

HOUSE BILL No. 1315

DIGEST OF INTRODUCED BILL

Citations Affected: IC 4-6-12; IC 6-1.1; IC 32-30-10-15.

Synopsis: Tax sales and abandoned houses. 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. Prohibits foreign business associations who have not registered with the secretary of state from participating in the tax sale. Permits a county to establish a paddle fee for persons who attend the tax sale. Permits a county executive to intervene in a mortgage foreclosure action and request a court to extinguish a creditor's lien on a vacant or abandoned property if the creditor unduly delays prosecuting the foreclosure action and certain other conditions are met.

Effective: July 1, 2014.

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January 21, 2014, read first time and referred to Committee on Local Government.



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. 1315

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, 2014]: 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, 2014]: 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



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

- 27 (1) A list of tracts or real property eligible for sale under this
28 chapter, **with those tracts or real property that have been**
29 **certified as vacant or abandoned under section 1 of this**
30 **chapter clearly indicated.**
31 (2) A statement that the tracts or real property included in the list
32 will be sold at public auction to the highest bidder, subject to the
33 right of redemption, **and a statement that there is no right of**
34 **redemption for those tracts or real property that have been**
35 **certified as vacant or abandoned under section 1 of this**
36 **chapter.**
37 (3) A statement that the tracts or real property will not be sold for
38 an amount which is less than the sum of:
39 (A) the delinquent taxes and special assessments on each tract
40 or item of real property;
41 (B) the taxes and special assessments on each tract or item of
42 real property that are due and payable in the year of the sale,



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



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



1 agreement under IC 6-1.1-25-4.7, a statement that the county
 2 auditor will perform the duties of the notification and title search
 3 under IC 6-1.1-25-4.5 and the notification and petition to the
 4 court for the tax deed under IC 6-1.1-25-4.6.

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

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

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

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

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

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

38 SECTION 6. IC 6-1.1-24-2.2, AS AMENDED BY P.L.169-2006,
 39 SECTION 16, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 40 JULY 1, 2014]: Sec. 2.2. Whenever a notice required under section 2
 41 of this chapter includes real property on the list prepared under section
 42 1(a)(2) or 1.5(d) of this chapter, the notice must also contain a



1 statement that:

2 (1) the property is on the alternate list prepared under section
3 1(a)(2) or 1.5(d) of this chapter;

4 **(2) if the property is on the list prepared under section 1(a)(2)**
5 **of this chapter, there is no redemption period and the county**
6 **auditor shall execute and deliver a deed for the property to a**
7 **person who places a bid for at least the amount required**
8 **under section 5 of this chapter;**

9 **(3) if the property is on the list prepared under section 1.5(d) of**
10 **this chapter and** is not redeemed within one hundred twenty
11 (120) days after the date of sale, the county auditor shall execute
12 and deliver a deed for the property to the purchaser or purchaser's
13 assignee; and

14 ~~(3)~~ **(4) if the property is offered for sale and a bid is not received**
15 **for at least the amount required under section 5 of this chapter,**
16 **the county auditor may execute and deliver a deed for the property**
17 **to the county executive, subject to IC 6-1.1-25.**

18 SECTION 7. IC 6-1.1-24-5.4 IS ADDED TO THE INDIANA
19 CODE AS A NEW SECTION TO READ AS FOLLOWS
20 [EFFECTIVE JULY 1, 2014]: **Sec. 5.4. (a) This section applies to the**
21 **following:**

22 **(1) A foreign business association that:**

23 **(A) has not obtained a certificate of authority from, or**
24 **registered with, the secretary of state in accordance with**
25 **the procedures described in IC 23, as applicable; or**

26 **(B) has obtained a certificate of authority from, or**
27 **registered with, the secretary of state in accordance with**
28 **the procedures described in IC 23, as applicable, but is not**
29 **in good standing in Indiana as determined by the secretary**
30 **of state.**

