

# HOUSE BILL No. 1277

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## DIGEST OF INTRODUCED BILL

**Citations Affected:** IC 6-1.1.

**Synopsis:** Abandoned property. Defines "abandoned real property" for the purpose of a tax sale as real property that: (1) has failed to sell in three tax sales conducted by the county treasurer; (2) has failed to sell in three sales conducted by the county executive; and (3) for which no person having a substantial property interest of public record in the real property has declared that the real property is not abandoned in defense of the judgment against the real property. Provides that if real property is certified by a county executive as abandoned real property, the county executive may sell the real property and the purchaser may immediately acquire a tax deed for the abandoned real property.

**Effective:** July 1, 2014.

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## Slager

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January 14, 2014, read first time and referred to Committee on Ways and Means.

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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.

## HOUSE BILL No. 1277

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A BILL FOR AN ACT to amend the Indiana Code concerning taxation.

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

- 1 SECTION 1. IC 6-1.1-24-0.5 IS ADDED TO THE INDIANA  
2 CODE AS A NEW SECTION TO READ AS FOLLOWS  
3 [EFFECTIVE JULY 1, 2014]: **Sec. 0.5. The following definitions**  
4 **apply throughout this chapter:**  
5 (1) "Abandoned real property" means real property that a  
6 county executive has certified to be abandoned under section  
7 1(a)(2) of this chapter in accordance with the requirements of  
8 section 1.9 of this chapter.  
9 (2) "County executive" means the following:  
10 (A) In a county not containing a consolidated city, the  
11 county executive or the county executive's designee.  
12 (B) In a county containing a consolidated city, the  
13 executive of the consolidated city.  
14 (3) "Substantial property interest of public record" means  
15 title to or interest in a tract possessed by a person and  
16 recorded in the office of a county recorder or available for



1           **public inspection in the office of a circuit court clerk no later**  
 2           **than the hour and date the sale is scheduled to commence**  
 3           **under this chapter. The term does not include the following:**

4           **(A) A lien held by the state or a political subdivision.**

5           **(B) Title to or interest in a tract that a county executive has**  
 6           **certified to be abandoned real property.**

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

15          (1) In the case of real property other than real property described  
 16          in subdivision (2), any property taxes or special assessments  
 17          certified to the county auditor for collection by the county  
 18          treasurer from the prior year's spring installment or before are  
 19          delinquent as determined under IC 6-1.1-37-10 and the delinquent  
 20          property tax or special assessments due exceed twenty-five dollars  
 21          (\$25).

22          (2) In the case of real property for which a county executive has  
 23          certified to the county auditor that the real property is ~~(A) vacant;~~  
 24          **or (B) abandoned**, any property taxes or special assessments from  
 25          the prior year's fall installment or before that are delinquent as  
 26          determined under IC 6-1.1-37-10. The county executive must  
 27          make a certification under this subdivision not later than sixty-one  
 28          (61) days before the earliest date on which application for  
 29          judgment and order for sale may be made. The executive of a city  
 30          or town may provide to the county executive of the county in  
 31          which the city or town is located a list of real property that the city  
 32          or town ~~has determined~~ **considers** to be ~~vacant~~ or abandoned. The  
 33          county executive shall ~~include~~ **determine whether** real property  
 34          included on the list provided by a city or town executive **should**  
 35          **be included** on the list certified by the county executive to the  
 36          county auditor under this subsection.

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

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



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

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

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

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

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

15 SECTION 3. IC 6-1.1-24-1.5, AS AMENDED BY P.L.169-2006,  
16 SECTION 14, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
17 JULY 1, 2014]: Sec. 1.5. ~~(a) As used in this chapter and IC 6-1.1-25,~~  
18 ~~"county executive" means the following:~~

19 ~~(1) In a county not containing a consolidated city, the county~~  
20 ~~executive or the county executive's designee.~~

21 ~~(2) In a county containing a consolidated city, the executive of the~~  
22 ~~consolidated city.~~

23 ~~(b) (a)~~ The county executive may designate the real property on the  
24 list prepared under section 4.5(b) of this chapter that is eligible for  
25 listing on the list prepared under subsection ~~(c)~~: **(b)**.

