

SENATE BILL No. 341

DIGEST OF INTRODUCED BILL

Citations Affected: IC 6-1.1; IC 36-1-8-16; IC 36-7.

Synopsis: Tax sales and redevelopment. Requires notice of a tax sale to be mailed via certified mail, return receipt requested. Deletes the \$25 limit on postage and publication costs that can be included in the minimum bid amount. Provides that liens for special assessments have the same priority status as liens for property taxes. Increases the interest rate on delinquent tax payments made by mortgagees from 6% to 10% (the same rate applicable to tax sale purchasers). Provides for the certification for tax sale of real property for which any property taxes or special assessments are delinquent from the prior year's fall installment (rather than the spring installment, under current law). Allows all counties to use a provision that currently allows only Marion County to designate certain delinquent properties for acquisition. Prohibits persons who have violated the unsafe building law from bidding at tax sales. Provides that a sale to an ineligible bidder is subject to forfeiture, based on the determination of the county treasurer. Provides that in the event of forfeiture, the amount of the bid will be applied to the amounts owed by the ineligible bidder and a certificate for the property shall be issued to the county executive. Repeals a provision authorizing a second tax sale. Provides that property not sold at the single tax sale shall be transferred to the county executive (or the metropolitan development commission, in the case of Marion County). Replaces the term "county commissioners" with "county executive" in the tax sale statutes. Allows the county executive or metropolitan
(Continued next page)

Effective: July 1, 2006.

Wyss, Broden

January 10, 2006, read first time and referred to Committee on Judiciary.

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development commission to hold, manage, maintain, use, convey, or dispose for any redevelopment purposes those properties not sold for the minimum bid. Gives redevelopment commissions and the metropolitan redevelopment commission additional powers concerning the disposition of tax sale properties. Provides that if a county executive disposes of real property, the property taxes collected for each item of the real property for the following five years shall be disbursed as follows: (1) 50% in the same manner and in the same proportions as property taxes are disbursed. (2) 50% to the county executive that sold or otherwise conveyed the parcel. Provides that the disbursements to the county executive must be deposited in the unsafe building fund. Allows amounts deposited in the tax sale surplus fund to be transferred to the redevelopment fund, the unsafe building fund, or the housing trust fund. Allows a hearing authority under the unsafe building law to impose fines and additional civil penalties under certain circumstances. Allows the civil penalties and fines to be collected under the special assessment procedures. Increases the amount of a civil penalty that may be imposed by a court under the unsafe building law from \$1,000 to \$5,000. Allows a court to require a performance bond from a property owner if the property owner requests additional time to comply with an order under the unsafe building law. Amends the notice requirements for certain actions under the unsafe building law.

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Introduced

Second Regular Session 114th General Assembly (2006)

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 2005 Regular Session of the General Assembly.

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SENATE BILL No. 341



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

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

- 1 SECTION 1. IC 6-1.1-22-8 IS AMENDED TO READ AS
- 2 FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 8. (a) The county
- 3 treasurer shall either:
- 4 (1) mail to the last known address of each person liable for any
- 5 property taxes or special assessment, as shown on the tax
- 6 duplicate or special assessment records, or to the last known
- 7 address of the most recent owner shown in the transfer book a
- 8 statement of current and delinquent taxes and special
- 9 assessments; or
- 10 (2) transmit by written, electronic, or other means to a mortgagee
- 11 maintaining an escrow account for a person who is liable for any
- 12 property taxes or special assessments, as shown on the tax
- 13 duplicate or special assessment records a statement of current and
- 14 delinquent taxes and special assessments.
- 15 (b) The county treasurer may include the following in the statement:



- 1 (1) An itemized listing for each property tax levy, including:
- 2 (A) the amount of the tax rate;
- 3 (B) the entity levying the tax owed; ~~and~~
- 4 (C) the dollar amount of the tax owed; **and**
- 5 **(D) the dollar amount of each special assessment owed.**
- 6 (2) Information designed to inform the taxpayer or mortgagee
- 7 clearly and accurately of the manner in which the taxes billed in
- 8 the tax statement are to be used.