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

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

37 **(c) A person subject to this section may not purchase a tract**
38 **offered for sale under section 5 or 6.1 of this chapter. However, this**
39 **section does not prohibit a person from bidding on a tract that is**
40 **owned by the person and offered for sale under section 5 of this**
41 **chapter.**

42 **(d) If a person purchases a tract that the person was not eligible**



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

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

8 (A) the person does not obtain a certificate of authority, or
 9 register with, the secretary of state in accordance with the
 10 procedures described in IC 23, as applicable; or

11 (B) the person does not otherwise cure the noncompliance
 12 that is the basis of the person's failure to be in good
 13 standing in Indiana as determined by the secretary of
 14 state;

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

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

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

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

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

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

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

37 SECTION 8. IC 6-1.1-24-6.3, AS AMENDED BY P.L.56-2012,
 38 SECTION 7, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 39 JULY 1, 2014]: Sec. 6.3. (a) The sale of certificates of sale **or**
 40 **property** under this chapter must be held at the time and place stated
 41 in the notice of sale.

42 (b) A certificate of sale **or parcel of real property** may not be sold



1 under this chapter if the following are paid before the time of sale:

2 (1) All the delinquent taxes, penalties, and special assessments on
3 the tract or an item of real property.

4 (2) The amount prescribed by section 2(a)(3)(D) of this chapter,
5 reflecting the costs incurred by the county due to the sale.

6 (c) The county executive shall sell the certificate of sale **or parcel**
7 **of property**, subject to the right of redemption, **if applicable**, to the
8 highest bidder at public auction. The public auction may be conducted
9 as an electronic sale in conformity with section 5(k) of this chapter.

10 (d) The county auditor shall serve as the clerk of the sale.

11 SECTION 9. IC 6-1.1-24-6.4, AS AMENDED BY P.L.56-2012,
12 SECTION 8, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
13 JULY 1, 2014]: Sec. 6.4. (a) When a certificate of sale **or parcel of**
14 **property** is sold under this chapter, the purchaser at the sale shall
15 immediately pay the amount of the bid to the county treasurer. The
16 county treasurer shall apply the payment in the following manner:

17 (1) First, to the taxes, special assessments, penalties, and costs
18 described in section 5(f) of this chapter.

19 (2) Second, to other delinquent property taxes in the manner
20 provided in IC 6-1.1-23-5(b).

21 (3) Third, to a separate "tax sale surplus fund".

22 (b) The:

23 (1) owner of record of the real property at the time the tax deed is
24 issued who is divested of ownership by the issuance of a tax deed;
25 or

26 (2) purchaser of the certificate or the purchaser's assignee, upon
27 redemption of the tract or item of real property;

28 may file a verified claim for money that is deposited in the tax sale
29 surplus fund. If the claim is approved by the county auditor and the
30 county treasurer, the county auditor shall issue a warrant to the
31 claimant for the amount due.

32 (c) An amount deposited in the tax sale surplus fund shall be
33 transferred by the county auditor to the county general fund and may
34 not be disbursed under subsection (b) if it is claimed more than three
35 (3) years after the date of its receipt.

36 (d) Upon the assignment of the certificate of sale **or deed** to the
37 purchaser, the county auditor shall indicate on the certificate **or deed**
38 the amount for which the certificate of sale **or parcel of property** was
39 sold.

40 SECTION 10. IC 6-1.1-24-9, AS AMENDED BY P.L.73-2010,
41 SECTION 5, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
42 JULY 1, 2014]: Sec. 9. (a) **This section does not apply to a person**



1 **who purchases real property certified as vacant or abandoned**
 2 **under section 1 of this chapter.**

3 (b) Immediately after a tax sale purchaser pays the bid, as evidenced
 4 by the receipt of the county treasurer, or immediately after the county
 5 acquires a lien under section 6 of this chapter, the county auditor shall
 6 deliver a certificate of sale to the purchaser or to the county or to the
 7 city. The certificate shall be signed by the auditor and registered in the
 8 auditor's office. The certificate shall contain:

9 (1) a description of real property that corresponds to the
 10 description used on the notice of sale;

11 (2) the name of:

12 (A) the owner of record at the time of the sale of real property
 13 with a single owner; or

14 (B) at least one (1) of the owners of real property with multiple
 15 owners;

16 (3) the mailing address of the owner of the real property sold as
 17 indicated in the records of the county auditor;

18 (4) the name of the purchaser;

19 (5) the date of sale;

20 (6) the amount for which the real property was sold;

21 (7) the amount of the minimum bid for which the tract or real
 22 property was offered at the time of sale as required by section 5
 23 of this chapter;

24 (8) the date when the period of redemption specified in
 25 IC 6-1.1-25-4 will expire;

26 (9) the court cause number under which judgment was obtained;
 27 and

28 (10) the street address, if any, or common description of the real
 29 property.

30 ~~(b)~~ (c) When a certificate of sale is issued under this section, the
 31 purchaser acquires a lien against the real property for the entire amount
 32 paid. The lien of the purchaser is superior to all liens against the real
 33 property which exist at the time the certificate is issued.

34 ~~(c)~~ (d) A certificate of sale is assignable. However, an assignment
 35 is not valid unless it is endorsed on the certificate of sale,
 36 acknowledged before an officer authorized to take acknowledgments
 37 of deeds, and registered in the office of the county auditor. When a
 38 certificate of sale is assigned, the assignee acquires the same rights and
 39 obligations that the original purchaser acquired.

40 ~~(d)~~ (e) Subject to IC 36-1-11-8, the county executive may assign a
 41 certificate of sale held in the name of the county executive to any
 42 political subdivision during the life of the certificate. If an assignment



1 is made under this subsection, the period of redemption of the real
 2 property under IC 6-1.1-25 is one hundred twenty (120) days after the
 3 date of the assignment.

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

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

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

11 **(A) attends not more than one (1) tax sale in the county in
 12 any calendar year; and**

13 **(B) purchases not more than one (1) property or tax sale
 14 certificate; or**

15 **(2) one hundred dollars (\$100).**

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

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

23 **(e) The treasurer shall deposit the paddle fee in the county
 24 general fund not later than thirty (30) days after the end of the tax
 25 sale. The proceeds of the paddle fee may only be used to reduce the
 26 number of vacant and abandoned houses, including rehabilitation,
 27 demolition, and foreclosure prevention and counseling.**

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

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

34 **(2) the amount prescribed in subsection (g);**

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

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

39 **(1) one hundred ten percent (110%) of the minimum bid for
 40 which the tract or item of real property was offered at the time of
 41 sale, as required by IC 6-1.1-24-5, if:**

