



March 2, 2001

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## SENATE BILL No. 543

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DIGEST OF SB 543 (Updated February 28, 2001 2:35 PM - DI 87)

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

**Synopsis:** Tax Sale. Permits a county that incurs cost to sell a parcel of real property acquired through the tax sale process to recover the cost from the proceeds of the sale of that parcel or from the proceeds of the sales of other parcels acquired through the tax sale process.

**Effective:** Upon passage.

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### Landske, Broden

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January 23, 2001, read first time and referred to Committee on Rules and Legislative Procedure.  
January 29, 2001, amended; reassigned to Committee on Governmental and Regulatory Affairs.  
March 1, 2001, reported favorably — Do Pass.

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SB 543—LS 8140/DI 13+



March 2, 2001

First Regular Session 112th General Assembly (2001)

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 2000 General Assembly.

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## SENATE BILL No. 543

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 6-1.1-25-9 IS AMENDED TO READ AS  
2 FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 9. (a) ~~Except as~~  
3 ~~provided in subsection (b)~~; When a county acquires title to real  
4 property under IC 6-1.1-24 and this chapter, the county may dispose of  
5 the real property under IC 36-1-11 or subsection (e). The proceeds of  
6 any sale under IC 36-1-11 shall be applied as follows:  
7 (1) First, to the cost of the sale **or offering for sale of the real**  
8 **property**, including the cost of:  
9 (A) maintenance;  
10 (B) preservation; ~~and~~  
11 (C) administration of the property before ~~the sale including~~  
12 ~~prior or offering for sale of the property~~;  
13 (D) unpaid costs of ~~sales the sale or offering for sale of the~~  
14 ~~property~~;  
15 (E) preparation of the property for sale;  
16 (F) advertising; and

SB 543—LS 8140/DI 13+



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(G) appraisal.

(2) **Second, to any unrecovered cost of the sale or offering for sale of other real property in the same taxing district acquired by the county under IC 6-1.1-24 and this chapter, including the cost of:**

(A) maintenance;

(B) preservation;

(C) administration of the property before the sale or offering for sale of the property;

(D) unpaid costs of the sale or offering for sale of the property;

(E) preparation of the property for sale;

(F) advertising; and

(G) appraisal.

(3) **Third, to the payment of the taxes which on the real property that were removed from the tax duplicate under section 4(c) of this chapter.**

~~(3) Third;~~ **Fourth,** any surplus remaining into the county general fund.

(b) The county auditor shall file a report with the board of commissioners before January 31 of each year. The report must:

(1) list the real property acquired under IC 6-1.1-24 and this chapter; and

(2) indicate if any person resides or conducts a business on the property.

(c) The county auditor shall mail a notice by certified mail before March 31 of each year to each person listed in subsection (b)(2). The notice must state that the county has acquired title to the tract the person occupies.

(d) If the county determines under IC 36-1-11 that any real property so acquired should be retained by the county, then the county shall not dispose of the real property. The county executive may repair, maintain, equip, alter, and construct buildings upon the real property so retained in the same manner prescribed for other county buildings.

(e) The county may transfer title to real property described in subsection (a) to the redevelopment commission at no cost to the commission for sale or grant under IC 36-7-14-22.1 or IC 36-7-15.1-15.1.

SECTION 2. IC 6-1.1-25-9.5, AS AMENDED BY P.L.1-1999, SECTION 14, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 9.5. (a) This section applies to:

(1) a city having a population of more than one hundred ten

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- 1 thousand (110,000) but less than one hundred twenty thousand  
 2 (120,000);  
 3 (2) a city having a population of more than thirty-three thousand  
 4 eight hundred fifty (33,850) but less than thirty-five thousand  
 5 (35,000) located in a county having a population of more than  
 6 four hundred thousand (400,000) but less than seven hundred  
 7 thousand (700,000); and  
 8 (3) a city having a population of more than seventy-five thousand  
 9 (75,000) but less than ninety thousand (90,000).  
 10 (b) Whenever a city acquires title to real property under IC 6-1.1-24  
 11 and this chapter, the city may dispose of the real property under  
 12 IC 36-1-11 or subsection (f). The proceeds of a sale under IC 36-1-11  
 13 must be applied as follows:  
 14 (1) First, to the cost of the sale **or offering for sale of the real**  
 15 **property**, including the cost of:  
 16 (A) maintenance;  
 17 (B) preservation; **and**  
 18 (C) administration of the property before **the sale including**  
 19 **prior or offering for sale of the property;**  
 20 (D) unpaid costs of ~~sales~~ **the sale or offerings for sale of the**  
 21 **property;**  
 22 (E) preparation of the property for sale;  
 23 (F) advertising; and  
 24 (G) appraisal.  
 25 (2) Second, **to any unrecovered cost of the sale or offering for**  
 26 **sale of other real property in the same taxing district acquired**  
 27 **by the county under IC 6-1.1-24 and this chapter, including**  
 28 **the cost of:**  
 29 (A) maintenance;  
 30 (B) preservation;  
 31 (C) **administration of the property before the sale or**  
 32 **offering for sale of the property;**  
 33 (D) **unpaid costs of the sale or offering for sale of the**  
 34 **property;**  
 35 (E) **preparation of the property for sale;**  
 36 (F) **advertising; and**  
 37 (G) **appraisal.**  
 38 (3) **Third**, to the payment of the taxes **on the real property** that  
 39 were removed from the tax duplicate under section 4.2(f) of this  
 40 chapter.  
 41 ~~(3) Third~~, (4) **Fourth**, any surplus remaining must be deposited  
 42 in the city's general fund.

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1 (c) The mayor or the mayor's designee shall file a report with the  
 2 board of county commissioners before January 31. The report must:  
 3 (1) list the real property acquired under IC 6-1.1-24 and this  
 4 chapter; and  
 5 (2) indicate if a person resides or conducts a business on the  
 6 property.  
 7 (d) The city shall mail a notice by certified mail before March 31 of  
 8 each year to each person listed in subsection (c)(2). The notice must  
 9 state that the city has acquired title to the tract the person occupies.  
 10 (e) If the city determines under IC 36-1-11 that real property  
 11 acquired under IC 6-1.1-24 or this chapter must be retained by the city,  
 12 the city may not dispose of the real property. The mayor or the mayor's  
 13 designee may repair, maintain, equip, alter, and construct buildings  
 14 upon the real property retained under this section in the same manner  
 15 prescribed for other city buildings.  
 16 (f) The city may transfer title to real property described in  
 17 subsection (b) to its redevelopment commission at no cost to the  
 18 commission for sale or grant under IC 36-7-14-22.1.  
 19 (g) This section expires December 31, 2001.  
 20 **SECTION 3. [EFFECTIVE UPON PASSAGE] (a) IC 6-1.1-25-9**  
 21 **and IC 6-1.1-25-9.5, both as amended by this act, apply to:**  
 22 **(1) proceeds of sales of real property received on or after the**  
 23 **effective date of this act; and**  
 24 **(2) proceeds of sales of real property received before the**  
 25 **effective date of this act that had not been distributed under**  
 26 **IC 6-1.1-25-9 and IC 6-1.1-25-9.5 as of the effective date of**  
 27 **this act.**  
 28 **(b) This SECTION expires January 1, 2002.**  
 29 **SECTION 4. An emergency is declared for this act.**

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COMMITTEE REPORT

Mr. President: The Senate Committee on Rules and Legislative Procedure, to which was referred Senate Bill No. 543, has had the same under consideration and begs leave to report the same back to the Senate with the recommendation that said bill be AMENDED as follows:

Delete everything after the enacting clause and insert the following:

(SEE TEXT OF BILL)

and when so amended that said bill be reassigned to the Senate Committee on Governmental and Regulatory Affairs.

(Reference is to SB 543 as introduced.)

GARTON, Chairperson

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SENATE MOTION

Mr. President: I move that Senator Broden be added as second author of Senate Bill 543.

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COMMITTEE REPORT

Mr. President: The Senate Committee on Governmental and Regulatory Affairs, to which was referred Senate Bill No. 543, has had the same under consideration and begs leave to report the same back to the Senate with the recommendation that said bill DO PASS.

(Reference is made to Senate Bill 543 as printed January 30, 2001.)

MERRITT, Chairperson

Committee Vote: Yeas 9, Nays 0.

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