9 A form used and the method by which the statement and information,
 10 if any, are transmitted must be approved by the state board of accounts.
 11 The county treasurer may mail or transmit the statement and
 12 information, if any, one (1) time each year at least fifteen (15) days
 13 before the date on which the first or only installment is due. Whenever
 14 a person's tax liability for a year is due in one (1) installment under
 15 IC 6-1.1-7-7 or section 9 of this chapter, a statement that is mailed must
 16 include the date on which the installment is due and denote the amount
 17 of money to be paid for the installment. Whenever a person's tax
 18 liability is due in two (2) installments, a statement that is mailed must
 19 contain the dates on which the first and second installments are due and
 20 denote the amount of money to be paid for each installment.

21 (c) All payments of property taxes and special assessments shall be
 22 made to the county treasurer. The county treasurer, when authorized by
 23 the board of county commissioners, may open temporary offices for the
 24 collection of taxes in cities and towns in the county other than the
 25 county seat.

26 (d) Before July 1, 2004, the department of local government finance
 27 shall designate five (5) counties to participate in a pilot program to
 28 implement the requirements of subsection (e). The department shall
 29 immediately notify the county treasurer, county auditor, and county
 30 assessor in writing of the designation under this subsection. The
 31 legislative body of a county not designated for participation in the pilot
 32 program may adopt an ordinance to implement the requirements of
 33 subsection (e). The legislative body shall submit a copy of the
 34 ordinance to the department of local government finance, which shall
 35 monitor the county's implementation of the requirements of subsection
 36 (e) as if the county were a participant in the pilot program. The
 37 requirements of subsection (e) apply:

- 38 (1) only in:
- 39 (A) a county designated to participate in a pilot program under
- 40 this subsection, for property taxes first due and payable after
- 41 December 31, 2004, and before January 1, 2008; or
- 42 (B) a county adopting an ordinance under this subsection, for

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1 property taxes first due and payable after December 31, 2003,
 2 or December 31, 2004 (as determined in the ordinance), and
 3 before January 1, 2008; and
 4 (2) in all counties for taxes first due and payable after December
 5 31, 2007.

6 (e) Subject to subsection (d), regardless of whether a county
 7 treasurer transmits a statement of current and delinquent taxes and
 8 special assessments to a person liable for the taxes under subsection
 9 (a)(1) or to a mortgagee under subsection (a)(2), the county treasurer
 10 shall mail the following information to the last known address of each
 11 person liable for the property taxes or special assessments or to the last
 12 known address of the most recent owner shown in the transfer book.
 13 The county treasurer shall mail the information not later than the date
 14 the county treasurer transmits a statement for the property under
 15 subsection (a)(1) or (a)(2). The county treasurer, county auditor, and
 16 county assessor shall cooperate to generate the information to be
 17 included on the form. The information that must be provided is the
 18 following:

- 19 (1) A breakdown showing the total property tax and special
 20 assessment liability and the amount of the taxpayer's liability that
 21 will be distributed to each taxing unit in the county.
- 22 (2) A comparison showing any change in the assessed valuation
 23 for the property as compared to the previous year.
- 24 (3) A comparison showing any change in the property tax and
 25 special assessment liability for the property as compared to the
 26 previous year. The information required under this subdivision
 27 must identify:
 - 28 (A) the amount of the taxpayer's liability distributable to each
 29 taxing unit in which the property is located in the current year
 30 and in the previous year; and
 - 31 (B) the percentage change, if any, in the amount of the
 32 taxpayer's liability distributable to each taxing unit in which
 33 the property is located from the previous year to the current
 34 year.
- 35 (4) An explanation of the following:
 - 36 (A) The homestead credit and all property tax deductions.
 - 37 (B) The procedure and deadline for filing for the homestead
 38 credit and each deduction.
 - 39 (C) The procedure that a taxpayer must follow to:
 - 40 (i) appeal a current assessment; or
 - 41 (ii) petition for the correction of an error related to the
 42 taxpayer's property tax and special assessment liability.