42 **(A) the sale was conducted before July 1, 2014; and**



- 1 **(B)** the tract or item of real property is redeemed not more than
 2 six (6) months after the date of sale; ~~or~~
 3 (2) one hundred fifteen percent (115%) of the minimum bid for
 4 which the tract or **item of** real property was offered at the time of
 5 sale, as required by IC 6-1.1-24-5, if:
 6 **(A) the sale was conducted before July 1, 2014; and**
 7 **(B) the tract or item of real property is redeemed more than six**
 8 **(6) months but not more than one (1) year after the date of**
 9 **sale;**
 10 **(3) one hundred five percent (105%) of the minimum bid for**
 11 **which the tract or item of real property was offered at the**
 12 **time of sale, as required by IC 6-1.1-24-5, if:**
 13 **(A) the sale was conducted after June 30, 2014; and**
 14 **(B) the tract or item of real property is redeemed not more**
 15 **than six (6) months after the date of sale; or**
 16 **(4) one hundred seven and five-tenths percent (107.5%) of the**
 17 **minimum bid for which the tract or item of real property was**
 18 **offered at the time of sale, as required by IC 6-1.1-24-5, if:**
 19 **(A) the sale was conducted after June 30, 2014; and**
 20 **(B) the tract or item of real property is redeemed more**
 21 **than six (6) months but not more than one (1) year after**
 22 **the date of sale.**
 23 (c) Except as provided in subsection (g), in addition to the amount
 24 required under subsection (b), the total amount required for redemption
 25 includes the amount by which the purchase price exceeds the minimum
 26 bid on the real property plus ten percent (10%) per annum on the
 27 amount by which the purchase price exceeds the minimum bid on the
 28 property.
 29 (d) Except as provided in subsection (g), in addition to the amount
 30 required under subsections (b) and (c), the total amount required for
 31 redemption includes all taxes and special assessments upon the
 32 property paid by the purchaser after the sale plus ten percent (10%)
 33 interest per annum on those taxes and special assessments.
 34 (e) Except as provided in subsection (g), in addition to the amounts
 35 required under subsections (b), (c), and (d), the total amount required
 36 for redemption includes the following costs, if certified before
 37 redemption and not earlier than thirty (30) days after the date of sale of
 38 the property being redeemed by the payor to the county auditor on a
 39 form prescribed by the state board of accounts, that were incurred and
 40 paid by the purchaser, the purchaser's assignee, or the county, before
 41 redemption:
 42 (1) The attorney's fees and costs of giving notice under section 4.5



- 1 of this chapter.
- 2 (2) The costs of a title search or of examining and updating the
- 3 abstract of title for the tract or item of real property.
- 4 (f) The total amount required for redemption includes, in addition
- 5 to the amounts required under subsections (b) and (e), all taxes, special
- 6 assessments, interest, penalties, and fees on the property that accrued
- 7 after the sale.
- 8 (g) With respect to a tract or item of real property redeemed under
- 9 section 4(c) of this chapter, instead of the amounts stated in subsections
- 10 (b) through (f), the total amount required for redemption is the amount
- 11 determined under IC 6-1.1-24-6.1(b)(4).
- 12 SECTION 13. IC 6-1.1-25-4, AS AMENDED BY P.L.118-2013,
- 13 SECTION 7, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
- 14 JULY 1, 2014]: Sec. 4. (a) The period for redemption of real property
- 15 sold under IC 6-1.1-24 is:
- 16 (1) one (1) year after the date of sale, **if the sale occurs before**
- 17 **July 1, 2014;**
- 18 **(2) one (1) year after the date of sale, if the sale occurs after**
- 19 **June 30, 2014, and the property has not been certified as**
- 20 **vacant or abandoned under IC 6-1.1-24-1(a)(2);**
- 21 ~~(3)~~ **(3) one hundred twenty (120) days after the date of sale to a**
- 22 **purchasing agency qualified under IC 36-7-17 or IC 36-7-17.1; or**
- 23 ~~(4)~~ **(4) one hundred twenty (120) days after the date of sale of real**
- 24 **property on the list prepared under IC 6-1.1-24-1(a)(2) or**
- 25 **IC 6-1.1-24-1.5, if the sale occurs before July 1, 2014; or**
- 26 **(5) one hundred twenty (120) days after the date of sale of real**
- 27 **property on the list prepared under IC 6-1.1-24-1.5 and not on**
- 28 **the list prepared under IC 6-1.1-24-1(a)(2), if the sale occurs**
- 29 **after June 30, 2014.**
- 30 **After June 30, 2014, there is no redemption period for real**
- 31 **property certified as vacant or abandoned under**
- 32 **IC 6-1.1-24-1(a)(2).**
- 33 (b) Subject to subsection (1) and ~~IC 6-1.1-24-9(d); IC 6-1.1-24-9(e),~~
- 34 the period for redemption of real property:
- 35 (1) on which the county executive acquires a lien under
- 36 IC 6-1.1-24-6; and
- 37 (2) for which the certificate of sale is not sold under
- 38 IC 6-1.1-24-6.1;
- 39 is one hundred twenty (120) days after the date the county executive
- 40 acquires the lien under IC 6-1.1-24-6.
- 41 (c) The period for redemption of real property:
- 42 (1) on which the county executive acquires a lien under



1 IC 6-1.1-24-6; and
 2 (2) for which the certificate of sale is sold under IC 6-1.1-24;
 3 is one hundred twenty (120) days after the date of sale of the certificate
 4 of sale under IC 6-1.1-24.

