate an otherwise valid sale.

31 SECTION 6. IC 6-1.1-24-1.5, AS AMENDED BY P.L.169-2006,  
 32 SECTION 14, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 33 JULY 1, 2014]: Sec. 1.5. (a) As used in this chapter and IC 6-1.1-25,  
 34 "county executive" means the following:

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

37 (2) In a county containing a consolidated city, the executive of the  
 38 consolidated city.

39 (b) The county executive **or an executive of a city or town** may,  
 40 **after obtaining an order under IC 32-30-10.6 that real property is**  
 41 **vacant or abandoned and providing either the notice required by**  
 42 **IC 32-30-10.6-6 or section 2.3 of this chapter, designate the real**



1 property on the list prepared under section 4.5(b) of this chapter that is  
 2 eligible for listing on the list prepared under subsection (c):

3 (e) The county executive shall prepare a list of properties designated  
 4 under subsection (b) and certify the a list of vacant or abandoned  
 5 property to the county auditor. no later than sixty-one (61) days prior  
 6 to the earliest date on which application for judgment and order for sale  
 7 may be made:

8 ~~(d)~~ (c) Upon receiving the list lists described in subsection (e); (b),  
 9 the county auditor shall do all the following:

10 (1) Prepare a combined list of the properties certified by the  
 11 commission; executive of the county, city, or town. and

12 (2) Delete any property described in that list from the delinquent  
 13 tax list prepared under section 1 of this chapter.

14 (3) Provide public notice of the sale of the properties under  
 15 subsection (d) at least thirty (30) days before the date of the  
 16 sale, which shall be published in accordance with IC 5-3-1.

17 (4) Auction the property.

18 (5) Issue a deed to the real property to the highest bidder  
 19 whose bid is at least the minimum bid specified in this section.

20 The minimum bid for a property at the auction under this section  
 21 is the proportionate share of the actual costs incurred by the  
 22 county in conducting the sale. Any amount collected from the sale  
 23 of all properties under this section above the total minimum bids  
 24 shall first be used to pay the costs of the county, city, or town that  
 25 certified the property vacant or abandoned for title search and  
 26 court proceedings. Any amount remaining from the sale shall be  
 27 certified by the county treasurer to the county auditor for  
 28 distribution to other taxing units during settlement.

29 (d) Notice of the sale under this section must contain the  
 30 following:

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

33 (2) A statement that the tracts or real property included in the  
 34 list will be sold at public auction to the highest bidder.

35 (3) A statement that the tracts or real property will not be  
 36 sold for less than an amount equal to actual proportionate  
 37 costs incurred by the county that are directly attributable to  
 38 the abandoned property sale.

39 (4) A statement for informational purposes only, of the  
 40 location of each tract or item of real property by key number,  
 41 if any, and street address, if any, or a common description of  
 42 the property other than a legal description. The township



1           **assessor, or the county assessor if there is no township**  
 2           **assessor for the township, upon written request from the**  
 3           **county auditor, shall provide the information to be in the**  
 4           **notice required by this subsection. A misstatement in the key**  
 5           **number or street address does not invalidate an otherwise**  
 6           **valid sale.**

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

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

12           **(7) A statement that the sale will take place at the times and**  
 13           **dates designated in the notice.**

14           **Whenever the public auction is to be conducted as an electronic**  
 15           **sale, the notice must include a statement indicating that the public**  
 16           **auction will be conducted as an electronic sale and a description of**  
 17           **the procedures that must be followed to participate in the**  
 18           **electronic sale.**

19           SECTION 7. IC 6-1.1-24-2, AS AMENDED BY P.L.56-2012,  
 20           SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 21           JULY 1, 2014]: Sec. 2. (a) In addition to the delinquency list required  
 22           under section 1 of this chapter, each county auditor shall prepare a  
 23           notice. The notice shall contain the following:

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

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

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

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

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

36           (C) all penalties due on the delinquencies;

37           (D) an amount prescribed by the county auditor that equals the  
 38           sum of:

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

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



- 1 (E) any unpaid costs due under subsection (b) from a prior tax  
 2 sale.
- 3 (4) A statement that a person redeeming each tract or item of real  
 4 property after the sale must pay:
- 5 (A) one hundred ten percent (110%) of the amount of the  
 6 minimum bid for which the tract or item of real property was  
 7 offered at the time of sale if the tract or item of real property  
 8 is redeemed not more than six (6) months after the date of  
 9 sale;
- 10 (B) one hundred fifteen percent (115%) of the amount of the  
 11 minimum bid for which the tract or item of real property was  
 12 offered at the time of sale if the tract or item of real property  
 13 is redeemed more than six (6) months after the date of sale;
- 14 (C) the amount by which the purchase price exceeds the  
 15 minimum bid on the tract or item of real property plus ~~ten~~ **five**  
 16 percent (~~10%~~) (**5%**) per annum on the amount by which the  
 17 purchase price exceeds the minimum bid; and
- 18 (D) all taxes and special assessments on the tract or item of  
 19 real property paid by the purchaser after the tax sale plus  
 20 interest at the rate of ~~ten~~ **five** percent (~~10%~~) (**5%**) per annum  
 21 on the amount of taxes and special assessments paid by the  
 22 purchaser on the redeemed property.
- 23 (5) A statement for informational purposes only, of the location  
 24 of each tract or item of real property by key number, if any, and  
 25 street address, if any, or a common description of the property  
 26 other than a legal description. The township assessor, or the  
 27 county assessor if there is no township assessor for the township,  
 28 upon written request from the county auditor, shall provide the  
 29 information to be in the notice required by this subsection. A  
 30 misstatement in the key number or street address does not  
 31 invalidate an otherwise valid sale.
- 32 (6) A statement that the county does not warrant the accuracy of  
 33 the street address or common description of the property.
- 34 (7) A statement indicating:
- 35 (A) the name of the owner of each tract or item of real  
 36 property with a single owner; or
- 37 (B) the name of at least one (1) of the owners of each tract or  
 38 item of real property with multiple owners.
- 39 (8) A statement of the procedure to be followed for obtaining or  
 40 objecting to a judgment and order of sale, that must include the  
 41 following:
- 42 (A) A statement:



- 1 (i) that the county auditor and county treasurer will apply on  
 2 or after a date designated in the notice for a court judgment  
 3 against the tracts or real property for an amount that is not  
 4 less than the amount set under subdivision (3), and for an  
 5 order to sell the tracts or real property at public auction to  
 6 the highest bidder, subject to the right of redemption; and  
 7 (ii) indicating the date when the period of redemption  
 8 specified in IC 6-1.1-25-4 will expire.
- 9 (B) A statement that any defense to the application for  
 10 judgment must be:  
 11 (i) filed with the court; and  
 12 (ii) served on the county auditor and the county treasurer;  
 13 before the date designated as the earliest date on which the  
 14 application for judgment may be filed.
- 15 (C) A statement that the county auditor and the county  
 16 treasurer are entitled to receive all pleadings, motions,  
 17 petitions, and other filings related to the defense to the  
 18 application for judgment.
- 19 (D) A statement that the court will set a date for a hearing at  
 20 least seven (7) days before the advertised date and that the  
 21 court will determine any defenses to the application for  
 22 judgment at the hearing.
- 23 (9) A statement that the sale will be conducted at a place  
 24 designated in the notice and that the sale will continue until all  
 25 tracts and real property have been offered for sale.
- 26 (10) A statement that the sale will take place at the times and  
 27 dates designated in the notice. Whenever the public auction is to  
 28 be conducted as an electronic sale, the notice must include a  
 29 statement indicating that the public auction will be conducted as  
 30 an electronic sale and a description of the procedures that must be  
 31 followed to participate in the electronic sale.
- 32 (11) A statement that a person redeeming each tract or item after  
 33 the sale must pay the costs described in IC 6-1.1-25-2(e).
- 34 (12) If a county auditor and county treasurer have entered into an  
 35 agreement under IC 6-1.1-25-4.7, a statement that the county  
 36 auditor will perform the duties of the notification and title search  
 37 under IC 6-1.1-25-4.5 and the notification and petition to the  
 38 court for the tax deed under IC 6-1.1-25-4.6.
- 39 (13) A statement that, if the tract or item of real property is sold  
 40 for an amount more than the minimum bid and the property is not  
 41 redeemed, the owner of record of the tract or item of real property  
 42 who is divested of ownership at the time the tax deed is issued



1 may have a right to the tax sale surplus.

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

4 (15) With respect to a tract or an item of real property that is  
5 subject to sale under this chapter after June 30, 2012, and before  
6 July 1, 2013, a statement declaring whether an ordinance adopted  
7 under IC 6-1.1-37-10.1 is in effect in the county and, if  
8 applicable, an explanation of the circumstances in which penalties  
9 on the delinquent taxes and special assessments will be waived.

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

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

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

30 SECTION 8. IC 6-1.1-24-2.3 IS ADDED TO THE INDIANA  
31 CODE AS A NEW SECTION TO READ AS FOLLOWS  
32 [EFFECTIVE JULY 1, 2014]: **Sec. 2.3. (a) This section applies to a  
33 property that has been certified as vacant or abandoned under  
34 section 1.5 of this chapter.**

35 (b) **If a notice was not sent with regard to a tract or real  
36 property as permitted by IC 32-30-10.6-6, a notice shall be sent to  
37 the owner of record and to any person with a substantial property  
38 interest of public record in the tract or real property at least one  
39 hundred twenty (120) days before the date of the certification  
40 under section 1.5 of this chapter. The notice must contain at least  
41 the following:**

42 (1) **A statement that an abandoned property sale will be held**



- 1           on or after a specified date.
- 2           (2) A description of the tract or real property to be sold.
- 3           (3) A statement that any person may redeem the tract or real
- 4           property at or before the abandoned property sale.
- 5           (4) The components of the amount required to redeem the
- 6           tract or real property.
- 7           (5) A statement that if the property is not redeemed, a tax
- 8           deed may be issued to the purchaser.
- 9           (6) The street address, if any, or a common description of the
- 10          tract or real property.
- 11          (7) The key number or parcel number of the tract or real
- 12          property.
- 13          (c) A notice under this section must include not more than one
- 14          (1) tract or item of real property listed to be sold in one (1)
- 15          description. However, when more than one (1) tract or item of real
- 16          property is owned by one (1) person, all of the tracts of real
- 17          property that are owned by that person may be included in one (1)
- 18          notice.
- 19          (d) A single notice under this section may be used to notify joint
- 20          owners of record at the last address of the joint owners for the
- 21          property sold, as indicated in the records of the county auditor.
- 22          (e) The notice required by this section is considered sufficient if
- 23          the notice is mailed to the last address of the owner for the
- 24          property, as indicated in the records of the county auditor, and any
- 25          person with a substantial property interest of public record at the
- 26          address for the person included in the public record that indicates
- 27          the interest.
- 28          (f) The notice under this section is not required for persons in
- 29          possession not shown in the public records.
- 30          SECTION 9. IC 6-1.1-24-5.1 IS ADDED TO THE INDIANA
- 31          CODE AS A NEW SECTION TO READ AS FOLLOWS
- 32          [EFFECTIVE JULY 1, 2015]: **Sec. 5.1. A business entity that seeks**
- 33          **to register to bid at a tax sale must provide a certificate of good**
- 34          **standing or authority from the secretary of state to the county**
- 35          **treasurer.**
- 36          SECTION 10. IC 6-1.1-24-5.4 IS ADDED TO THE INDIANA
- 37          CODE AS A NEW SECTION TO READ AS FOLLOWS
- 38          [EFFECTIVE JULY 1, 2015]: **Sec. 5.4. (a) This section applies to the**
- 39          **following:**
- 40                  (1) A foreign business association that:
- 41                          (A) has not obtained a certificate of authority from, or
- 42                          registered with, the secretary of state in accordance with