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

30 ~~(d) (c)~~ Upon receiving the list described in subsection ~~(c)~~: **(b)**, the  
31 county auditor shall:

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

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

36 SECTION 4. IC 6-1.1-24-1.9 IS AMENDED TO READ AS  
37 FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 1.9. ~~As used in this~~  
38 ~~chapter and IC 6-1.1-25, "substantial property interest of public record"~~  
39 ~~means title to or interest in a tract possessed by a person and recorded~~  
40 ~~in the office of a county recorder or available for public inspection in~~  
41 ~~the office of a circuit court clerk no later than the hour and date the sale~~  
42 ~~is scheduled to commence under this chapter. The term does not~~



1 include a lien held by the state or a political subdivision. A county  
 2 executive shall certify a tract or item of real property to be  
 3 abandoned real property under section 1(a)(2) of this chapter if the  
 4 following apply to the tract or item of the real property:

5 (1) For each of the immediately preceding three (3) judgments  
 6 and orders for sale of real property eligible for sale that were  
 7 made in the county under section 4.7 of this chapter:

8 (A) the tract or item of real property was included on the  
 9 list of properties ordered for sale; and

10 (B) no person having a substantial property interest of  
 11 public record filed a defense to the application for  
 12 judgment and order for sale with the court under section  
 13 4.6(c) of this chapter stating that the person has not  
 14 abandoned the tract or item of real property.

15 (2) For each of the immediately preceding three (3) sales  
 16 conducted in the county under section 5 of this chapter, the  
 17 tract or item of real property was offered for sale.

18 (3) For each of the immediately preceding three (3) sales  
 19 conducted in the county under section 6.1 of this chapter, the  
 20 tract or item of real property was offered for sale.

21 (4) No person submitted a bid on the tract or item of real  
 22 property at any of the sales described in subdivisions (1) and  
 23 (2).

24 SECTION 5. IC 6-1.1-24-2.2, AS AMENDED BY P.L.169-2006,  
 25 SECTION 16, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 26 JULY 1, 2014]: Sec. 2.2. Whenever a notice required under section 2  
 27 of this chapter includes real property on the list prepared under section  
 28 1(a)(2) or ~~1.5(d)~~ **1.5(c)** of this chapter, the notice must also contain a  
 29 statement that:

30 (1) the property is on the alternate list prepared under section  
 31 1(a)(2) or ~~1.5(d)~~ **1.5(c)** of this chapter;

32 (2) if the property is not redeemed within one hundred twenty  
 33 (120) days after the date of sale, the county auditor shall execute  
 34 and deliver a deed for the property to the purchaser or purchaser's  
 35 assignee; and

36 (3) if the property is offered for sale and a bid is not received for  
 37 at least the amount required under section 5 of this chapter, the  
 38 county auditor may execute and deliver a deed for the property to  
 39 the county executive, subject to IC 6-1.1-25.

40 SECTION 6. IC 6-1.1-24-4, AS AMENDED BY P.L.56-2012,  
 41 SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 42 JULY 1, 2014]: Sec. 4. (a) Not less than twenty-one (21) days before



1 the earliest date on which the application for judgment and order for  
2 sale of real property eligible for sale may be made, the county auditor  
3 shall send a notice of the sale by certified mail, return receipt  
4 requested, to:

- 5 (1) the owner of record of real property with a single owner; or  
6 (2) at least one (1) of the owners, as of the date of certification, of  
7 real property with multiple owners;