5 (d) When a deed for real property is executed under this chapter, the
 6 county auditor shall cancel the certificate of sale, **if applicable**, and file
 7 the canceled certificate in the office of the county auditor. If real
 8 property that appears on the list prepared under IC 6-1.1-24-1.5 is
 9 offered for sale and an amount that is at least equal to the minimum
 10 sale price required under IC 6-1.1-24-5 is not received, the county
 11 auditor shall issue a deed to the real property, subject to this chapter.
 12 **If real property that is certified as vacant or abandoned under**
 13 **IC 6-1.1-24-1 is offered for sale and an amount that is at least equal**
 14 **to the minimum sale price required under IC 6-1.1-24-5 is received,**
 15 **the county auditor shall issue a deed to the real property, subject**
 16 **to this chapter.**

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

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

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

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

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

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

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



- 1 property; and
 2 (2) conveys title subject to all easements recorded before the date
 3 of the tax sale in the office of the recorder of the county in which
 4 the real property is located.
- 5 (h) A tax deed executed under this chapter is prima facie evidence
 6 of:
 7 (1) the regularity of the sale of the real property described in the
 8 deed;
 9 (2) the regularity of all proper proceedings; and
 10 (3) valid title in fee simple in the grantee of the deed.
- 11 (i) A county auditor is not required to execute a deed to the county
 12 executive under this chapter if the county executive determines that the
 13 property involved contains hazardous waste or another environmental
 14 hazard for which the cost of abatement or alleviation will exceed the
 15 fair market value of the property. The county executive may enter the
 16 property to conduct environmental investigations.
- 17 (j) If the county executive makes the determination under subsection
 18 (i) as to any interest in an oil or gas lease or separate mineral rights, the
 19 county treasurer shall certify all delinquent taxes, interest, penalties,
 20 and costs assessed under IC 6-1.1-24 to the clerk, following the
 21 procedures in IC 6-1.1-23-9. After the date of the county treasurer's
 22 certification, the certified amount is subject to collection as delinquent
 23 personal property taxes under IC 6-1.1-23. Notwithstanding
 24 IC 6-1.1-4-12.4 and IC 6-1.1-4-12.6, the assessed value of such an
 25 interest shall be zero (0) until production commences.
- 26 (k) When a deed is issued to a purchaser of a certificate of sale sold
 27 under IC 6-1.1-24-6.1, the county auditor shall, in the same manner that
 28 taxes are removed by certificate of error, remove from the tax duplicate
 29 the taxes, special assessments, interest, penalties, and costs remaining
 30 due as the difference between the amount of the last minimum bid
 31 under IC 6-1.1-24-5 and the amount paid for the certificate of sale.
- 32 (l) If a tract or item of real property did not sell at a tax sale and the
 33 county treasurer and the owner of real property agree before the
 34 expiration of the period for redemption under subsection (b) to a
 35 mutually satisfactory arrangement for the payment of the entire amount
 36 required for redemption under section 2 of this chapter before the
 37 expiration of a period for redemption extended under this subsection:
 38 (1) the county treasurer may extend the period for redemption;
 39 and
 40 (2) except as provided in subsection (m), the extended period for
 41 redemption expires one (1) year after the date of the agreement.
- 42 (m) If the owner of real property fails to meet the terms of an



1 agreement entered into with the county treasurer under subsection (l),
 2 the county treasurer may terminate the agreement after providing thirty
 3 (30) days written notice to the owner. If the county treasurer gives
 4 notice under this subsection, the extended period for redemption
 5 established under subsection (l) expires thirty (30) days after the date
 6 of the notice.