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

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

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

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

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

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

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

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

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

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

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

40          **(e)** A county treasurer may decline to forfeit a sale under this  
 41          section because of inadvertence or mistake, lack of actual  
 42          knowledge by the bidder, substantial harm to other parties with



1 interests in the tract or item of real property, or other substantial  
 2 reasons. If the treasurer declines to forfeit a sale, the treasurer  
 3 shall:

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

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

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

13 SECTION 11. IC 6-1.1-24-16 IS ADDED TO THE INDIANA  
 14 CODE AS A NEW SECTION TO READ AS FOLLOWS  
 15 [EFFECTIVE JULY 1, 2014]: Sec. 16. (a) The county fiscal body  
 16 may adopt an ordinance requiring every person who wishes to  
 17 participate in a tax sale as a bidder to pay a paddle fee.

18 (b) A paddle fee adopted under subsection (a) may not exceed:

19 (1) twenty-five dollars (\$25) for a person who:

20 (A) attends no more than one (1) tax sale in the county in  
 21 any calendar year; and

22 (B) purchases no more than one (1) property or tax sale  
 23 certificate; or

24 (2) one hundred dollars (\$100).

25 (c) A person may be required to pay the twenty-five dollar (\$25)  
 26 paddle fee even if the person does not purchase a property or tax  
 27 sale certificate.

28 (d) A person who purchases a one hundred dollar (\$100) paddle  
 29 fee is permitted to participate as a bidder in as many tax sales as  
 30 are offered in the county in the calendar year, and may purchase  
 31 more than one (1) property or tax sale certificate.

32 (e) The treasurer shall deposit the paddle fee in the county  
 33 general fund not later than thirty (30) days after the conclusion of  
 34 the tax sale. The proceeds of the paddle fee may be used only to:

35 (1) defray the expenses of the tax sale; or

36 (2) reduce the number of vacant and abandoned houses,  
 37 including rehabilitation, demolition, and foreclosure  
 38 prevention and counseling.

39 SECTION 12. IC 6-1.1-25-2, AS AMENDED BY P.L.56-2012,  
 40 SECTION 12, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 41 JULY 1, 2014]: Sec. 2. (a) The total amount of money required for the  
 42 redemption of real property equals:



- 1 (1) the sum of the amounts prescribed in subsections (b) through  
 2 (f); or  
 3 (2) the amount prescribed in subsection (g);  
 4 reduced by any amounts held in the name of the taxpayer or the  
 5 purchaser in the tax sale surplus fund.
- 6 (b) Except as provided in subsection (g), the total amount required  
 7 for redemption includes:  
 8 (1) one hundred ten percent (110%) of the minimum bid for  
 9 which the tract or real property was offered at the time of sale, as  
 10 required by IC 6-1.1-24-5, if the tract or item of real property is  
 11 redeemed not more than six (6) months after the date of sale; or  
 12 (2) one hundred fifteen percent (115%) of the minimum bid for  
 13 which the tract or real property was offered at the time of sale, as  
 14 required by IC 6-1.1-24-5, if: the tract or item of real property is  
 15 redeemed more than six (6) months but not more than one (1)  
 16 year after the date of sale.
- 17 (c) Except as provided in subsection (g), in addition to the amount  
 18 required under subsection (b), the total amount required for redemption  
 19 includes the amount by which the purchase price exceeds the minimum  
 20 bid on the real property plus ~~ten~~ **five** percent (~~10%~~) (**5%**) per annum  
 21 on the amount by which the purchase price exceeds the minimum bid  
 22 on the property.
- 23 (d) Except as provided in subsection (g), in addition to the amount  
 24 required under subsections (b) and (c), the total amount required for  
 25 redemption includes all taxes and special assessments upon the  
 26 property paid by the purchaser after the sale plus ten percent (10%)  
 27 interest per annum on those taxes and special assessments.
- 28 (e) Except as provided in subsection (g), in addition to the amounts  
 29 required under subsections (b), (c), and (d), the total amount required  
 30 for redemption includes the following costs, if certified before  
 31 redemption and not earlier than thirty (30) days after the date of sale of  
 32 the property being redeemed by the payor to the county auditor on a  
 33 form prescribed by the state board of accounts, that were incurred and  
 34 paid by the purchaser, the purchaser's assignee, or the county, before  
 35 redemption:  
 36 (1) The attorney's fees and costs of giving notice under section 4.5  
 37 of this chapter.  
 38 (2) The costs of a title search or of examining and updating the  
 39 abstract of title for the tract or item of real property.
- 40 (f) The total amount required for redemption includes, in addition  
 41 to the amounts required under subsections (b) and (e), all taxes, special  
 42 assessments, interest, penalties, and fees on the property that accrued



1 after the sale.

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

6 SECTION 13. IC 6-1.1-25-4, AS AMENDED BY P.L.118-2013,  
7 SECTION 7, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
8 JULY 1, 2014]: Sec. 4. (a) The period for redemption of real property  
9 sold under IC 6-1.1-24 **except for IC 6-1.1-24-1.5** is:

- 10 (1) one (1) year after the date of sale; **or**  
11 (2) one hundred twenty (120) days after the date of sale to a  
12 purchasing agency qualified under IC 36-7-17 or IC 36-7-17.1. ~~or~~  
13 ~~(3) one hundred twenty (120) days after the date of sale of real~~  
14 ~~property on the list prepared under IC 6-1.1-24-1(a)(2) or~~  
15 ~~IC 6-1.1-24-1.5;~~

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

- 18 (1) on which the county executive acquires a lien under  
19 IC 6-1.1-24-6; and  
20 (2) for which the certificate of sale is not sold under  
21 IC 6-1.1-24-6.1;

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

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

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

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

30 (d) When a deed for real property is executed under this chapter, the  
31 county auditor shall cancel the certificate of sale, and file the canceled  
32 certificate in the office of the county auditor. If real property that  
33 appears on the list prepared under IC 6-1.1-24-1.5 is offered for sale  
34 and an amount that is at least equal to the minimum sale price required  
35 under IC 6-1.1-24-5 is not received, the county auditor shall issue a  
36 deed to the real property, subject to this chapter.

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

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



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

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

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

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

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

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

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

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

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

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

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

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

37 (j) If the county executive makes the determination under subsection  
 38 (i) as to any interest in an oil or gas lease or separate mineral rights, the  
 39 county treasurer shall certify all delinquent taxes, interest, penalties,  
 40 and costs assessed under IC 6-1.1-24 to the clerk, following the  
 41 procedures in IC 6-1.1-23-9. After the date of the county treasurer's  
 42 certification, the certified amount is subject to collection as delinquent



1 personal property taxes under IC 6-1.1-23. Notwithstanding  
 2 IC 6-1.1-4-12.4 and IC 6-1.1-4-12.6, the assessed value of such an  
 3 interest shall be zero (0) until production commences.

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

9 (1) the amount of:

10 (A) the last minimum bid under IC 6-1.1-24-5; **plus**

11 (B) **any penalty associated with a delinquency that was not**  
 12 **due until after the date of the sale under IC 6-1.1-24-5 but**  
 13 **is due before the issuance of the certificate of sale, with**  
 14 **respect to taxes included in the minimum bid that were not**  
 15 **due at the time of the sale under IC 6-1.1-24-5;**

16 (2) the amount paid for the certificate of sale.

17 (l) If a tract or item of real property did not sell at a tax sale and the  
 18 county treasurer and the owner of real property agree before the  
 19 expiration of the period for redemption under subsection (b) to a  
 20 mutually satisfactory arrangement for the payment of the entire amount  
 21 required for redemption under section 2 of this chapter before the  
 22 expiration of a period for redemption extended under this subsection:

23 (1) the county treasurer may extend the period for redemption;  
 24 and

25 (2) except as provided in subsection (m), the extended period for  
 26 redemption expires one (1) year after the date of the agreement.

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

34 SECTION 14. IC 6-1.1-25-4.5, AS AMENDED BY P.L.169-2006,  
 35 SECTION 29, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 36 JULY 1, 2014]: Sec. 4.5. (a) Except as provided in subsection (d), a  
 37 purchaser or the purchaser's assignee is entitled to a tax deed to the  
 38 property that was sold only if:

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

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



- 1 (3) not later than ~~nine (9)~~ **six (6)** months after the date of the sale:  
 2 (A) the purchaser or the purchaser's assignee; or  
 3 (B) in a county where the county auditor and county treasurer  
 4 have an agreement under section 4.7 of this chapter, the  
 5 county auditor;  
 6 gives notice of the sale to the owner of record at the time of the  
 7 sale and any person with a substantial property interest of public  
 8 record in the tract or real property.
- 9 (b) A county executive is entitled to a tax deed to property on which  
 10 the county executive acquires a lien under IC 6-1.1-24-6 and for which  
 11 the certificate of sale is not sold under IC 6-1.1-24-6.1 only if:  
 12 (1) the redemption period specified in section 4(b) of this chapter  
 13 has expired;  
 14 (2) the property has not been redeemed within the period of  
 15 redemption specified in section 4(b) of this chapter; and  
 16 (3) not later than ninety (90) days after the date the county  
 17 executive acquires the lien under IC 6-1.1-24-6, the county  
 18 auditor gives notice of the sale to:  
 19 (A) the owner of record at the time the lien was acquired; and  
 20 (B) any person with a substantial property interest of public  
 21 record in the tract or real property.
- 22 (c) A purchaser of a certificate of sale under IC 6-1.1-24-6.1 is  
 23 entitled to a tax deed to the property for which the certificate was sold  
 24 only if:  
 25 (1) the redemption period specified in section 4(c) of this chapter  
 26 has expired;  
 27 (2) the property has not been redeemed within the period of  
 28 redemption specified in section 4(c) of this chapter; and  
 29 (3) not later than ninety (90) days after the date of sale of the  
 30 certificate of sale under IC 6-1.1-24, the purchaser gives notice of  
 31 the sale to:  
 32 (A) the owner of record at the time of the sale; and  
 33 (B) any person with a substantial property interest of public  
 34 record in the tract or real property.
- 35 (d) The person required to give the notice under subsection (a), (b),  
 36 or (c) shall give the notice by sending a copy of the notice by certified  
 37 mail to:  
 38 (1) the owner of record at the time of the:  
 39 (A) sale of the property;  
 40 (B) acquisition of the lien on the property under IC 6-1.1-24-6;  
 41 or  
 42 (C) sale of the certificate of sale on the property under