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1 (D) The forms that must be filed for an appeal or a petition
 2 described in clause (C).
 3 The department of local government finance shall provide the
 4 explanation required by this subdivision to each county treasurer.
 5 (5) A checklist that shows:
 6 (A) the homestead credit and all property tax deductions; and
 7 (B) whether the homestead credit and each property tax
 8 deduction applies in the current statement for the property
 9 transmitted under subsection (a)(1) or (a)(2).
 10 (f) The information required to be mailed under subsection (e) must
 11 be simply and clearly presented and understandable to the average
 12 individual.
 13 (g) A county that incurs:
 14 (1) initial computer programming costs directly related to
 15 implementation of the requirements of subsection (e); or
 16 (2) printing costs directly related to mailing information under
 17 subsection (e);
 18 shall submit an itemized statement of the costs to the department of
 19 local government finance for reimbursement from the state. The
 20 treasurer of state shall pay a claim approved by the department of local
 21 government finance and submitted under this section on a warrant of
 22 the auditor of state. However, the treasurer of state may not pay any
 23 additional claims under this subsection after the total amount of claims
 24 paid reaches fifty thousand dollars (\$50,000).
 25 SECTION 2. IC 6-1.1-22-11 IS AMENDED TO READ AS
 26 FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 11. A holder of a lien
 27 of record on any real property on which taxes are delinquent may pay
 28 the delinquent taxes, penalties, and cost. The amount so paid is an
 29 additional lien on the real property in favor of the lienholder and is
 30 collectible, with interest at ~~six ten percent (6%)~~ (10%) per annum from
 31 the time of payment, in the same manner as the original lien.
 32 SECTION 3. IC 6-1.1-22-13.5 IS ADDED TO THE INDIANA
 33 CODE AS A NEW SECTION TO READ AS FOLLOWS
 34 [EFFECTIVE JULY 1, 2006]: **Sec. 13.5. (a) A political subdivision**
 35 **acquires a lien on each tract of real property for:**
 36 **(1) all special assessments levied against the tract, including**
 37 **the land under an improvement or appurtenance described in**
 38 **IC 6-1.1-2-4(b); and**
 39 **(2) all subsequent penalties and costs resulting from the**
 40 **special assessments.**
 41 **The lien attaches on the installment due date of the year for which**
 42 **the special assessments are certified for collection. The lien is not**

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1 affected by any sale or transfer of the tract, including the land
2 under an improvement or appurtenance described in
3 IC 6-1.1-2-4(b), and including the sale, exchange, or lease of the
4 tract under IC 36-1-11.

5 (b) The lien of the political subdivision for special assessments,
6 penalties, and costs continues for ten (10) years from May 10 of the
7 year in which special assessments first become due. However, if
8 any proceeding is instituted to enforce the lien within the ten (10)
9 year period, the limitation is extended, if necessary, to permit the
10 termination of the proceeding.

11 (c) The lien of the state inures to political subdivisions that
12 impose the special assessments on which the lien is based, and the
13 lien is superior to all other liens except the lien of the state for
14 property taxes.

15 (d) A political subdivision described in subsection (c) may
16 institute a civil suit against a person or an entity liable for
17 delinquent special assessments. The political subdivision may, after
18 obtaining a judgment, collect:

- 19 (1) delinquent special assessments;
- 20 (2) penalties due to the delinquency; and
- 21 (3) costs and expenses incurred in collecting the delinquent
22 special assessments, including reasonable attorney's fees and
23 court costs approved by a court with jurisdiction.