7 SECTION 14. IC 6-1.1-25-4.5, AS AMENDED BY P.L.169-2006,
 8 SECTION 29, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 9 JULY 1, 2014]: Sec. 4.5. (a) Except as provided in ~~subsection~~
 10 **subsections (d) and (k)**, a purchaser or the purchaser's assignee is
 11 entitled to a tax deed to the property that was sold only if:

- 12 (1) the redemption period specified in section 4(a)(1) of this
 13 chapter has expired;
- 14 (2) the property has not been redeemed within the period of
 15 redemption specified in section 4(a) of this chapter; and
- 16 (3) not later than nine (9) months after the date of the sale:
 - 17 (A) the purchaser or the purchaser's assignee; or
 - 18 (B) in a county where the county auditor and county treasurer
 19 have an agreement under section 4.7 of this chapter, the
 20 county auditor;

21 gives notice of the sale to the owner of record at the time of the
 22 sale and any person with a substantial property interest of public
 23 record in the tract or real property.

24 (b) A county executive is entitled to a tax deed to property on which
 25 the county executive acquires a lien under IC 6-1.1-24-6 and for which
 26 the certificate of sale is not sold under IC 6-1.1-24-6.1 only if:

- 27 (1) the redemption period specified in section 4(b) of this chapter
 28 has expired;
- 29 (2) the property has not been redeemed within the period of
 30 redemption specified in section 4(b) of this chapter; and
- 31 (3) not later than ninety (90) days after the date the county
 32 executive acquires the lien under IC 6-1.1-24-6, the county
 33 auditor gives notice of the sale to:
 - 34 (A) the owner of record at the time the lien was acquired; and
 - 35 (B) any person with a substantial property interest of public
 36 record in the tract or real property.

37 (c) A purchaser of a certificate of sale under IC 6-1.1-24-6.1 is
 38 entitled to a tax deed to the property for which the certificate was sold
 39 only if:

- 40 (1) the redemption period specified in section 4(c) of this chapter
 41 has expired;
- 42 (2) the property has not been redeemed within the period of



1 redemption specified in section 4(c) of this chapter; and
 2 (3) not later than ninety (90) days after the date of sale of the
 3 certificate of sale under IC 6-1.1-24, the purchaser gives notice of
 4 the sale to:

5 (A) the owner of record at the time of the sale; and

6 (B) any person with a substantial property interest of public
 7 record in the tract or real property.

8 (d) The person required to give the notice under subsection (a), (b),
 9 or (c) shall give the notice by sending a copy of the notice by certified
 10 mail to:

11 (1) the owner of record at the time of the:

12 (A) sale of the property;

13 (B) acquisition of the lien on the property under IC 6-1.1-24-6;
 14 or

15 (C) sale of the certificate of sale on the property under
 16 IC 6-1.1-24;

17 at the last address of the owner for the property, as indicated in
 18 the records of the county auditor; and

19 (2) any person with a substantial property interest of public record
 20 at the address for the person included in the public record that
 21 indicates the interest.

22 However, if the address of the person with a substantial property
 23 interest of public record is not indicated in the public record that
 24 created the interest and cannot be located by ordinary means by the
 25 person required to give the notice under subsection (a), (b), or (c), the
 26 person may give notice by publication in accordance with IC 5-3-1-4
 27 once each week for three (3) consecutive weeks.

28 (e) The notice that this section requires shall contain at least the
 29 following:

30 (1) A statement that a petition for a tax deed will be filed on or
 31 after a specified date.

32 (2) The date on or after which the petitioner intends to petition for
 33 a tax deed to be issued.

34 (3) A description of the tract or real property shown on the
 35 certificate of sale.

36 (4) The date the tract or real property was sold at a tax sale.

37 (5) The name of the:

38 (A) purchaser or purchaser's assignee;

39 (B) county executive that acquired the lien on the property
 40 under IC 6-1.1-24-6; or

41 (C) person that purchased the certificate of sale on the
 42 property under IC 6-1.1-24.