- 1           IC 6-1.1-24;  
 2           at the last address of the owner for the property, as indicated in  
 3           the records of the county auditor; and  
 4           (2) any person with a substantial property interest of public record  
 5           at the address for the person included in the public record that  
 6           indicates the interest.
- 7           However, if the address of the person with a substantial property  
 8           interest of public record is not indicated in the public record that  
 9           created the interest and cannot be located by ordinary means by the  
 10          person required to give the notice under subsection (a), (b), or (c), the  
 11          person may give notice by publication in accordance with IC 5-3-1-4  
 12          once each week for three (3) consecutive weeks.
- 13          (e) The notice that this section requires shall contain at least the  
 14          following:
- 15           (1) A statement that a petition for a tax deed will be filed on or  
 16           after a specified date.
  - 17           (2) The date on or after which the petitioner intends to petition for  
 18           a tax deed to be issued.
  - 19           (3) A description of the tract or real property shown on the  
 20           certificate of sale.
  - 21           (4) The date the tract or real property was sold at a tax sale.
  - 22           (5) The name of the:
    - 23           (A) purchaser or purchaser's assignee;
    - 24           (B) county executive that acquired the lien on the property  
 25           under IC 6-1.1-24-6; or
    - 26           (C) person that purchased the certificate of sale on the  
 27           property under IC 6-1.1-24.
  - 28           (6) A statement that any person may redeem the tract or real  
 29           property.
  - 30           (7) The components of the amount required to redeem the tract or  
 31           real property.
  - 32           (8) A statement that an entity identified in subdivision (5) is  
 33           entitled to reimbursement for additional taxes or special  
 34           assessments on the tract or real property that were paid by the  
 35           entity subsequent to the tax sale, lien acquisition, or purchase of  
 36           the certificate of sale, and before redemption, plus interest.
  - 37           (9) A statement that the tract or real property has not been  
 38           redeemed.
  - 39           (10) A statement that an entity identified in subdivision (5) is  
 40           entitled to receive a deed for the tract or real property if it is not  
 41           redeemed before the expiration of the period of redemption  
 42           specified in section 4 of this chapter.



- 1 (11) A statement that an entity identified in subdivision (5) is
- 2 entitled to reimbursement for costs described in section 2(e) of
- 3 this chapter.
- 4 (12) The date of expiration of the period of redemption specified
- 5 in section 4 of this chapter.
- 6 (13) A statement that if the property is not redeemed, the owner
- 7 of record at the time the tax deed is issued may have a right to the
- 8 tax sale surplus, if any.
- 9 (14) The street address, if any, or a common description of the
- 10 tract or real property.
- 11 (15) The key number or parcel number of the tract or real
- 12 property.
- 13 (f) The notice under this section must include not more than one (1)
- 14 tract or item of real property listed and sold in one (1) description.
- 15 However, when more than one (1) tract or item of real property is
- 16 owned by one (1) person, all of the tracts or real property that are
- 17 owned by that person may be included in one (1) notice.
- 18 (g) A single notice under this section may be used to notify joint
- 19 owners of record at the last address of the joint owners for the property
- 20 sold, as indicated in the records of the county auditor.
- 21 (h) The notice required by this section is considered sufficient if the
- 22 notice is mailed to the address required under subsection (d).
- 23 (i) The notice under this section and the notice under section 4.6 of
- 24 this chapter are not required for persons in possession not shown in the
- 25 public records.
- 26 (j) If the purchaser fails to:
- 27 (1) comply with subsection (c)(3); or
- 28 (2) petition for the issuance of a tax deed within the time
- 29 permitted under section 4.6(a) of this chapter;
- 30 the certificate of sale reverts to the county executive and may be
- 31 retained by the county executive or sold under IC 6-1.1-24-6.1.
- 32 SECTION 15. IC 6-1.1-25-4.6, AS AMENDED BY P.L.118-2013,
- 33 SECTION 8, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
- 34 JULY 1, 2014]: Sec. 4.6. (a) After the expiration of the redemption
- 35 period specified in section 4 of this chapter but not later than ~~six (6)~~
- 36 **three (3)** months after the expiration of the period of redemption:
- 37 (1) the purchaser, the purchaser's assignee, the county executive,
- 38 or the purchaser of the certificate of sale under IC 6-1.1-24 may;
- 39 or
- 40 (2) in a county where the county auditor and county treasurer
- 41 have an agreement under section 4.7 of this chapter, the county
- 42 auditor shall, upon the request of the purchaser or the purchaser's



1 assignee;  
 2 file a verified petition in the same court and under the same cause  
 3 number in which the judgment of sale was entered asking the court to  
 4 direct the county auditor to issue a tax deed if the real property is not  
 5 redeemed from the sale. Notice of the filing of this petition shall be  
 6 given to the same parties and in the same manner as provided in section  
 7 4.5 of this chapter, except that, if notice is given by publication, only  
 8 one (1) publication is required. The notice required by this section is  
 9 considered sufficient if the notice is sent to the address required by  
 10 section 4.5(d) of this chapter. Any person owning or having an interest  
 11 in the tract or real property may file a written objection to the petition  
 12 with the court not later than thirty (30) days after the date the petition  
 13 was filed. If a written objection is timely filed, the court shall conduct  
 14 a hearing on the objection.

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

- 20 (1) The time of redemption has expired.  
 21 (2) The tract or real property has not been redeemed from the sale  
 22 before the expiration of the period of redemption specified in  
 23 section 4 of this chapter.  
 24 (3) Except with respect to a petition for the issuance of a tax deed  
 25 under a sale of the certificate of sale on the property under  
 26 IC 6-1.1-24-6.1 or IC 6-1.1-24-6.8, **or with respect to penalties**  
 27 **described in section 4(k) of this chapter**, all taxes and special  
 28 assessments, penalties, and costs have been paid.  
 29 (4) The notices required by this section and section 4.5 of this  
 30 chapter have been given.  
 31 (5) The petitioner has complied with all the provisions of law  
 32 entitling the petitioner to a deed.

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

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



- 1 maintain the grantee of a valid tax deed in possession of the real estate.  
 2 (d) Except as provided in subsections (e) and (f), if:  
 3 (1) the verified petition referred to in subsection (a) is timely  
 4 filed; and  
 5 (2) the court refuses to enter an order directing the county auditor  
 6 to execute and deliver the tax deed because of the failure of the  
 7 petitioner under subsection (a) to fulfill the notice requirement of  
 8 subsection (a);  
 9 the court shall order the return of the amount, if any, by which the  
 10 purchase price exceeds the minimum bid on the property under  
 11 IC 6-1.1-24-5 minus a penalty of twenty-five percent (25%) of that  
 12 excess. The petitioner is prohibited from participating in any manner  
 13 in the next succeeding tax sale in the county under IC 6-1.1-24. The  
 14 county auditor shall deposit penalties paid under this subsection in the  
 15 county general fund.  
 16 (e) Notwithstanding subsection (d), in all cases in which:  
 17 (1) the verified petition referred to in subsection (a) is timely  
 18 filed;  
 19 (2) the petitioner under subsection (a) has made a bona fide  
 20 attempt to comply with the statutory requirements under  
 21 subsection (b) for the issuance of the tax deed but has failed to  
 22 comply with these requirements;  
 23 (3) the court refuses to enter an order directing the county auditor  
 24 to execute and deliver the tax deed because of the failure to  
 25 comply with these requirements; and  
 26 (4) the purchaser, the purchaser's successors or assignees, or the  
 27 purchaser of the certificate of sale under IC 6-1.1-24 files a claim  
 28 with the county auditor for refund not later than thirty (30) days  
 29 after the entry of the order of the court refusing to direct the  
 30 county auditor to execute and deliver the tax deed;  
 31 the county auditor shall not execute the deed but shall refund the  
 32 purchase money minus a penalty of twenty-five percent (25%) of the  
 33 purchase money from the county treasury to the purchaser, the  
 34 purchaser's successors or assignees, or the purchaser of the certificate  
 35 of sale under IC 6-1.1-24. The county auditor shall deposit penalties  
 36 paid under this subsection in the county general fund. All the  
 37 delinquent taxes and special assessments shall then be reinstated and  
 38 recharged to the tax duplicate and collected in the same manner as if  
 39 the property had not been offered for sale. The tract or item of real  
 40 property, if it is then eligible for sale under IC 6-1.1-24, shall be placed  
 41 on the delinquent list as an initial offering under IC 6-1.1-24.  
 42 (f) Notwithstanding subsections (d) and (e), the court shall not order



1 the return of the purchase price or any part of the purchase price if:

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

5 (2) the sale is otherwise valid.

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

16 (1) the regularity of the sale of the real property described in the  
17 deed;

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

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

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

24 SECTION 16. IC 6-1.1-25-10 IS AMENDED TO READ AS  
25 FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 10. (a) If, before the  
26 court issues an order directing the county auditor to issue a tax deed to  
27 a tract or item of real property sold under IC 6-1.1-24, it is found by the  
28 county auditor and the county treasurer that the sale was invalid, the  
29 county auditor shall refund:

30 (1) the purchase money and all taxes and special assessments on  
31 the property paid by the purchaser, the purchaser's assigns, or the  
32 purchaser of the certificate of sale under IC 6-1.1-24 after the tax  
33 sale plus ~~six~~ five percent (~~6%~~) (**5%**) interest per annum; and

34 (2) subject to any limitation under section 2.5 of this chapter, any  
35 costs paid by the purchaser, the purchaser's assigns, or the  
36 purchaser of the certificate of sale under IC 6-1.1-24 under  
37 section 2 of this chapter;

38 from the county treasury to the purchaser, the purchaser's successors or  
39 assigns, or the purchaser of the certificate of sale under IC 6-1.1-24.  
40 The tract or item of real property, if it is then eligible for sale under  
41 IC 6-1.1-24, shall be placed on the delinquent list as an initial offering  
42 under IC 6-1.1-24-6.



1 (b) A political subdivision shall reimburse the county for interest  
2 paid by the county under subsection (a) if:

- 3 (1) the invalidity of the sale under IC 6-1.1-24 resulted from the  
4 failure of the political subdivision to give adequate notice of a lien  
5 to property owners; and  
6 (2) the existence of the lien resulted in the sale of the property  
7 under IC 6-1.1-24.