24 SECTION 4. IC 6-1.1-24-1 IS AMENDED TO READ AS
25 FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 1. (a) On or before July
26 1 of each year, the county treasurer shall certify to the county auditor
27 a list of real property on which any of the following exist:

- 28 (1) Any property taxes or special assessments certified to the
29 county auditor for collection by the county treasurer from the
30 prior year's ~~spring~~ fall installment or before are delinquent as
31 determined under IC 6-1.1-37-10.
- 32 (2) Any unpaid costs are due under section 2(b) of this chapter
33 from a prior tax sale.

34 (b) The county auditor shall maintain a list of all real property
35 eligible for sale. Unless the taxpayer pays to the county treasurer the
36 amounts in subsection (a), the taxpayer's property shall remain on the
37 list. The list must:

- 38 (1) describe the real property by parcel number and common
39 address, if any;
- 40 (2) for a tract or item of real property with a single owner,
41 indicate the name of the owner; and
- 42 (3) for a tract or item with multiple owners, indicate the name of

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at least one (1) of the owners.
(c) Except as otherwise provided in this chapter, the real property so listed is eligible for sale in the manner prescribed in this chapter.

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

SECTION 5. IC 6-1.1-24-1.5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 1.5. ~~(a)~~ This section applies to a county having a consolidated city:

(a) As used in this chapter and IC 6-1.1-25, "county executive" means the following:

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

~~(b)~~ The metropolitan development commission shall **county executive may** designate the real property on the list prepared under section 4.5(b) of this chapter that is eligible for listing on the list prepared under subsection ~~(d)~~: **(c)**.

~~(c)~~ The commission may designate real property for inclusion on the list if the commission finds that the real property:

- ~~(1)~~ is an unsafe premises as determined under ~~(IC 36-7-9)~~ and is subject to:
 - ~~(A)~~ an order issued under ~~IC 36-7-9~~; or
 - ~~(B)~~ a notice of violation issued by the county's health and hospital corporation under ~~IC 16-22-8~~;
- ~~(2)~~ is not being used as a residence or for a business enterprise; and
- ~~(3)~~ is suitable for rehabilitation or development that will benefit or serve low or moderate income families.

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

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

- (1) prepare a list of the properties certified by the commission; and
- (2) delete any property described in that list from the delinquent

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1 tax list prepared under section 1 of this chapter.

2 (f) If the county auditor receives an owner's affidavit under section
3 4.1 of this chapter, the auditor shall, upon determining that the
4 information contained in the affidavit is correct, remove the property
5 from the list prepared under subsection (e) and restore the property to
6 the list prepared under section 1 of this chapter.

7 SECTION 6. IC 6-1.1-24-2 IS AMENDED TO READ AS
8 FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 2. (a) In addition to the
9 delinquency list required under section 1 of this chapter, each county
10 auditor shall prepare a notice. The notice shall contain the following:

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

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

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

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

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

23 (C) all penalties due on the delinquencies;

24 (D) an amount prescribed by the county auditor that equals the
25 sum of:

26 (i) ~~twenty-five dollars (\$25)~~ for postage and publication
27 costs; and

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

30 (E) any unpaid costs due under subsection (b) from a prior tax
31 sale.

32 (4) A statement that a person redeeming each tract or item of real
33 property after the sale must pay:

34 (A) one hundred ten percent (110%) of the amount of the
35 minimum bid for which the tract or item of real property was
36 offered at the time of sale if the tract or item of real property
37 is redeemed not more than six (6) months after the date of
38 sale;

39 (B) one hundred fifteen percent (115%) of the amount of the
40 minimum bid for which the tract or item of real property was
41 offered at the time of sale if the tract or item of real property
42 is redeemed more than six (6) months after the date of sale;