8 at the last address of the owner for the property as indicated in the  
9 records of the county auditor on the date that the tax sale list is  
10 certified. In addition, the county auditor shall mail a duplicate notice  
11 to the owner of record, as described in subdivisions (1) and (2), by first  
12 class mail to the owners from whom the certified mail return receipt  
13 was not signed and returned. Additionally, the county auditor may  
14 determine that mailing a first class notice to or serving a notice on the  
15 property is a reasonable step to notify the owner, if the address of the  
16 owner is not the same address as the physical location of the property.  
17 If both notices are returned due to incorrect or insufficient addresses,  
18 the county auditor shall research the county auditor records to  
19 determine a more complete or accurate address. If a more complete or  
20 accurate address is found, the county auditor shall resend the notices  
21 to the address that is found in accordance with this section. Failure to  
22 obtain a more complete or accurate address does not invalidate an  
23 otherwise valid sale. The county auditor shall prepare the notice in the  
24 form prescribed by the state board of accounts. The notice must set  
25 forth the key number, if any, of the real property and a street address,  
26 if any, or other common description of the property other than a legal  
27 description. The notice must include the statement set forth in section  
28 2(a)(4) of this chapter. With respect to a tract or an item of real  
29 property that is subject to sale under this chapter after June 30, 2012,  
30 and before July 1, 2013, the notice must include a statement declaring  
31 whether an ordinance adopted under IC 6-1.1-37-10.1 is in effect in the  
32 county and, if applicable, an explanation of the circumstances in which  
33 penalties on the delinquent taxes and special assessments will be  
34 waived. The county auditor must present proof of this mailing to the  
35 court along with the application for judgment and order for sale.  
36 Failure by an owner to receive or accept the notice required by this  
37 section does not affect the validity of the judgment and order. The  
38 owner of real property shall notify the county auditor of the owner's  
39 correct address. The notice required under this section is considered  
40 sufficient if the notice is mailed to the address or addresses required by  
41 this section.

42 (b) In addition to the notice required under subsection (a) for real



1 property on the list prepared under section 1(a)(2) or ~~1-5(d)~~ **1.5(c)** of  
 2 this chapter, the county auditor shall prepare and mail the notice  
 3 required under section 2.2 of this chapter no later than forty-five (45)  
 4 days after the county auditor receives the certified list from the county  
 5 treasurer under section 1(a) of this chapter.

6 (c) On or before the day of sale, the county auditor shall list, on the  
 7 tax sale record required by IC 6-1.1-25-8, all properties that will be  
 8 offered for sale.

9 SECTION 7. IC 6-1.1-24-5.3, AS AMENDED BY P.L.88-2009,  
 10 SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 11 JULY 1, 2014]: Sec. 5.3. (a) This section applies to the following:

12 (1) A person who:

13 (A) owns a fee interest, a life estate interest, or the equitable  
 14 interest of a contract purchaser in an unsafe building or unsafe  
 15 premises in the county in which a sale is held under this  
 16 chapter; and

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

21 (2) A person who:

22 (A) owns a fee interest, a life estate interest, or the equitable  
 23 interest of a contract purchaser in an unsafe building or unsafe  
 24 premises in the county in which a sale is held under this  
 25 chapter; and

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

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

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

40 (A) A partner of a partnership.

41 (B) An officer or majority stockholder of a corporation.

42 (C) The person who directs the activities or has a majority



- 1 ownership in a legal entity other than a partnership or  
 2 corporation.
- 3 (5) A person who, in the county in which a sale is held under this  
 4 chapter, owes:
- 5 (A) delinquent taxes;  
 6 (B) special assessments;  
 7 (C) penalties;  
 8 (D) interest; or  
 9 (E) costs directly attributable to a prior tax sale;  
 10 on a tract or an item of real property listed under section 1 of this  
 11 chapter.
- 12 (6) A person who owns a fee interest, a life estate interest, or the  
 13 equitable interest of a contract purchaser in a ~~vacant or an~~  
 14 abandoned structure subject to an enforcement order under  
 15 IC 32-30-6, IC 32-30-7, IC 32-30-8, or IC 36-7-9.
- 16 (7) A person who is an agent of the person described in this  
 17 subsection.
- 18 (b) A person subject to this section may not purchase a tract offered  
 19 for sale under section 5 or 6.1 of this chapter. However, this section  
 20 does not prohibit a person from bidding on a tract that is owned by the  
 21 person and offered for sale under section 5 of this chapter.
- 22 (c) The county treasurer shall require each person who will be  
 23 bidding at the tax sale to sign a statement in a form substantially  
 24 similar to the following:
- 25 "Indiana law prohibits a person who owes delinquent taxes,  
 26 special assessments, penalties, interest, or costs directly  
 27 attributable to a prior tax sale, from purchasing tracts or items of  
 28 real property at a tax sale. I hereby affirm under the penalties for  
 29 perjury that I do not owe delinquent taxes, special assessments,  
 30 penalties, interest, costs directly attributable to a prior tax sale,  
 31 amounts from a final adjudication in favor of a political  
 32 subdivision in this county, any civil penalties imposed for the  
 33 violation of a building code or ordinance of this county, or any  
 34 civil penalties imposed by a health department in this county.  
 35 Further, I hereby acknowledge that any successful bid I make in  
 36 violation of this statement is subject to forfeiture. In the event of  
 37 forfeiture, the amount of my bid shall be applied to the delinquent  
 38 taxes, special assessments, penalties, interest, costs, judgments,  
 39 or civil penalties I owe, and a certificate will be issued to the  
 40 county executive."
- 41 (d) If a person purchases a tract that the person was not eligible to  
 42 purchase under this section, the sale of the property is subject to