8 SECTION 17. IC 6-1.1-25-11, AS AMENDED BY P.L.73-2010,  
9 SECTION 7, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
10 JULY 1, 2014]: Sec. 11. (a) Subsequent to the issuance of the order  
11 directing the county auditor to issue a tax deed to real property sold  
12 under IC 6-1.1-24, a county auditor shall refund the purchase money  
13 plus ~~six~~ **five** percent (~~6%~~) (**5%**) interest per annum from the county  
14 treasury to the purchaser, the purchaser's successors or assigns, or the  
15 purchaser of the certificate of sale under IC 6-1.1-24 if it is found by  
16 the court that entered the order for the tax deed that:

- 17 (1) the real property described in the deed was not subject to the  
18 taxes for which it was sold;  
19 (2) the delinquent taxes or special assessments for which the real  
20 property was sold were properly paid before the sale; or  
21 (3) the legal description of the real property in the tax deed is void  
22 for uncertainty.

23 (b) The grantee of an invalid tax deed, including the county, to  
24 whom a refund is made under this section shall execute, acknowledge,  
25 and deliver to the owner a deed conveying whatever interest the  
26 purchaser may have acquired by the tax sale deed. If a county is  
27 required to execute a deed under this section, the deed shall be signed  
28 by the county board of commissioners and acknowledged by the clerk  
29 of the circuit court.

30 (c) A refund may not be made under this section while an action  
31 initiated under either section 14 or 16 of this chapter is pending.

32 (d) If a sale is declared invalid after a claim is submitted under  
33 IC 6-1.1-24-7 for money deposited in the tax sale surplus fund and the  
34 claim is paid, the county auditor shall:

- 35 (1) refund the purchase money plus ~~six~~ **five** percent (~~6%~~) (**5%**)  
36 interest per annum from the county treasury to the purchaser, the  
37 purchaser's successors or assigns, or the purchaser of the  
38 certificate of sale under IC 6-1.1-24; and  
39 (2) certify the amount paid to the property owner from the tax sale  
40 surplus fund as a lien against the property and as a civil judgment  
41 against the property owner.

42 SECTION 18. IC 6-1.1-25-20 IS ADDED TO THE INDIANA



1 CODE AS A NEW SECTION TO READ AS FOLLOWS  
 2 [EFFECTIVE JULY 1, 2014]: **Sec. 20. A county auditor who**  
 3 **executes a tax deed under this chapter shall provide a copy of the**  
 4 **tax deed to the grantee. The county auditor shall collect from the**  
 5 **grantee the appropriate recording fee set forth in IC 36-2-7-10 on**  
 6 **behalf of the county recorder and submit the tax deed directly to**  
 7 **the county recorder for recording. The county recorder shall**  
 8 **record the tax deed in the deed records and provide the recorded**  
 9 **tax deed to the grantee in the normal course of business.**  
 10 **Notwithstanding IC 6-1.1-5.5-3, a sales disclosure form for such a**  
 11 **property satisfies the requirements of IC 6-1.1-5.5 if only the**  
 12 **county auditor signs the form.**

13 SECTION 19. IC 32-29-7-3, AS AMENDED BY P.L.102-2012,  
 14 SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 15 JULY 1, 2014]: Sec. 3. (a) In a proceeding for the foreclosure of a  
 16 mortgage executed on real estate, process may not issue for the  
 17 execution of a judgment or decree of sale for a period of three (3)  
 18 months after the filing of a complaint in the proceeding. However:

19 (1) the period is:

20 (A) twelve (12) months in a proceeding for the foreclosure of  
 21 a mortgage executed before January 1, 1958; and

22 (B) six (6) months in a proceeding for the foreclosure of a  
 23 mortgage executed after December 31, 1957, but before July  
 24 1, 1975; and

25 (2) if the court finds under IC 32-30-10.6 that the mortgaged real  
 26 estate has been abandoned, a judgment or decree of sale may be  
 27 executed on the date the judgment of foreclosure or decree of sale  
 28 is entered, regardless of the date the mortgage is executed.

29 (b) A judgment and decree in a proceeding to foreclose a mortgage  
 30 that is entered by a court having jurisdiction may be filed with the clerk  
 31 in any county as provided in IC 33-32-3-2. After the period set forth in  
 32 subsection (a) expires, a person who may enforce the judgment and  
 33 decree may file a praecipe with the clerk in any county where the  
 34 judgment and decree is filed, and the clerk shall promptly issue and  
 35 certify to the sheriff of that county a copy of the judgment and decree  
 36 under the seal of the court. However, if:

37 (1) a praecipe is not filed with the clerk within one hundred eighty  
 38 (180) days after the later of the dates on which:

39 (A) the period specified in subsection (a) expires; or

40 (B) the judgment and decree is filed; and

41 (2) the sale is not:

42 (A) otherwise prohibited by law;



- 1 (B) subject to a voluntary statewide foreclosure moratorium;  
 2 or  
 3 (C) subject to a written agreement that:  
 4 (i) provides for a delay in the sale of the mortgaged real  
 5 estate; and  
 6 (ii) is executed by and between the owner of the mortgaged  
 7 real estate and a party entitled to enforce the judgment and  
 8 decree;
- 9 an enforcement authority that has issued an abatement order under  
 10 IC 36-7-36-9 with respect to the mortgaged real estate may file a  
 11 praecipe with the clerk in any county where the judgment and decree  
 12 is filed. If an enforcement authority files a praecipe under this  
 13 subsection, the clerk of the county in which the praecipe is filed shall  
 14 promptly issue and certify to the sheriff of that county a copy of the  
 15 judgment and decree under the seal of the court.
- 16 (c) Upon receiving a certified judgment under subsection (b), the  
 17 sheriff shall, subject to section 4 of this chapter, sell the mortgaged  
 18 premises or as much of the mortgaged premises as necessary to satisfy  
 19 the judgment, interest, and costs at public auction at the office of the  
 20 sheriff or at another location that is reasonably likely to attract higher  
 21 competitive bids. The sheriff shall schedule the date and time of the  
 22 sheriff's sale for:
- 23 (1) a date not later than one hundred twenty (120) days after the  
 24 date on which the judgment and decree under seal of the court are  
 25 certified to the sheriff by the clerk; and  
 26 (2) a time certain between the hours of 10 a.m. and 4 p.m. on any  
 27 day of the week except Sunday.
- 28 (d) Before selling mortgaged property, the sheriff must advertise the  
 29 sale by publication once each week for three (3) successive weeks in  
 30 a daily or weekly newspaper of general circulation. The sheriff shall  
 31 publish the advertisement in at least one (1) newspaper published and  
 32 circulated in each county where the real estate is situated. The first  
 33 publication shall be made at least thirty (30) days before the date of  
 34 sale. At the time of placing the first advertisement by publication, the  
 35 sheriff shall also serve a copy of the written or printed notice of sale  
 36 upon each owner of the real estate. Service of the written notice shall  
 37 be made as provided in the Indiana Rules of Trial Procedure governing  
 38 service of process upon a person. The sheriff shall charge a fee of ten  
 39 dollars (\$10) to one (1) owner and three dollars (\$3) to each additional  
 40 owner for service of written notice under this subsection. The fee is:
- 41 (1) a cost of the proceeding;  
 42 (2) to be collected as other costs of the proceeding are collected;



- 1           and  
 2           (3) to be deposited in the county general fund for appropriation  
 3           for operating expenses of the sheriff's department.  
 4           (e) The sheriff also shall post written or printed notices of the sale  
 5           at the door of the courthouse of each county in which the real estate is  
 6           located.  
 7           (f) If the sheriff is unable to procure the publication of a notice  
 8           within the county, the sheriff may dispense with publication. The  
 9           sheriff shall state that the sheriff was not able to procure the  
 10          publication and explain the reason why publication was not possible.  
 11          (g) Notices under subsections (d), ~~and~~ (e), **and (i)** must contain a  
 12          statement, for informational purposes only, of the location of each  
 13          property by street address, if any, or other common description of the  
 14          property other than legal description. A misstatement in the  
 15          informational statement under this subsection does not invalidate an  
 16          otherwise valid sale.  
 17          (h) The sheriff may charge an administrative fee of not more than  
 18          two hundred dollars (\$200) with respect to a proceeding referred to in  
 19          subsection (b) for actual costs directly attributable to the administration  
 20          of the sale under subsection (c). The fee is:  
 21              (1) payable by the person seeking to enforce the judgment and  
 22              decree; and  
 23              (2) due at the time of filing of the praecipe;  
 24          under subsection (b).  
 25          **(i) If a sale of mortgaged property scheduled under this section**  
 26          **is canceled, the sheriff shall provide written notice of the**  
 27          **cancellation to each owner of the real estate. Service of the written**  
 28          **notice shall be made as provided in the Indiana Rules of Trial**  
 29          **Procedure governing service of process upon a person. The sheriff**  
 30          **shall charge a fee of ten dollars (\$10) for notice to one (1) owner**  
 31          **and three dollars (\$3) for notice to each additional owner for**  
 32          **service of written notice under this subsection. The fee:**  
 33              **(1) is a cost of the proceeding;**  
 34              **(2) shall be collected as other costs of the proceeding are**  
 35              **collected; and**  
 36              **(3) shall be deposited in the county general fund for**  
 37              **appropriation for operating expenses of the sheriff's**  
 38              **department.**  
 39          **The fee for service under this subsection shall be paid by the**  
 40          **person who caused the sale to be canceled.**  
 41          SECTION 20. IC 32-30-10.6-1, AS AMENDED BY P.L.203-2013,  
 42          SECTION 19, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE



1 JULY 1, 2014]: Sec. 1. This chapter applies to the following:

2 (1) A mortgage foreclosure action filed under IC 32-30-10-3.

3 (2) A determination that property is abandoned or vacant for  
4 purposes of IC 6-1.1-24 **or IC 34-30-26-7.**

5 SECTION 21. IC 32-30-10.6-2.3 IS ADDED TO THE INDIANA  
6 CODE AS A NEW SECTION TO READ AS FOLLOWS  
7 [EFFECTIVE JULY 1, 2014]: **Sec. 2.3. As used in this chapter,**  
8 **"executive of a county" in a county containing a consolidated city**  
9 **means the executive of the consolidated city.**

10 SECTION 22. IC 32-30-10.6-3.5, AS ADDED BY P.L.203-2013,  
11 SECTION 21, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
12 JULY 1, 2014]: Sec. 3.5. (a) This section applies to a property whether  
13 or not there is a mortgage on the property.

14 (b) As an alternative to seeking a determination of abandonment  
15 under any other statute, the executive of a **county**, city, or town that:

16 (1) has jurisdiction in the location of a property; and

17 (2) does not have a person designated as a hearing authority, as  
18 defined by IC 36-7-9-2;

19 may petition a court for a determination that the property is abandoned.