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- 1 (C) the amount by which the purchase price exceeds the
- 2 minimum bid on the tract or item of real property plus ten
- 3 percent (10%) per annum on the amount by which the
- 4 purchase price exceeds the minimum bid; and
- 5 (D) all taxes and special assessments on the tract or item of
- 6 real property paid by the purchaser after the tax sale plus
- 7 interest at the rate of ten percent (10%) per annum on the
- 8 amount of taxes and special assessments paid by the purchaser
- 9 on the redeemed property.
- 10 (5) A statement for informational purposes only, of the location
- 11 of each tract or item of real property by key number, if any, and
- 12 street address, if any, or a common description of the property
- 13 other than a legal description. The township assessor, upon
- 14 written request from the county auditor, shall provide the
- 15 information to be in the notice required by this subsection. A
- 16 misstatement in the key number or street address does not
- 17 invalidate an otherwise valid sale.
- 18 (6) A statement that the county does not warrant the accuracy of
- 19 the street address or common description of the property.
- 20 (7) A statement indicating:
- 21 (A) the name of the owner of each tract or item of real
- 22 property with a single owner; or
- 23 (B) the name of at least one (1) of the owners of each tract or
- 24 item of real property with multiple owners.
- 25 (8) A statement of the procedure to be followed for obtaining or
- 26 objecting to a judgment and order of sale, that must include the
- 27 following:
- 28 (A) A statement:
- 29 (i) that the county auditor and county treasurer will apply on
- 30 or after a date designated in the notice for a court judgment
- 31 against the tracts or real property for an amount that is not
- 32 less than the amount set under subdivision (3), and for an
- 33 order to sell the tracts or real property at public auction to
- 34 the highest bidder, subject to the right of redemption; and
- 35 (ii) indicating the date when the period of redemption
- 36 specified in IC 6-1.1-25-4 will expire.
- 37 (B) A statement that any defense to the application for
- 38 judgment must be filed with the court before the date
- 39 designated as the earliest date on which the application for
- 40 judgment may be filed.
- 41 (C) A statement that the court will set a date for a hearing at
- 42 least seven (7) days before the advertised date and that the

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1 court will determine any defenses to the application for
 2 judgment at the hearing.

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

6 (10) A statement that the sale will take place at the times and
 7 dates designated in the notice. ~~Except as provided in section 5.5~~
 8 ~~of this chapter~~, The sale must take place on or after August 1 and
 9 before November 1 of each year.

10 (11) A statement that a person redeeming each tract or item after
 11 the sale must pay the costs described in IC 6-1.1-25-2(e).

12 (12) If a county auditor and county treasurer have entered into an
 13 agreement under IC 6-1.1-25-4.7, a statement that the county
 14 auditor will perform the duties of the notification and title search
 15 under IC 6-1.1-25-4.5 and the notification and petition to the
 16 court for the tax deed under IC 6-1.1-25-4.6.

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

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

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

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

39 (d) The county auditor and county treasurer may establish the
 40 condition that a tract or item will be sold and may be redeemed under
 41 this chapter only if the tract or item is sold or redeemed together with
 42 one (1) or more other tracts or items. Property may be sold together

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1 only if the tract or item is owned by the same person.

2 SECTION 7. IC 6-1.1-24-2.2 IS AMENDED TO READ AS
3 FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 2.2. (a) This section
4 applies to a county having a consolidated city.

5 (b) Whenever a notice required under section 2 of this chapter
6 includes real property on the list prepared under ~~section 1.5(e)~~ **section**
7 **1.5(d)** of this chapter, the notice must also contain a statement that:

8 (1) the property is on the alternate list prepared under ~~section~~
9 ~~1.5(e)~~ **section 1.5(d)** of this chapter;

10 (2) ~~the owner of the property may file an affidavit with the county~~
11 ~~auditor no later than twenty (20) days following the date of the~~
12 ~~notice indicating that the residential structure located on the~~
13 ~~property is:~~

14 (A) habitable under state law and any ordinance of the
15 political subdivision where the property is located; and