1 forfeiture. If the county treasurer determines or is notified not more  
 2 than six (6) months after the date of the sale that the sale of the  
 3 property should be forfeited, the county treasurer shall:

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

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

11 (3) remit the amounts owed from a final adjudication or civil  
 12 penalties in favor of a political subdivision to the appropriate  
 13 political subdivision; and

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

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

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

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

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

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

32 SECTION 8. IC 6-1.1-24-6.1, AS AMENDED BY P.L.203-2013,  
 33 SECTION 8, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 34 JULY 1, 2014]: Sec. 6.1. (a) The county executive may do the  
 35 following:

36 (1) By resolution, identify properties:

37 (A) that are:

38 (i) **abandoned real properties; or**

39 (ii) described in section 6.7(a) or 6.9(a) of this chapter; and

40 (B) concerning which the county executive desires to offer to  
 41 the public the certificates of sale acquired by the county  
 42 executive under section 6 of this chapter.



- 1 (2) In conformity with IC 5-3-1-4, publish:  
 2 (A) notice of the date, time, and place for a public sale; and  
 3 (B) a listing of parcels on which certificates will be offered by  
 4 parcel number and minimum bid amount;  
 5 once each week for three (3) consecutive weeks, with the final  
 6 advertisement being not less than thirty (30) days before the sale  
 7 date. The expenses of the publication shall be paid out of the  
 8 county general fund.
- 9 (3) Sell each certificate of sale covered by the resolution for a  
 10 price that:  
 11 (A) is less than the minimum sale price prescribed by section  
 12 5 of this chapter; and  
 13 (B) includes any costs to the county executive directly  
 14 attributable to the sale of the certificate of sale.
- 15 (b) Notice of the list of properties prepared under subsection (a) and  
 16 the date, time, and place for the public sale of the certificates of sale  
 17 shall be published in accordance with IC 5-3-1. The notice must:  
 18 (1) include a description of the property by parcel number and  
 19 common address;  
 20 (2) specify that the county executive will accept bids for the  
 21 certificates of sale for the price referred to in subsection (a)(3);  
 22 (3) specify the minimum bid for each parcel;  
 23 **(4) include a statement that abandoned real property (as**  
 24 **defined in section 0.5(1) of this chapter) may not be redeemed**  
 25 **after the sale of the certificate for the abandoned real**  
 26 **property and the purchaser of the certificate may**  
 27 **immediately acquire a tax deed for the abandoned real**  
 28 **property;**  
 29 ~~(4)~~ **(5) include a statement that a person redeeming each a tract or**  
 30 **item of real property other than abandoned real property after**  
 31 **the sale of the certificate must pay:**  
 32 (A) the amount of the minimum bid under section 5 of this  
 33 chapter for which the tract or item of real property was last  
 34 offered for sale;  
 35 (B) ten percent (10%) of the amount for which the certificate  
 36 is sold;  
 37 (C) the attorney's fees and costs of giving notice under  
 38 IC 6-1.1-25-4.5;  
 39 (D) the costs of a title search or of examining and updating the  
 40 abstract of title for the tract or item of real property;  
 41 (E) all taxes and special assessments on the tract or item of  
 42 real property paid by the purchaser after the sale of the