20 (c) A petition filed with the court under this section must do all the  
21 following:

22 (1) Include a statement of the enforcement authority's jurisdiction  
23 in the location of the property.

24 (2) Allege that the property is abandoned.

25 (3) Include evidence that one (1) or more of the conditions set  
26 forth in section 5(a) or 5(b) of this chapter apply.

27 (d) A petition under this section shall be served on:

28 (1) the creditor and the debtor, if the property is subject to a  
29 mortgage; and

30 (2) any other appropriate party;

31 in the manner prescribed by the Indiana Rules of Trial Procedure.

32 SECTION 23. IC 32-30-10.6-6 IS ADDED TO THE INDIANA  
33 CODE AS A NEW SECTION TO READ AS FOLLOWS  
34 [EFFECTIVE JULY 1, 2014]: **Sec. 6. (a) This section applies only to**  
35 **a petition by the executive of a county, city, or town for a court**  
36 **order of abandonment.**

37 (b) **Instead of providing notice at least one hundred twenty (120)**  
38 **days before the date of a certification under IC 6-1.1-24-1.5, the**  
39 **executive of the county, city, or town that is filing the petition may**  
40 **provide the notice referred to IC 6-1.1-24-2.3 at least one hundred**  
41 **twenty (120) days before a petition is filed under section 3.5 of this**  
42 **chapter.**



1           **(c) A court order of abandonment under this chapter authorizes**  
 2 **the sale of the property and transfer of the deed of the property**  
 3 **under IC 6-1.1-24-1.5.**

4           SECTION 24. IC 34-30-26-7 IS ADDED TO THE INDIANA  
 5 CODE AS A NEW SECTION TO READ AS FOLLOWS  
 6 [EFFECTIVE JULY 1, 2014]: **Sec. 7. (a) This section applies to real**  
 7 **property for which a city, town, or county has obtained a judgment**  
 8 **under IC 32-30-10.6 that the real property is:**

9               **(1) vacant; or**

10              **(2) abandoned;**

11 **due to a request for a determination by an enforcement authority.**

12           **(b) A city, town, or county may provide a potential purchaser or**  
 13 **a potential lender to a person who may want to purchase the real**  
 14 **property an opportunity to visually inspect the real property, if**  
 15 **accompanied by the appropriate enforcement authority. The**  
 16 **appropriate enforcement authority may accompany the person in**  
 17 **inspecting the real property and may enter upon the real property,**  
 18 **including any structure located on the real property, to visually**  
 19 **inspect the real property to determine whether the real property**  
 20 **may be desirable. For purposes of a visual inspection under this**  
 21 **section, a potential purchaser or a potential lender may not:**

22               **(1) request a utility provider or the city, town, or county to**  
 23 **connect or turn on utilities to the real property; or**

24               **(2) physically disturb or alter the real property.**

25           **(c) An enforcement authority or a person that enters upon the**  
 26 **premises of real property as permitted under this section:**

27               **(1) is immune from civil liability for an act or omission related**  
 28 **to the entry, unless the act or omission constitutes gross**  
 29 **negligence or willful, wanton, or intentional misconduct; and**

30               **(2) shall be held harmless from and against all claims of civil**  
 31 **or criminal trespass.**

32           SECTION 25. IC 36-7-9-2, AS AMENDED BY P.L.73-2010,  
 33 SECTION 10, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 34 JULY 1, 2014]: **Sec. 2. As used in this chapter:**

35           "Community organization" means a citizen's group, neighborhood  
 36 association, neighborhood development corporation, or similar  
 37 organization that:

38               **(1) has specific geographic boundaries defined in its bylaws or**  
 39 **articles of incorporation and contains at least forty (40)**  
 40 **households within those boundaries;**

41               **(2) is a nonprofit corporation that is representative of at least**  
 42 **twenty-five (25) households or twenty percent (20%) of the**



- 1 households in the community, whichever is less;  
 2 (3) is operated primarily for the promotion of social welfare and  
 3 general neighborhood improvement and enhancement;  
 4 (4) has been incorporated for at least two (2) years; and  
 5 (5) is exempt from taxation under Section 501(c)(3) or 501(c)(4)  
 6 of the Internal Revenue Code.
- 7 "Continuous enforcement order" means an order that:  
 8 (1) is issued for compliance or abatement and that remains in full  
 9 force and effect on a property without further requirements to  
 10 seek additional:  
 11 (A) compliance and abatement authority; or  
 12 (B) orders for the same or similar violations;  
 13 (2) authorizes specific ongoing compliance and enforcement  
 14 activities if a property requires reinspection or additional periodic  
 15 abatement;  
 16 (3) can be enforced, including assessment of fees and costs,  
 17 without the need for additional notice or hearing; and  
 18 (4) authorizes the enforcement authority to assess and collect  
 19 ongoing costs for continuous enforcement order activities from  
 20 any party that is subject to the enforcement authority's order.
- 21 "Department" refers to the executive department authorized by  
 22 ordinance to administer this chapter. In a consolidated city, this  
 23 department is the department of ~~metropolitan development~~, **code**  
 24 **enforcement** subject to IC 36-3-4-23.
- 25 "Enforcement authority" refers to the chief administrative officer of  
 26 the department, except in a consolidated city. In a consolidated city,  
 27 the division of development services is the enforcement authority, subject  
 28 to IC 36-3-4-23.
- 29 "Hearing authority" refers to a person or persons designated as such  
 30 by the executive of a city or county, or by the legislative body of a  
 31 town. However, in a consolidated city, the director of the department  
 32 or a person designated by the director is the hearing authority. An  
 33 employee of the enforcement authority may not be designated as the  
 34 hearing authority.
- 35 "Known or recorded fee interest, life estate interest, or equitable  
 36 interest of a contract purchaser" means any fee interest, life estate  
 37 interest, or equitable interest of a contract purchaser held by a person  
 38 whose identity and address may be determined from:  
 39 (1) an instrument recorded in the recorder's office of the county  
 40 where the unsafe premises is located;  
 41 (2) written information or actual knowledge received by the  
 42 department (or, in the case of a consolidated city, the enforcement



- 1 authority); or  
 2 (3) a review of department (or, in the case of a consolidated city,  
 3 the enforcement authority) records that is sufficient to identify  
 4 information that is reasonably ascertainable.
- 5 "Known or recorded substantial property interest" means any right  
 6 in real property, including a fee interest, a life estate interest, a future  
 7 interest, a mortgage interest, a lien as evidenced by a certificate of sale  
 8 issued under IC 6-1.1-24, or an equitable interest of a contract  
 9 purchaser, that:
- 10 (1) may be affected in a substantial way by actions authorized by  
 11 this chapter; and  
 12 (2) is held by a person whose identity and address may be  
 13 determined from:
- 14 (A) an instrument recorded in:  
 15 (i) the recorder's office of the county where the unsafe  
 16 premises is located; or  
 17 (ii) the office of the county auditor of the county where the  
 18 unsafe premises are located in the case of a lien evidenced  
 19 by a certificate of sale issued under IC 6-1.1-24;
- 20 (B) written information or actual knowledge received by the  
 21 department (or, in the case of a consolidated city, the  
 22 enforcement authority); or  
 23 (C) a review of department (or, in the case of a consolidated  
 24 city, the enforcement authority) records that is sufficient to  
 25 identify information that is reasonably ascertainable.
- 26 "Substantial property interest" means any right in real property that  
 27 may be affected in a substantial way by actions authorized by this  
 28 chapter, including a fee interest, a life estate interest, a future interest,  
 29 a mortgage interest, or an equitable interest of a contract purchaser.
- 30 SECTION 26. IC 36-7-9-4, AS AMENDED BY P.L.66-2005,  
 31 SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 32 JULY 1, 2014]: Sec. 4. (a) For purposes of this chapter, a building or  
 33 structure, or any part of a building or structure, that is:
- 34 (1) in an impaired structural condition that makes it unsafe to a  
 35 person or property;  
 36 (2) a fire hazard;  
 37 (3) a hazard to the public health;  
 38 (4) a public nuisance;  
 39 (5) dangerous to a person or property because of a violation of a  
 40 statute or ordinance concerning building condition or  
 41 maintenance; or  
 42 (6) vacant **or blighted** and not maintained in a manner that would



- 1 allow human habitation, occupancy, or use under the  
2 requirements of a statute or an ordinance;  
3 is considered an unsafe building.  
4 (b) For purposes of this chapter:  
5 (1) an unsafe building; and  
6 (2) the tract of real property on which the unsafe building is  
7 located;  
8 are considered unsafe premises.  
9 (c) For purposes of this chapter, a tract of real property that does not  
10 contain a building or structure, not including land used for production  
11 agriculture, is considered an unsafe premises if the tract of real  
12 property is:  
13 (1) a fire hazard;  
14 (2) a hazard to public health;  
15 (3) a public nuisance; or  
16 (4) dangerous to a person or property because of a violation of a  
17 statute or an ordinance.



## COMMITTEE REPORT

Madam President: The Senate Committee on Local Government, to which was referred Senate Bill No. 422, 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 3, between lines 21 and 22, begin a new paragraph and insert:

"SECTION 5. IC 6-1.1-24-1, AS AMENDED BY P.L.203-2013, SECTION 5, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 1. (a) On or after January 1 of each calendar year in which a tax sale will be held in a county and not later than fifty-one (51) days after the first tax payment due date in that calendar year, the county treasurer (or county executive, in the case of property described in subdivision (2)) shall certify to the county auditor a list of real property on which any of the following exist:

(1) In the case of real property other than real property described in subdivision (2), any property taxes or special assessments certified to the county auditor for collection by the county treasurer from the prior year's spring installment or before are delinquent as determined under IC 6-1.1-37-10 and the delinquent property tax or special assessments due exceed twenty-five dollars (\$25).

(2) In the case of real property for which a county executive has certified to the county auditor that **a judgment has been obtained under IC 32-30-10.6** that the real property is:

(A) vacant; or

(B) abandoned;

any property taxes or special assessments from the prior year's fall installment or before that are delinquent as determined under IC 6-1.1-37-10. The county executive must make a certification under this subdivision not later than sixty-one (61) days before the earliest date on which application for judgment and order for sale may be made. The executive of a city or town may provide to the county executive of the county in which the city or town is located a list of real property ~~that for which~~ the city or town has ~~determined to be obtained a judgment under IC 32-30-10.6 that the real property is~~ vacant or abandoned. The county executive shall include real property included on the list provided by a city or town executive on the list certified by the county executive to the county auditor under this subsection. **The county, city, or town that lists a parcel of real property as vacant or abandoned is liable for any damages resulting from**



**the real property being found not to be vacant or abandoned.**

(3) Any unpaid costs are due under section 2(b) of this chapter from a prior tax sale.