16 (B) has been occupied as a permanent residence for the six (6)
17 month period preceding the date of the notice;

18 (3) if the auditor determines that the statements made in the
19 affidavit are correct, the auditor will remove the property from the
20 list prepared under section 1.5(e) of this chapter and restore the
21 parcel to the delinquent tax list prepared under section 1 of this
22 chapter;

23 (4) (2) if the property is not redeemed within one hundred twenty
24 (120) days after the date of sale the county auditor shall execute
25 and deliver a deed for the property to the purchaser or purchaser's
26 assignee; and

27 (5) (3) if the property is offered for sale and a bid is not received
28 for at least the amount required under section 5 of this chapter,
29 the county auditor may execute and deliver a deed for the property
30 to the purchasing agency under ~~IC 36-7-17~~; **county executive**,
31 subject to IC 6-1.1-25.

32 SECTION 8. IC 6-1.1-24-3 IS AMENDED TO READ AS
33 FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 3. (a) When real
34 property is eligible for sale under this chapter, the county auditor shall
35 post a copy of the notice required by sections 2 and 2.2 of this chapter
36 at a public place of posting in the county courthouse or in another
37 public county building at least twenty-one (21) days before the earliest
38 date of application for judgment. In addition, the county auditor shall,
39 in accordance with IC 5-3-1-4, publish the notice required in sections
40 2 and 2.2 of this chapter once each week for three (3) consecutive
41 weeks before the earliest date on which the application for judgment
42 may be made. The expenses of this publication shall be paid out of the

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1 county general fund without prior appropriation.

2 (b) At least twenty-one (21) days before the application for
3 judgment is made, the county auditor shall mail a copy of the notice
4 required by sections 2 and 2.2 of this chapter by certified mail, return
5 receipt requested, to any mortgagee who annually requests, by certified
6 mail, a copy of the notice. However, the failure of the county auditor to
7 mail this notice or its nondelivery does not affect the validity of the
8 judgment and order.

9 (c) **The notices mailed under this section and** the advertisement
10 published under section 4(b) of this chapter **is are** considered sufficient
11 notice of the intended application for judgment and of the sale of real
12 property under the order of the court.

13 SECTION 9. IC 6-1.1-24-4 IS AMENDED TO READ AS
14 FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 4. (a) Not less than
15 twenty-one (21) days before the earliest date on which the application
16 for judgment and order for sale of real property eligible for sale may be
17 made, the county auditor shall send a notice of the sale by certified
18 mail, **return receipt requested**, to:

- 19 (1) the owner of record of real property with a single owner; or
- 20 (2) to at least one (1) of the owners of real property with multiple
21 owners;

22 at the last address of the owner for the property as indicated in the
23 records of the county auditor. The county auditor shall prepare the
24 notice in the form prescribed by the state board of accounts. The notice
25 must set forth the key number, if any, of the real property and a street
26 address, if any, or other common description of the property other than
27 a legal description. The notice must include the statement set forth in
28 section 2(a)(4) of this chapter. The county auditor must present proof
29 of this mailing to the court along with the application for judgment and
30 order for sale. Failure by an owner to receive or accept the notice
31 required by this section does not affect the validity of the judgment and
32 order. The owner of real property shall notify the county auditor of the
33 owner's correct address. The notice required under this section is
34 considered sufficient if the notice is mailed to the address required by
35 this section.

36 (b) This subsection applies to a county having a consolidated city.
37 In addition to the notice required under subsection (a) for real property
38 on the list prepared under ~~section 1.5(e)~~ **section 1.5(d)** of this chapter,
39 the county auditor shall prepare and mail the notice required under
40 section 2.2 of this chapter no later than August 15 in the year in which
41 the property is to be sold under this chapter.

42 (c) On or before the day of sale, the county auditor shall list, on the

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1 tax sale record required by IC 6-1.1-25-8, all properties that will be
2 offered for sale.