- 1 (6) A statement that any person may redeem the tract or real
 2 property.
 3 (7) The components of the amount required to redeem the tract or
 4 real property.
 5 (8) A statement that an entity identified in subdivision (5) is
 6 entitled to reimbursement for additional taxes or special
 7 assessments on the tract or real property that were paid by the
 8 entity subsequent to the tax sale, lien acquisition, or purchase of
 9 the certificate of sale, and before redemption, plus interest.
 10 (9) A statement that the tract or real property has not been
 11 redeemed.
 12 (10) A statement that an entity identified in subdivision (5) is
 13 entitled to receive a deed for the tract or real property if it is not
 14 redeemed before the expiration of the period of redemption
 15 specified in section 4 of this chapter.
 16 (11) A statement that an entity identified in subdivision (5) is
 17 entitled to reimbursement for costs described in section 2(e) of
 18 this chapter.
 19 (12) The date of expiration of the period of redemption specified
 20 in section 4 of this chapter.
 21 (13) A statement that if the property is not redeemed, the owner
 22 of record at the time the tax deed is issued may have a right to the
 23 tax sale surplus, if any.
 24 (14) The street address, if any, or a common description of the
 25 tract or real property.
 26 (15) The key number or parcel number of the tract or real
 27 property.
 28 (f) The notice under this section must include not more than one (1)
 29 tract or item of real property listed and sold in one (1) description.
 30 However, when more than one (1) tract or item of real property is
 31 owned by one (1) person, all of the tracts or real property that are
 32 owned by that person may be included in one (1) notice.
 33 (g) A single notice under this section may be used to notify joint
 34 owners of record at the last address of the joint owners for the property
 35 sold, as indicated in the records of the county auditor.
 36 (h) The notice required by this section is considered sufficient if the
 37 notice is mailed to the address required under subsection (d).
 38 (i) The notice under this section and the notice under section 4.6 of
 39 this chapter are not required for persons in possession not shown in the
 40 public records.
 41 (j) If the purchaser fails to:
 42 (1) comply with subsection (c)(3); or



1 (2) petition for the issuance of a tax deed within the time
 2 permitted under section 4.6(a) of this chapter;
 3 the certificate of sale reverts to the county executive and may be
 4 retained by the county executive or sold under IC 6-1.1-24-6.1.

5 **(k) A person is entitled to a tax deed to a property certified as**
 6 **vacant or abandoned under IC 6-1.1-24-1 if the person is the**
 7 **highest bidder whose bid is at least the minimum bid specified**
 8 **IC 6-1.1-24-5.**

9 SECTION 15. IC 6-1.1-25-5 IS AMENDED TO READ AS
 10 FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 5. (a) A tax deed issued
 11 under this chapter shall be issued substantially in the following form:

12 Whereas AB did, on the ___ day of _____, 20___, produce
 13 to the undersigned, CD, auditor of the county of _____, in the
 14 state of Indiana, a certificate of sale **or evidence of purchase at a tax**
 15 **sale**, dated the ___ day of _____, 20___, signed by EF who, at
 16 the date of the sale, was auditor of the county, from which it appears
 17 that AB on the ___ day of _____, 20___, purchased at public
 18 auction, held pursuant to law, the real property described in this
 19 indenture for the sum of _____ dollars and _____ cents, being the
 20 amount due on the real property for taxes, special assessments,
 21 penalties and costs for the years _____, namely: (here set out the real
 22 property offered for sale). Such real property has been recorded in the
 23 office of the _____ county auditor as delinquent for the
 24 nonpayment of taxes, and proper notice of the sale has been given. It
 25 appearing that AB is the owner of the certificate of sale, **or the**
 26 **purchaser**, that the time for redeeming such real property has expired,
 27 **or that there is no redemption period**, that the property has not been
 28 redeemed, that the undersigned has received a court order for the
 29 issuance of a deed for the real property described in the certificate of
 30 sale, that the records of the _____ county auditor's office state
 31 that the real property was legally liable for taxation, and that the real
 32 property has been duly assessed and properly charged on the duplicate
 33 with the taxes and special assessments for the years _____;