(b) The county auditor shall maintain a list of all real property eligible for sale. Except as provided in section 1.2 or another provision of this chapter, the taxpayer's property shall remain on the list. The list must:

- (1) describe the real property by parcel number and common address, if any;
- (2) for a tract or item of real property with a single owner, indicate the name of the owner; and
- (3) for a tract or item with multiple owners, indicate the name of at least one (1) of the owners.

(c) Except as otherwise provided in this chapter, the real property so listed is eligible for sale in the manner prescribed in this chapter.

(d) Not later than fifteen (15) days after the date of the county treasurer's certification under subsection (a), the county auditor shall mail by certified mail a copy of the list described in subsection (b) to each mortgagee who requests from the county auditor by certified mail a copy of the list. Failure of the county auditor to mail the list under this subsection does not invalidate an otherwise valid sale.

SECTION 6. IC 6-1.1-24-1.5, AS AMENDED BY P.L.169-2006, SECTION 14, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 1.5. (a) As used in this chapter and IC 6-1.1-25, "county executive" means the following:

- (1) In a county not containing a consolidated city, the county executive or the county executive's designee.
- (2) In a county containing a consolidated city, the executive of the consolidated city.

(b) The county executive may, **after obtaining a judgment under IC 32-30-10.6 that real property is vacant or abandoned**, designate the real property on the list prepared under section 4.5(b) of this chapter that is eligible for listing on the list prepared under subsection (c).

(c) The county executive shall prepare a list of properties designated under subsection (b) and certify the list to the county auditor no later than sixty-one (61) days prior to the earliest date on which application for judgment and order for sale may be made.

(d) Upon receiving the list described in subsection (c), the county auditor shall:

- (1) prepare a list of the properties certified by the commission; and



(2) delete any property described in that list from the delinquent tax list prepared under section 1 of this chapter."

Page 3, line 33, delete "no" and insert "**a one hundred twenty (120) day pretax sale right of redemption and there is no post-tax sale**".

Page 4, line 16, delete ";".

Page 4, line 16, reset in roman "if the tract or item of real property".

Page 4, reset in roman lines 17 through 22.

Page 4, line 23, reset in roman "(C)".

Page 4, line 23, delete "(B)".

Page 4, line 24, strike "ten" and insert "**five**".

Page 4, line 25, strike "(10%)" and insert "**(5%)**".

Page 4, line 27, reset in roman "(D)".

Page 4, line 27, delete "(C)".

Page 7, line 6, delete "no" and insert "**a one hundred twenty (120) day pretax sale redemption period and there is no post-tax sale**".

Page 7, between lines 18 and 19, begin a new paragraph and insert:

"SECTION 7. IC 6-1.1-24-2.3 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: **Sec. 2.3. (a) This section applies to a property that has been certified as vacant or abandoned under section 1(a)(2) of this chapter.**

**(b) A notice shall be sent to the owner of record at the time of the sale and to any person with a substantial property interest at least one hundred twenty (120) days before the date of the sale under this chapter. The notice shall contain at least the following:**

- (1) A statement that a tax sale will be held on or after a specified date.**
- (2) A description of the tract or real property to be sold.**
- (3) A statement that any person may redeem the tract or real property at or before the tax sale.**
- (4) The components of the amount required to redeem the tract or real property.**
- (5) A statement that if the property is not redeemed, a tax deed may be issued to the purchaser.**
- (6) The street address, if any, or a common description of the tract or real property.**
- (7) The key number or parcel number of the tract or real property.**

**(c) A notice under this section must include not more than one (1) tract or item of real property listed to be sold in one (1) description. However, when more than one (1) tract or item of real property is owned by one (1) person, all of the tracts of real**



property that are owned by that person may be included in one (1) notice.

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

(e) The notice required by this section is considered sufficient if the notice is mailed to the last address of the owner for the property, as indicated in the records of the county auditor, and any person with a substantial property interest of public record at the address for the person included in the public record that indicates the interest.

(f) The notice under this section is not required for persons in possession not shown in the public records."

Page 10, line 3, delete "1" and insert "**1(a)(2)**".

Page 12, line 20, strike "ten" and insert "**five**".

Page 12, line 20, strike "(10%)" and insert "**(5%)**".

Page 13, line 10, delete ", if the sale occurs before" and insert ";".

Page 13, delete lines 11 through 13.

Page 13, line 14, reset in roman "(2)".

Page 13, line 14, delete "(3)".

Page 13, line 16, reset in roman "(3)".

Page 13, line 16, delete "(4)".

Page 13, line 19, delete "(5)" and insert "**(4)**".

Page 13, line 23, before "After" begin a new line block indented and insert:

**"(5)"**.

Page 13, line 23, delete "no" and insert "**a one hundred twenty (120) day pretax sale redemption period and the notice required by section 2.3 of this chapter and there is no post-tax sale**".

Page 14, line 6, delete "IC 6-1.1-24-1" and insert "**IC 6-1.1-24-1(a)(2)**".

Page 16, line 9, strike "nine (9)" and insert "**six (6)**".

Page 18, line 41, delete "IC 6-1.1-24-1" and insert "**IC 6-1.1-24-1(a)(2)**".

Page 19, between lines 1 and 2, begin a new paragraph and insert:

"SECTION 19. IC 6-1.1-25-4.6, AS AMENDED BY P.L. 118-2013, SECTION 8, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 4.6. (a) After the expiration of the redemption period specified in section 4 of this chapter but not later than ~~six (6)~~ **three (3)** months after the expiration of the period of redemption:

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



or

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

file a verified petition in the same court and under the same cause number in which the judgment of sale was entered asking the court to direct the county auditor to issue a tax deed if the real property is not redeemed from the sale. Notice of the filing of this petition shall be given to the same parties and in the same manner as provided in section 4.5 of this chapter, except that, if notice is given by publication, only one (1) publication is required. The notice required by this section is considered sufficient if the notice is sent to the address required by section 4.5(d) of this chapter. Any person owning or having an interest in the tract or real property may file a written objection to the petition with the court not later than thirty (30) days after the date the petition was filed. If a written objection is timely filed, the court shall conduct a hearing on the objection.

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

- (1) The time of redemption has expired.
- (2) The tract or real property has not been redeemed from the sale before the expiration of the period of redemption specified in section 4 of this chapter.
- (3) Except with respect to a petition for the issuance of a tax deed under a sale of the certificate of sale on the property under IC 6-1.1-24-6.1 or IC 6-1.1-24-6.8, all taxes and special assessments, penalties, and costs have been paid.
- (4) The notices required by this section and section 4.5 of this chapter have been given.
- (5) The petitioner has complied with all the provisions of law entitling the petitioner to a deed.

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

(c) Upon application by the grantee of a valid tax deed in the same court and under the same cause number in which the judgment of sale



was entered, the court shall enter an order to place the grantee of a valid tax deed in possession of the real estate. The court may enter any orders and grant any relief that is necessary or desirable to place or maintain the grantee of a valid tax deed in possession of the real estate.

(d) Except as provided in subsections (e) and (f), if:

- (1) the verified petition referred to in subsection (a) is timely filed; and
- (2) the court refuses to enter an order directing the county auditor to execute and deliver the tax deed because of the failure of the petitioner under subsection (a) to fulfill the notice requirement of subsection (a);

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

(e) Notwithstanding subsection (d), in all cases in which:

- (1) the verified petition referred to in subsection (a) is timely filed;
- (2) the petitioner under subsection (a) has made a bona fide attempt to comply with the statutory requirements under subsection (b) for the issuance of the tax deed but has failed to comply with these requirements;
- (3) the court refuses to enter an order directing the county auditor to execute and deliver the tax deed because of the failure to comply with these requirements; and
- (4) the purchaser, the purchaser's successors or assignees, or the purchaser of the certificate of sale under IC 6-1.1-24 files a claim with the county auditor for refund not later than thirty (30) days after the entry of the order of the court refusing to direct the county auditor to execute and deliver the tax deed;

the county auditor shall not execute the deed but shall refund the purchase money minus a penalty of twenty-five percent (25%) of the purchase money from the county treasury to the purchaser, the purchaser's successors or assignees, or the purchaser of the certificate of sale under IC 6-1.1-24. The county auditor shall deposit penalties paid under this subsection in the county general fund. All the delinquent taxes and special assessments shall then be reinstated and recharged to the tax duplicate and collected in the same manner as if the property had not been offered for sale. The tract or item of real



property, if it is then eligible for sale under IC 6-1.1-24, shall be placed on the delinquent list as an initial offering under IC 6-1.1-24.

(f) Notwithstanding subsections (d) and (e), the court shall not order the return of the purchase price or any part of the purchase price if:

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

(g) A tax deed executed under this section 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 that accrue subsequent to the sale. However, the estate is subject to all easements, covenants, declarations, and other deed restrictions and laws governing land use, including all zoning restrictions and liens and encumbrances created or suffered by the purchaser at the tax sale. The deed 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.

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

Page 19, line 20, delete "or that there is no redemption period,".

Page 20, between lines 13 and 14, begin a new paragraph and insert:

"SECTION 16. IC 6-1.1-25-20 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: **Sec. 20. A county auditor who executes a tax deed under this chapter shall provide a copy of the tax deed to the grantee. The county auditor shall collect from the grantee the appropriate recording fee set forth in IC 36-2-7-10 on behalf of the county recorder and submit the tax deed directly to the county recorder for recording. The county recorder shall record the tax deed in the deed records and provide the recorded tax deed to the grantee in the normal course of business. Notwithstanding IC 6-1.1-5.5-3, a sales disclosure form for such a property satisfies the requirements of IC 6-1.1-5.5 if only the county auditor signs the form.**"

Page 22, after line 41, begin a new paragraph and insert:



"SECTION 17. IC 36-7-9-4, AS AMENDED BY P.L.66-2005, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 4. (a) For purposes of this chapter, a building or structure, or any part of a building or structure, that is:

- (1) in an impaired structural condition that makes it unsafe to a person or property;
- (2) a fire hazard;
- (3) a hazard to the public health;
- (4) a public nuisance;
- (5) dangerous to a person or property because of a violation of a statute or ordinance concerning building condition or maintenance; or
- (6) vacant **or blighted** and not maintained in a manner that would allow human habitation, occupancy, or use under the requirements of a statute or an ordinance;

is considered an unsafe building.

(b) For purposes of this chapter:

- (1) an unsafe building; and
- (2) the tract of real property on which the unsafe building is located;

are considered unsafe premises.

(c) For purposes of this chapter, a tract of real property that does not contain a building or structure, not including land used for production agriculture, is considered an unsafe premises if the tract of real property is:

- (1) a fire hazard;
- (2) a hazard to public health;
- (3) a public nuisance; or
- (4) dangerous to a person or property because of a violation of a statute or an ordinance."

Renumber all SECTIONS consecutively.

and when so amended that said bill do pass.

(Reference is to SB 422 as introduced.)

HEAD, Chairperson

Committee Vote: Yeas 7, Nays 1.