- 1 certificate plus interest at the rate of ten percent (10%) per  
 2 annum on the amount of taxes and special assessments paid by  
 3 the purchaser on the redeemed property; and  
 4 (F) all costs of sale, advertising costs, and other expenses of  
 5 the county directly attributable to the sale of certificates of  
 6 sale; and  
 7 ~~(5)~~ (6) include a statement that, if the certificate is sold for an  
 8 amount more than the minimum bid under section 5 of this  
 9 chapter for which the tract or item of real property was last  
 10 offered for sale and the property is not redeemed, the owner of  
 11 record of the tract or item of real property who is divested of  
 12 ownership at the time the tax deed is issued may have a right to  
 13 the tax sale surplus.
- 14 SECTION 9. IC 6-1.1-24-6.8, AS AMENDED BY P.L.203-2013,  
 15 SECTION 11, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 16 JULY 1, 2014]: Sec. 6.8. (a) For purposes of this section, in a county  
 17 containing a consolidated city "county executive" refers to the board of  
 18 commissioners of the county as provided in IC 36-3-3-10.
- 19 (b) As used in this section, "vacant parcel" refers to a parcel that  
 20 satisfies the following:
- 21 (1) A lien has been acquired on the parcel under section 6(a) of  
 22 this chapter.
  - 23 (2) If the parcel is improved on the date the certificate of sale for  
 24 the parcel or the vacant parcel is offered for sale under this  
 25 chapter, the following apply:
    - 26 (A) One (1) or more of the following are located on the parcel:
      - 27 (i) A structure that may be lawfully occupied for residential  
 28 use.
      - 29 (ii) A structure used in conjunction with a structure that may  
 30 be lawfully occupied for residential use.
    - 31 (B) The parcel is:
      - 32 (i) on the list of ~~vacant~~ or abandoned properties designated  
 33 under section 1(a)(2) of this chapter; or
      - 34 (ii) not occupied by a tenant or a person having a substantial  
 35 property interest of public record in the parcel.
  - 36 (3) On the date the certificate of sale for the parcel or the vacant  
 37 parcel is offered for sale under this chapter, the parcel is  
 38 contiguous to one (1) or more parcels that satisfy the following:
    - 39 (A) One (1) or more of the following are located on the  
 40 contiguous parcel:
      - 41 (i) A structure occupied for residential use.
      - 42 (ii) A structure used in conjunction with a structure



- 1           occupied for residential use.
- 2           (B) The contiguous parcel is eligible for the standard
- 3           deduction under IC 6-1.1-12-37.
- 4           (c) A county legislative body may adopt an ordinance authorizing
- 5           the sale of vacant parcels and certificates of sale for vacant parcels in
- 6           the county under this section. The ordinance may establish criteria for
- 7           the identification of vacant parcels and certificates of sale for vacant
- 8           parcels to be offered for sale under this section. The criteria may
- 9           include the following:
- 10           (1) Limitations on the use of the parcel under local zoning and
- 11           land use requirements.
- 12           (2) If the parcel is unimproved, the minimum parcel area
- 13           sufficient for construction of improvements.
- 14           (3) Any other factor considered appropriate by the county
- 15           legislative body.
- 16           In a county containing a consolidated city, the county legislative body
- 17           may adopt an ordinance under this subsection only upon
- 18           recommendation by the board of commissioners provided in
- 19           IC 36-3-3-10.
- 20           (d) If the county legislative body adopts an ordinance under
- 21           subsection (c), the county executive shall for each sale under this
- 22           section:
- 23           (1) by resolution, and subject to the criteria adopted by the county
- 24           legislative body under subsection (c), identify each vacant parcel
- 25           for which the county executive desires to sell the vacant parcel or
- 26           the certificate of sale for the vacant parcel under this section; and
- 27           (2) subject to subsection (e), give written notice to the owner of
- 28           record of each parcel referred to in subsection (b)(3) that is
- 29           contiguous to the vacant parcel.
- 30           (e) The notice under subsection (d)(2) with respect to each vacant
- 31           parcel must include at least the following:
- 32           (1) A description of the vacant parcel by:
- 33           (A) legal description; and
- 34           (B) parcel number or street address, or both.
- 35           (2) Notice that the county executive will accept written
- 36           applications from owners of parcels described in subsection (b)(3)
- 37           as provided in subsection (f).
- 38           (3) Notice of the deadline for applications referred to in
- 39           subdivision (2) and of the information to be included in the
- 40           applications.
- 41           (4) Notice that the vacant parcel or certificate of sale for the
- 42           vacant parcel will be sold to the successful applicant for:



- 1 (A) one dollar (\$1); plus  
 2 (B) the amounts described in section 5(f)(4) through 5(f)(6) of  
 3 this chapter.
- 4 (f) To be eligible to purchase a vacant parcel or the certificate of  
 5 sale for a vacant parcel under this section, the owner of a contiguous  
 6 parcel referred to in subsection (b)(3) must file a written application  
 7 with the county executive. The application must:
- 8 (1) identify the vacant parcel or certificate of sale that the  
 9 applicant desires to purchase; and  
 10 (2) include any other information required by the county  
 11 executive.
- 12 (g) If more than one (1) application to purchase a single vacant  
 13 parcel or the certificate of sale for a single vacant parcel is filed with  
 14 the county executive, the county executive shall conduct a drawing  
 15 between or among the applicants in which each applicant has an equal  
 16 chance to be selected as the transferee of the vacant parcel or certificate  
 17 of sale for the vacant parcel.
- 18 (h) The county executive shall by resolution make a final  
 19 determination concerning the vacant parcels or certificates of sale for  
 20 vacant parcels that are to be sold under this section.
- 21 (i) After the final determination of the vacant parcels and  
 22 certificates of sale for vacant parcels to be sold under subsection (h),  
 23 the county executive shall:
- 24 (1) on behalf of the county, cause all delinquent taxes, special  
 25 assessments, penalties, and interest with respect to the vacant  
 26 parcels to be removed from the tax duplicate; and  
 27 (2) give notice of the final determination to:  
 28 (A) the successful applicant;  
 29 (B) the county auditor; and  
 30 (C) the township assessor, or the county assessor if there is no  
 31 township assessor for the township.
- 32 (j) Upon receipt of notice under subsection (i)(2):  
 33 (1) the county auditor shall:  
 34 (A) collect the purchase price from each successful applicant;  
 35 and  
 36 (B) subject to subsection (k), prepare a tax deed transferring  
 37 each vacant parcel to the successful applicant, if the conditions  
 38 of IC 6-1.1-25-4.5 and IC 6-1.1-25-4.6 are satisfied; and  
 39 (2) if the vacant parcel is unimproved, the township assessor or  
 40 county assessor shall consolidate each unimproved parcel sold  
 41 and the contiguous parcel owned by the successful applicant into  
 42 a single parcel.



1 (k) For a deed issued under subsection (j)(1)(B) before July 1, 2013,  
 2 a county auditor shall include in the deed prepared under subsection  
 3 (j)(1)(B) reference to the exemption under subsection (l).

4 (l) This subsection applies only to a vacant parcel consolidated with  
 5 a successful applicant's contiguous parcel under this section before July  
 6 1, 2013. Subject to subsection (m), each consolidated parcel to which  
 7 this subsection applies is exempt from property taxation for the period  
 8 beginning on the assessment date that next succeeds the consolidation  
 9 in the amount of the assessed value at the time of consolidation of the  
 10 vacant parcel that was subject to the consolidation.

11 (m) This subsection applies only to a vacant parcel consolidated  
 12 with a successful applicant's contiguous parcel under this section  
 13 before July 1, 2013. The exemption under subsection (l) is terminated  
 14 as of the assessment date that next succeeds the earlier of the  
 15 following:

16 (1) Five (5) years after the transfer of title to the successful  
 17 applicant.

18 (2) The first transfer of title to the consolidated parcel that occurs  
 19 after the consolidation.

20 (n) If a tax deed is issued for an improved vacant parcel after June  
 21 30, 2013, under this section or under IC 6-1.1-25-4.6 following the  
 22 purchase of a certificate of sale under this section, the successful  
 23 applicant may not sell the improved vacant parcel until after the first  
 24 anniversary of the date on which the tax deed for the improved vacant  
 25 parcel is issued to the successful applicant.