34 Therefore, this indenture, made this ___ day of _____,
 35 20___, between the State of Indiana, by CD, auditor of _____
 36 county, of the first part, and AB, of the second part, witnesseth: That
 37 the party of the first part, for and in consideration of the premises, has
 38 granted and bargained and sold to the party of the second part, the real
 39 property described in the certificate of sale, situated in the county of
 40 _____, and State of Indiana, namely and more particularly
 41 described as follows: (here set out the real property sold), to have and
 42 to hold such real property, with the appurtenances belonging thereto,



1 in as full and ample a manner as the auditor of said county is
2 empowered by law to convey the same.

3 In testimony whereof, CD, auditor of _____ county, has
4 hereunto set his or her hand, and affixed the seal of the board of county
5 commissioners, the day and year last above mentioned.

6 WITNESS: _____ (L.S.)

7 Auditor of _____ County

8 STATE OF

9 INDIANA)

10) S.S.

11 COUNTY OF _____)

12 Before me, the undersigned, _____, in and for
13 said county, this day, personally came the above named CD, auditor of
14 said county, and acknowledged the execution of the foregoing deed for
15 the uses and purposes therein mentioned.

16 In witness whereof, I have hereunto set my hand and seal this ____
17 day of _____, 20____.

18 _____ (L.S.)

19 (b) The clerk of the circuit court shall acknowledge the execution of
20 tax title deeds issued under this chapter.

21 SECTION 16. IC 32-30-10-15 IS ADDED TO THE INDIANA
22 CODE AS A NEW SECTION TO READ AS FOLLOWS
23 [EFFECTIVE JULY 1, 2014]: **Sec. 15. (a) This section applies only
24 to a mortgage foreclosure action filed after June 30, 2014.**

25 **(b) A county executive may intervene in an action to foreclose
26 a mortgage and request the court extinguish the lien of the creditor
27 if all the following conditions are met:**

28 **(1) At least one (1) year has elapsed from:**

29 **(A) the conclusion of a settlement conference under
30 IC 32-30-10.5, if a settlement conference is held;**

31 **(B) the elapse of the thirty (30) day period to schedule a
32 settlement conference described in IC 32-30-10.5-8, if a
33 settlement conference is not held because the debtor failed
34 to:**

35 **(i) contact the court to schedule a settlement conference;
36 or**

37 **(ii) provide to the creditor and the court at least one (1)
38 of the documents required as part of the debtor's loss
39 mitigation package, described under IC 32-30-10.5-10
40 and included with the court's notice under
41 IC 32-30-10.5-10, within the time specified in the court's
42 notice; or**



- 1 **(C) the filing of the complaint, if:**
- 2
 - 3 **(i) the creditor does not give the debtor the notice**
 - 4 **required under IC 32-30-10.5-8(c); or**
 - 5 **(ii) a settlement conference is not required under**
 - 6 **IC 32-30-10.5-9(b).**
- 7 **(2) The county executive has certified the property as a vacant**
- 8 **or abandoned IC 6-1.1-24-1.**
- 9 **(3) The creditor has unduly delayed prosecuting the**
- 10 **foreclosure action.**
- 11 **(c) The one (1) year period under subsection (b) is tolled during**
- 12 **any period in which:**
- 13
 - 14 **(1) the debtor is complying with the terms of a settlement**
 - 15 **agreement; or**
 - 16 **(2) prosecution of the foreclosure action is stayed by a court.**
- 17 **(d) If the county executive proves by a preponderance of**
- 18 **evidence at a hearing that the conditions described in subsection**
- 19 **(b) have been met, the court shall:**
- 20
 - (1) extinguish the creditor's lien on the property; and**
 - (2) place a lien on the property in the amount of the county**
 - executive's reasonable attorney's fees.**