## COMMITTEE REPORT

Mr. Speaker: Your Committee on Government and Regulatory Reform, to which was referred Senate Bill 422, 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:

Replace the effective dates in SECTIONS 1 through 2 with "[EFFECTIVE JULY 1, 2015]".

Replace the effective date in SECTION 10 with "[EFFECTIVE JULY 1, 2015]".

Page 3, delete lines 22 through 42.

Delete pages 4 through 8.

Page 9, delete lines 1 through 16, begin a new paragraph and insert: "SECTION 5. IC 6-1.1-24-1, AS AMENDED BY P.L.203-2013, SECTION 5, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 1. (a) On or after January 1 of each calendar year in which a tax sale will be held in a county and not later than fifty-one (51) days after the first tax payment due date in that calendar year, the county treasurer (or county executive, in the case of property described in subdivision (2)) shall certify to the county auditor a list of real property on which any of the following exist:

(1) ~~In the case of real property other than real property described in subdivision (2);~~ Any property taxes or special assessments certified to the county auditor for collection by the county treasurer from the prior year's spring installment or before are delinquent as determined under IC 6-1.1-37-10 and the delinquent property tax or special assessments due exceed twenty-five dollars (\$25).

(2) ~~In the case of real property for which a county executive has certified to the county auditor that the real property is:~~

~~(A) vacant; or~~

~~(B) abandoned;~~

~~any property taxes or special assessments from the prior year's fall installment or before that are delinquent as determined under IC 6-1.1-37-10: The county executive must make a certification under this subdivision not later than sixty-one (61) days before the earliest date on which application for judgment and order for sale may be made: The executive of a city or town may provide to the county executive of the county in which the city or town is located a list of real property that the city or town has determined to be vacant or abandoned: The county executive shall include real property included on the list provided by a city or town~~



~~executive on the list certified by the county executive to the county auditor under this subsection.~~

~~(2)~~ Any unpaid costs are due under section 2(b) of this chapter from a prior tax sale.

(b) The county auditor shall maintain a list of all real property eligible for sale. Except as provided in section 1.2 or another provision of this chapter, the taxpayer's property shall remain on the list. The list must:

- (1) describe the real property by parcel number and common address, if any;
- (2) for a tract or item of real property with a single owner, indicate the name of the owner; and
- (3) for a tract or item with multiple owners, indicate the name of at least one (1) of the owners.

(c) Except as otherwise provided in this chapter, the real property so listed is eligible for sale in the manner prescribed in this chapter.

(d) Not later than fifteen (15) days after the date of the county treasurer's certification under subsection (a), the county auditor shall mail by certified mail a copy of the list described in subsection (b) to each mortgagee who requests from the county auditor by certified mail a copy of the list. Failure of the county auditor to mail the list under this subsection does not invalidate an otherwise valid sale.

SECTION 6. IC 6-1.1-24-1.5, AS AMENDED BY P.L.169-2006, SECTION 14, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 1.5. (a) As used in this chapter and IC 6-1.1-25, "county executive" means the following:

- (1) In a county not containing a consolidated city, the county executive or the county executive's designee.
- (2) In a county containing a consolidated city, the executive of the consolidated city.

(b) The county executive **or an executive of a city or town** may, **after obtaining an order under IC 32-30-10.6 that real property is vacant or abandoned and providing either the notice required by IC 32-30-10.6-6 or section 2.3 of this chapter**, designate the real property on the list prepared under section 4.5(b) of this chapter that is eligible for listing on the list prepared under subsection (c).

(c) The county executive shall prepare a list of properties designated under subsection (b) and certify **the a list of vacant or abandoned property** to the county auditor. **no later than sixty-one (61) days prior to the earliest date on which application for judgment and order for sale may be made.**

~~(d)~~ (c) Upon receiving ~~the list~~ **lists** described in subsection (c); (b),



the county auditor shall **do all the following:**

- (1) Prepare a **combined** list of the properties certified by the commission; **executive of the county, city, or town. and**
- (2) Delete any property described in that list from the delinquent tax list prepared under section 1 of this chapter.
- (3) **Provide public notice of the sale of the properties under subsection (d) at least thirty (30) days before the date of the sale, which shall be published in accordance with IC 5-3-1.**
- (4) **Auction the property.**
- (5) **Issue a deed to the real property to the highest bidder whose bid is at least the minimum bid specified in this section.**

**The minimum bid for a property at the auction under this section is the proportionate share of the actual costs incurred by the county in conducting the sale. Any amount collected from the sale of all properties under this section above the total minimum bids shall first be used to pay the costs of the county, city, or town that certified the property vacant or abandoned for title search and court proceedings. Any amount remaining from the sale shall be certified by the county treasurer to the county auditor for distribution to other taxing units during settlement.**

**(d) Notice of the sale under this section must 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.**
- (3) **A statement that the tracts or real property will not be sold for less than an amount equal to actual proportionate costs incurred by the county that are directly attributable to the abandoned property sale.**
- (4) **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.**
- (5) **A statement that the county does not warrant the accuracy of the street address or common description of the property.**



**(6) 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.**

**(7) 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."**

Page 9, line 21, delete "section 1(a)(2)" and insert "**section 1.5**".

Page 9, delete lines 22 through 30, begin a new paragraph and insert:

**"(b) If a notice was not sent with regard to a tract or real property as permitted by IC 32-30-10.6-6, a notice shall be sent to the owner of record and to any person with a substantial property interest of public record in the tract or real property at least one hundred twenty (120) days before the date of the certification under section 1.5 of this chapter. The notice must contain at least the following:**

**(1) A statement that an abandoned property sale will be held on or after a specified date.**

**(2) A description of the tract or real property to be sold.**

**(3) A statement that any person may redeem the tract or real property at or before the abandoned property sale."**

Page 10, between lines 13 and 14, begin a new paragraph and insert:

**"SECTION 10. IC 6-1.1-24-5.1 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 5.1. A business entity that seeks to register to bid at a tax sale must provide a certificate of authority from the secretary of state to the county treasurer."**

Page 11, delete lines 33 through 42.

Delete page 12.

Page 13, delete lines 1 through 41.

Page 14, delete lines 26 through 42.

Delete page 15, begin a new paragraph and insert:

**"SECTION 15. IC 6-1.1-25-2, AS AMENDED BY P.L.56-2012, SECTION 12, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 2. (a) The total amount of money required for the redemption of real property equals:**

**(1) the sum of the amounts prescribed in subsections (b) through (f); or**



(2) the amount prescribed in subsection (g);  
reduced by any amounts held in the name of the taxpayer or the purchaser in the tax sale surplus fund.

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

- (1) one hundred ten percent (110%) of the minimum bid for which the tract or real property was offered at the time of sale, as required by IC 6-1.1-24-5, if the tract or item of real property is redeemed not more than six (6) months after the date of sale; or
- (2) one hundred fifteen percent (115%) of the minimum bid for which the tract or real property was offered at the time of sale, as required by IC 6-1.1-24-5, if: the tract or item of real property is redeemed more than six (6) months but not more than one (1) year after the date of sale.

(c) Except as provided in subsection (g), in addition to the amount required under subsection (b), the total amount required for redemption includes the amount by which the purchase price exceeds the minimum bid on the real property plus ~~ten~~ **five** percent (~~10%~~) (**5%**) per annum on the amount by which the purchase price exceeds the minimum bid on the property.

(d) Except as provided in subsection (g), in addition to the amount required under subsections (b) and (c), the total amount required for redemption includes all taxes and special assessments upon the property paid by the purchaser after the sale plus ten percent (10%) interest per annum on those taxes and special assessments.

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

- (1) The attorney's fees and costs of giving notice under section 4.5 of this chapter.
- (2) The costs of a title search or of examining and updating the abstract of title for the tract or item of real property.

(f) The total amount required for redemption includes, in addition to the amounts required under subsections (b) and (e), all taxes, special assessments, interest, penalties, and fees on the property that accrued after the sale.

(g) With respect to a tract or item of real property redeemed under



section 4(c) of this chapter, instead of the amounts stated in subsections (b) through (f), the total amount required for redemption is the amount determined under IC 6-1.1-24-6.1(b)(4)."

Page 16, line 4, after "IC 6-1.1-24" insert "**except for IC 6-1.1-24-1.5**".

Page 16, line 5, after "sale;" insert "**or**".

Page 16, line 7, delete ";" and insert ".".

Page 16, strike lines 8 through 9.

Page 16, line 10, strike "IC 6-1.1-24-1.5,".

Page 16, line 10, delete "if the sale occurs before July 1, 2014; or;".

Page 16, delete lines 11 through 19.

Page 16, line 35, delete ", if applicable,".

Page 16, delete lines 41 through 42.

Page 17, delete lines 1 through 3.

Page 18, line 17, after "between" insert ":

**(1)**".

Page 18, line 17, after "amount of" insert ":

**(A)**".

Page 18, line 18, after "IC 6-1.1-24-5" insert "; **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;**".

Page 18, line 18, after "and" begin a new line block indented and insert:

**"(2)**".

Page 18, line 38, reset in roman "subsection".

Page 18, line 39, delete "subsections".

Page 18, line 39, after "(d)" insert ",".

Page 18, line 39, delete "and (k),".

Page 21, delete lines 34 through 37.

Page 22, line 32, after "IC 6-1.1-24-6.8," insert "**or with respect to penalties described in section 4(k) of this chapter,**".

Page 24, delete lines 29 through 42.

Page 25, delete lines 1 through 40, begin a new paragraph and insert:

"SECTION 20. IC 6-1.1-25-11, AS AMENDED BY P.L.73-2010, SECTION 7, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 11. (a) Subsequent to the issuance of the order directing the county auditor to issue a tax deed to real property sold under IC 6-1.1-24, a county auditor shall refund the purchase money



plus ~~six~~ **five** percent (~~6%~~) (**5%**) interest per annum from the county treasury to the purchaser, the purchaser's successors or assigns, or the purchaser of the certificate of sale under IC 6-1.1-24 if it is found by the court that entered the order for the tax deed that:

- (1) the real property described in the deed was not subject to the taxes for which it was sold;
- (2) the delinquent taxes or special assessments for which the real property was sold were properly paid before the sale; or
- (3) the legal description of the real property in the tax deed is void for uncertainty.

(b) The grantee of an invalid tax deed, including the county, to whom a refund is made under this section shall execute, acknowledge, and deliver to the owner a deed conveying whatever interest the purchaser may have acquired by the tax sale deed. If a county is required to execute a deed under this section, the deed shall be signed by the county board of commissioners and acknowledged by the clerk of the circuit court.

(c) A refund may not be made under this section while an action initiated under either section 14 or 16 of this chapter is pending.