26 SECTION 10. IC 6-1.1-25-0.5 IS ADDED TO THE INDIANA  
 27 CODE AS A **NEW** SECTION TO READ AS FOLLOWS  
 28 [EFFECTIVE JULY 1, 2014]: **Sec. 0.5. The definitions in**  
 29 **IC 6-1.1-24-0.5 apply throughout this chapter.**

30 SECTION 11. IC 6-1.1-25-1 IS AMENDED TO READ AS  
 31 FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 1. **(a) Except as**  
 32 **provided in subsection (b),** any person may redeem the tract or real  
 33 property:

34 (1) sold; or

35 (2) for which the certificate of sale is sold under IC 6-1.1-24;  
 36 under IC 6-1.1-24 at any time before the expiration of the period of  
 37 redemption specified in section 4 of this chapter by paying to the  
 38 county treasurer the amount required for redemption under section 2 of  
 39 this chapter.

40 **(b) Abandoned real property for which a certificate of sale is**  
 41 **sold under IC 6-1.1-24-6.1 after June 30, 2014, may not be**  
 42 **redeemed.**



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

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

7 (2) the amount prescribed in subsection (g);

8 reduced by any amounts held in the name of the taxpayer or the  
 9 purchaser in the tax sale surplus fund.

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

12 (1) one hundred ten percent (110%) 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 not more than six (6) months after the date of sale; or

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

21 (c) Except as provided in subsection (g), in addition to the amount  
 22 required under subsection (b), the total amount required for redemption  
 23 includes the amount by which the purchase price exceeds the minimum  
 24 bid on the real property plus ten percent (10%) per annum on the  
 25 amount by which the purchase price exceeds the minimum bid on the  
 26 property.

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

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

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

42 (2) The costs of a title search or of examining and updating the



1 abstract of title for the tract or item of real property.

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

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

10 SECTION 13. IC 6-1.1-25-3, AS AMENDED BY P.L.56-2012,  
11 SECTION 13, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
12 JULY 1, 2014]: Sec. 3. (a) Except as provided in subsection (b), when  
13 real property is redeemed and the certificate of sale is surrendered to  
14 the county auditor, the auditor shall issue a warrant to the purchaser or  
15 purchaser's assignee in an amount equal to the amount received by the  
16 county treasurer for redemption.

17 (b) When real property sold under IC 6-1.1-24-6.1 is redeemed, **if**  
18 **applicable**, and the certificate of sale is surrendered to the county  
19 auditor, the auditor shall issue a warrant to the purchaser of the  
20 certificate of sale or the purchaser's assignee in an amount equal to:

- 21 (1) the amount received by the county treasurer for redemption;  
22 minus  
23 (2) if the certificate of sale was sold for less than the minimum  
24 bid under IC 6-1.1-24-5, an amount equal to the difference  
25 between the minimum bid under IC 6-1.1-24-5 and the amount for  
26 which the certificate was sold.

27 (c) The county auditor shall indorse the certificate and preserve it  
28 as a public record. If a certificate of sale is lost and the auditor is  
29 satisfied that the certificate did exist, the county auditor may make  
30 payment in the manner provided in this section.

31 SECTION 14. IC 6-1.1-25-4, AS AMENDED BY P.L.118-2013,  
32 SECTION 7, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
33 JULY 1, 2014]: Sec. 4. (a) The period for redemption of real property  
34 sold under IC 6-1.1-24 is:

- 35 (1) one (1) year after the date of sale;  
36 (2) one hundred twenty (120) days after the date of sale to a  
37 purchasing agency qualified under IC 36-7-17 or IC 36-7-17.1; or  
38 (3) one hundred twenty (120) days after the date of sale of real  
39 property on the list prepared under IC 6-1.1-24-1(a)(2) or  
40 IC 6-1.1-24-1.5.