(d) If a sale is declared invalid after a claim is submitted under IC 6-1.1-24-7 for money deposited in the tax sale surplus fund and the claim is paid, the county auditor shall:

- (1) refund the purchase money plus six percent (6%) interest per annum from the county treasury to the purchaser, the purchaser's successors or assigns, or the purchaser of the certificate of sale under IC 6-1.1-24; and
- (2) certify the amount paid to the property owner from the tax sale surplus fund as a lien against the property and as a civil judgment against the property owner."

Page 26, line 11, after "form" insert "**and the county auditor collects the sales disclosure fee set forth in IC 6-1.1-5.5-4**".

Page 28, between lines 39 and 40, begin a new paragraph and insert: "SECTION 22. IC 32-30-10.6-1, AS AMENDED BY P.L.203-2013, SECTION 19, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 1. This chapter applies to the following:

- (1) A mortgage foreclosure action filed under IC 32-30-10-3.
- (2) A determination that property is abandoned or vacant for purposes of IC 6-1.1-24 **or IC 34-30-26-7**.

SECTION 23. IC 32-30-10.6-3.5, AS ADDED BY P.L.203-2013, SECTION 21, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 3.5. (a) This section applies to a property whether or not there is a mortgage on the property.



(b) As an alternative to seeking a determination of abandonment under any other statute, the executive of a **county**, city, or town that:

- (1) has jurisdiction in the location of a property; and
- (2) does not have a person designated as a hearing authority, as defined by IC 36-7-9-2;

may petition a court for a determination that the property is abandoned.

(c) A petition filed with the court under this section must do all the following:

- (1) Include a statement of the enforcement authority's jurisdiction in the location of the property.
- (2) Allege that the property is abandoned.
- (3) Include evidence that one (1) or more of the conditions set forth in section 5(a) or 5(b) of this chapter apply.
- (d) A petition under this section shall be served on:
  - (1) the creditor and the debtor, if the property is subject to a mortgage; and
  - (2) any other appropriate party;

in the manner prescribed by the Indiana Rules of Trial Procedure.

SECTION 24. IC 32-30-10.6-6 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: **Sec. 6. (a) This section applies only to a petition by a county, city, or town for a court order of abandonment.**

**(b) Instead of providing notice at least one hundred twenty (120) days before the date of a certification under IC 6-1.1-24-1.5, the county, city, or town that is filing the petition may provide the notice referred to IC 6-1.1-24-2.3 at least one hundred twenty (120) days before a petition is filed under section 3.5 of this chapter.**

**(c) A court order of abandonment under this chapter authorizes the sale of the property and transfer of the deed of the property under IC 6-1.1-24-1.5.**

SECTION 25. IC 34-30-26-7 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: **Sec. 7. (a) This section applies to real property for which a city, town, or county has obtained a judgment under IC 32-30-10.6 that the real property is:**

- (1) vacant; or
- (2) abandoned;

**due to a request for a determination by an enforcement authority.**

**(b) A city, town, or county may provide a potential purchaser or a potential lender to a person who may want to purchase the real property an opportunity to visually inspect the real property, if**



accompanied by the appropriate enforcement authority. The appropriate enforcement authority may accompany the person in inspecting the real property and may enter upon the real property, including any structure located on the real property, to visually inspect the real property to determine whether the real property may be desirable. For purposes of a visual inspection under this section, a potential purchaser or a potential lender may not:

- (1) request a utility provider or the city, town, or county to connect or turn on utilities to the real property; or
- (2) physically disturb or alter the real property.

(c) An enforcement authority or a person that enters upon the premises of real property as permitted under this section:

- (1) is immune from civil liability for an act or omission related to the entry, unless the act or omission constitutes gross negligence or willful, wanton, or intentional misconduct; and
- (2) shall be held harmless from and against all claims of civil or criminal trespass.

SECTION 26. IC 36-7-9-2, AS AMENDED BY P.L.73-2010, SECTION 10, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 2. As used in this chapter:

"Community organization" means a citizen's group, neighborhood association, neighborhood development corporation, or similar organization that:

- (1) has specific geographic boundaries defined in its bylaws or articles of incorporation and contains at least forty (40) households within those boundaries;
- (2) is a nonprofit corporation that is representative of at least twenty-five (25) households or twenty percent (20%) of the households in the community, whichever is less;
- (3) is operated primarily for the promotion of social welfare and general neighborhood improvement and enhancement;
- (4) has been incorporated for at least two (2) years; and
- (5) is exempt from taxation under Section 501(c)(3) or 501(c)(4) of the Internal Revenue Code.

"Continuous enforcement order" means an order that:

- (1) is issued for compliance or abatement and that remains in full force and effect on a property without further requirements to seek additional:
  - (A) compliance and abatement authority; or
  - (B) orders for the same or similar violations;
- (2) authorizes specific ongoing compliance and enforcement activities if a property requires reinspection or additional periodic



abatement;

(3) can be enforced, including assessment of fees and costs, without the need for additional notice or hearing; and

(4) authorizes the enforcement authority to assess and collect ongoing costs for continuous enforcement order activities from any party that is subject to the enforcement authority's order.

"Department" refers to the executive department authorized by ordinance to administer this chapter. In a consolidated city, this department is the department of ~~metropolitan development~~, **code enforcement** subject to IC 36-3-4-23.

"Enforcement authority" refers to the chief administrative officer of the department, except in a consolidated city. In a consolidated city, the division of development services is the enforcement authority, subject to IC 36-3-4-23.

"Hearing authority" refers to a person or persons designated as such by the executive of a city or county, or by the legislative body of a town. However, in a consolidated city, the director of the department or a person designated by the director is the hearing authority. An employee of the enforcement authority may not be designated as the hearing authority.

"Known or recorded fee interest, life estate interest, or equitable interest of a contract purchaser" means any fee interest, life estate interest, or equitable interest of a contract purchaser held by a person whose identity and address may be determined from:

- (1) an instrument recorded in the recorder's office of the county where the unsafe premises is located;
- (2) written information or actual knowledge received by the department (or, in the case of a consolidated city, the enforcement authority); or
- (3) a review of department (or, in the case of a consolidated city, the enforcement authority) records that is sufficient to identify information that is reasonably ascertainable.

"Known or recorded substantial property interest" means any right in real property, including a fee interest, a life estate interest, a future interest, a mortgage interest, a lien as evidenced by a certificate of sale issued under IC 6-1.1-24, or an equitable interest of a contract purchaser, that:

- (1) may be affected in a substantial way by actions authorized by this chapter; and
- (2) is held by a person whose identity and address may be determined from:
  - (A) an instrument recorded in:



- (i) the recorder's office of the county where the unsafe premises is located; or
- (ii) the office of the county auditor of the county where the unsafe premises are located in the case of a lien evidenced by a certificate of sale issued under IC 6-1.1-24;
- (B) written information or actual knowledge received by the department (or, in the case of a consolidated city, the enforcement authority); or
- (C) a review of department (or, in the case of a consolidated city, the enforcement authority) records that is sufficient to identify information that is reasonably ascertainable.

"Substantial property interest" means any right in real property that may be affected in a substantial way by actions authorized by this chapter, including a fee interest, a life estate interest, a future interest, a mortgage interest, or an equitable interest of a contract purchaser."

Renumber all SECTIONS consecutively.

and when so amended that said bill do pass.

(Reference is to SB 422 as printed January 31, 2014.)

MAHAN, Chair

Committee Vote: yeas 13, nays 0.

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#### HOUSE MOTION

Mr. Speaker: I move that Engrossed Senate Bill 422 be amended to read as follows:

Page 6, between lines 18 and 19, begin a new paragraph and insert:

"SECTION 7. IC 6-1.1-24-2, AS AMENDED BY P.L.56-2012, SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 2. (a) 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:

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- (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 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 (b) 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 ~~ten five~~ **five** percent (~~10%~~) (**5%**) 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 ~~ten five~~ **five** percent (~~10%~~) (**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 (d), a statement that tracts or items will be sold together.

(15) With respect to a tract or an item of real property that is subject to sale under this chapter after June 30, 2012, and before July 1, 2013, a statement declaring whether an ordinance adopted under IC 6-1.1-37-10.1 is in effect in the county and, if applicable, an explanation of the circumstances in which penalties on the delinquent taxes and special assessments will be waived.

(b) If within sixty (60) days before the date of the tax sale the county incurs costs set under subsection (a)(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.

(c) The amount of unpaid costs entered upon a tax duplicate under subsection (b) 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 (b) 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.

(d) 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."

Page 7, line 22 after "of" insert "**good standing or**".



Page 19, between lines 11 and 12, begin a new paragraph and insert:

"SECTION 15. IC 6-1.1-25-10 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 10. (a) If, before the court issues an order directing the county auditor to issue a tax deed to a tract or item of real property sold under IC 6-1.1-24, it is found by the county auditor and the county treasurer that the sale was invalid, the county auditor shall refund:

- (1) the purchase money and all taxes and special assessments on the property paid by the purchaser, the purchaser's assigns, or the purchaser of the certificate of sale under IC 6-1.1-24 after the tax sale plus ~~six~~ **five** percent (~~6%~~) (**5%**) interest per annum; and
- (2) subject to any limitation under section 2.5 of this chapter, any costs paid by the purchaser, the purchaser's assigns, or the purchaser of the certificate of sale under IC 6-1.1-24 under section 2 of this chapter;

from the county treasury to the purchaser, the purchaser's successors or assigns, or the purchaser of the certificate of sale under IC 6-1.1-24. The tract or item of real property, if it is then eligible for sale under IC 6-1.1-24, shall be placed on the delinquent list as an initial offering under IC 6-1.1-24-6.

(b) A political subdivision shall reimburse the county for interest paid by the county under subsection (a) if:

- (1) the invalidity of the sale under IC 6-1.1-24 resulted from the failure of the political subdivision to give adequate notice of a lien to property owners; and
- (2) the existence of the lien resulted in the sale of the property under IC 6-1.1-24."

Page 19, line 39, strike "six" and insert "**five**".

Page 19, line 39, strike "(6%)" and insert "**(5%)**".

Page 20, line 16, delete "and the county auditor collects the" and insert ".".

Page 20, delete line 17.

Renumber all SECTIONS consecutively.

(Reference is to ESB 422 as printed February 25, 2014.)

CLERE



## HOUSE MOTION

Mr. Speaker: I move that Engrossed Senate Bill 422 be amended to read as follows:

Page 3, line 27, strike "(or county executive, in the case of property described)".

Page 3, line 28, strike "in subdivision (2))".

Page 23, between lines 9 and 10, begin a new paragraph and insert:

"SECTION 19. IC 32-30-10.6-2.3 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: **Sec. 2.3. As used in this chapter, "executive of a county" in a county containing a consolidated city means the executive of the consolidated city.**"

Page 23, line 35, after "by" insert "**the executive of**".

Page 23, line 38, after "IC 6-1.1-24-1.5, the" insert "**executive of the**".

Renumber all SECTIONS consecutively.

(Reference is to ESB 422 as printed February 25, 2014.)

MOED