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





- 1 (1) on which the county executive acquires a lien under  
 2 IC 6-1.1-24-6; and  
 3 (2) for which the certificate of sale is not sold under  
 4 IC 6-1.1-24-6.1;  
 5 is one hundred twenty (120) days after the date the county executive  
 6 acquires the lien under IC 6-1.1-24-6.
- 7 (c) **Except as provided in section 1(b) of this chapter**, the period  
 8 for redemption of real property:  
 9 (1) on which the county executive acquires a lien under  
 10 IC 6-1.1-24-6; and  
 11 (2) for which the certificate of sale is sold under IC 6-1.1-24;  
 12 is one hundred twenty (120) days after the date of sale of the certificate  
 13 of sale under IC 6-1.1-24.
- 14 (d) When a deed for real property is executed under this chapter, the  
 15 county auditor shall cancel the certificate of sale and file the canceled  
 16 certificate in the office of the county auditor. If real property that  
 17 appears on the list prepared under IC 6-1.1-24-1.5 is offered for sale  
 18 and an amount that is at least equal to the minimum sale price required  
 19 under IC 6-1.1-24-5 is not received, the county auditor shall issue a  
 20 deed to the real property, subject to this chapter.
- 21 (e) When a deed is issued to a county executive under this chapter,  
 22 the taxes and special assessments for which the real property was  
 23 offered for sale, and all subsequent taxes, special assessments, interest,  
 24 penalties, and cost of sale shall be removed from the tax duplicate in  
 25 the same manner that taxes are removed by certificate of error.
- 26 (f) A tax deed executed under this chapter vests in the grantee an  
 27 estate in fee simple absolute, free and clear of all liens and  
 28 encumbrances created or suffered before or after the tax sale except  
 29 those liens granted priority under federal law and the lien of the state  
 30 or a political subdivision for taxes and special assessments which  
 31 accrue subsequent to the sale and which are not removed under  
 32 subsection (e). However, subject to subsection (g), the estate is subject  
 33 to:  
 34 (1) all easements, covenants, declarations, and other deed  
 35 restrictions shown by public records;  
 36 (2) laws, ordinances, and regulations concerning governmental  
 37 police powers, including zoning, building, land use,  
 38 improvements on the land, land division, and environmental  
 39 protection; and  
 40 (3) liens and encumbrances created or suffered by the grantee.
- 41 (g) A tax deed executed under this chapter for real property sold in  
 42 a tax sale:



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

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

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

11 (1) the regularity of the sale of the real property described in the  
 12 deed;

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

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

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

21 (j) If the county executive makes the determination under subsection  
 22 (i) as to any interest in an oil or gas lease or separate mineral rights, the  
 23 county treasurer shall certify all delinquent taxes, interest, penalties,  
 24 and costs assessed under IC 6-1.1-24 to the clerk, following the  
 25 procedures in IC 6-1.1-23-9. After the date of the county treasurer's  
 26 certification, the certified amount is subject to collection as delinquent  
 27 personal property taxes under IC 6-1.1-23. Notwithstanding  
 28 IC 6-1.1-4-12.4 and IC 6-1.1-4-12.6, the assessed value of such an  
 29 interest shall be zero (0) until production commences.

30 (k) When a deed is issued to a purchaser of a certificate of sale sold  
 31 under IC 6-1.1-24-6.1, the county auditor shall, in the same manner that  
 32 taxes are removed by certificate of error, remove from the tax duplicate  
 33 the taxes, special assessments, interest, penalties, and costs remaining  
 34 due as the difference between the amount of the last minimum bid  
 35 under IC 6-1.1-24-5 and the amount paid for the certificate of sale.

36 (l) If a tract or item of real property did not sell at a tax sale and the  
 37 county treasurer and the owner of real property agree before the  
 38 expiration of the period for redemption under subsection (b) to a  
 39 mutually satisfactory arrangement for the payment of the entire amount  
 40 required for redemption under section 2 of this chapter before the  
 41 expiration of a period for redemption extended under this subsection:

42 (1) the county treasurer may extend the period for redemption;



1           and

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

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

11          SECTION 15. IC 6-1.1-25-4.3 IS ADDED TO THE INDIANA  
12          CODE AS A **NEW** SECTION TO READ AS FOLLOWS  
13          [EFFECTIVE JULY 1, 2014]: **Sec. 4.3. Notwithstanding this chapter,**  
14          **a person who has purchased a certificate of sale for abandoned**  
15          **property under IC 6-1.1-24-6.1 after June 30, 2014, may**  
16          **immediately thereafter surrender the certificate to the county**  
17          **auditor and obtain a tax deed for the abandoned real property**  
18          **under this chapter. The county auditor shall execute a tax deed to**  
19          **the purchaser or the purchaser's assignee of the certificate of sale**  
20          **for the abandoned real property and otherwise proceed as required**  
21          **for sales of real property under IC 6-1.1-24-6.1 other than**  
22          **abandoned real property.**