3 SECTION 10. IC 6-1.1-24-4.6 IS AMENDED TO READ AS
4 FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 4.6. (a) On the day on
5 which the application for judgment and order for sale is made, the
6 county treasurer shall report to the county auditor all of the tracts and
7 real property listed in the notice required by section 2 of this chapter
8 upon which all delinquent taxes and special assessments, all penalties
9 due on the delinquencies, any unpaid costs due from a prior tax sale,
10 and the amount due under section 2(a)(3)(D) of this chapter have been
11 paid up to that time. The county auditor, assisted by the county
12 treasurer, shall compare and correct the list, removing tracts and real
13 property for which all delinquencies have been paid, and shall make
14 and subscribe an affidavit in substantially the following form:

15 State of Indiana)
16) ss
17 County of _____)

18 I, _____, treasurer of the county of _____, and
19 I, _____, auditor of the county of _____, do
20 solemnly affirm that the foregoing is a true and correct list of the real
21 property within the county of _____ upon which have remained
22 delinquent uncollected taxes, special assessments, penalties and costs,
23 as required by law for the time periods set forth, to the best of my
24 knowledge and belief.

25 _____
26 County Treasurer
27 _____
28 County Auditor

29 Dated _____
30 I, _____, auditor of the county of _____, do
31 solemnly affirm that notice of the application for judgment and
32 order for sale was mailed via certified mail, return receipt
33 requested, to the owners on the foregoing list, and publication
34 made, as required by law.

35 _____
36 County Auditor

37 Dated _____
38 (b) Application for judgment and order for sale shall be made as one
39 (1) cause of action to any court of competent jurisdiction jointly by the
40 county treasurer and county auditor. The application shall include the
41 names of at least one (1) of the owners of each tract or item of real
42 property, the dates of mailing of the notice required by sections 2

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1 **and 2.2 of this chapter, the dates of publication required by section**
2 **3 of this chapter, and the** affidavit and corrected list as provided in
3 subsection (a).

4 (c) Any defense to the application for judgment and order of sale
5 shall be filed with the court on or before the earliest date on which the
6 application may be made as set forth in the notice required under
7 section 2 of this chapter.

8 SECTION 11. IC 6-1.1-24-4.7 IS AMENDED TO READ AS
9 FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 4.7. (a) No later than
10 fifteen (15) days before the advertised date of the tax sale, the court
11 shall examine the list of tracts and real property as provided under
12 section 4.6 of this chapter. No later than three (3) days before the
13 advertised date of the tax sale, the court shall enter judgment for those
14 taxes, special assessments, penalties, and costs that appear to be due.
15 This judgment is considered as a judgment against each tract or item
16 of real property for each kind of tax, special assessment, penalty, or
17 cost included in it. The affidavit provided under section 4.6 of this
18 chapter is prima facie evidence of delinquency for purposes of
19 proceedings under this section. The court shall also direct the clerk to
20 prepare and enter an order for the sale of those tracts and real property
21 against which judgment is entered.

22 (b) Not later than seven (7) days before the advertised date of the
23 tax sale, the court shall conduct a hearing. At the hearing, the court
24 shall hear any defense offered by any person interested in any of the
25 tracts or items of real property to the entry of judgment against them,
26 hear and determine the matter in a summary manner, without
27 pleadings, and enter its judgment. The court shall enter a judgment
28 under this subsection not later than three (3) days before the advertised
29 date of the tax sale. The objection must be in writing, and no person
30 may offer any defense unless the writing specifying the objection is
31 accompanied by an original or a duplicate tax receipt or other
32 supporting documentation. At least seven (7) days before the date set
33 for the hearing, notice of the date, time, and place of the hearing shall
34 be provided by the court to any person filing a defense to the
35 application for judgment and order of sale.

36 (c) If judgment is entered in favor of the respondent under these
37 proceedings or if judgment is not entered for any particular tract, part
38 of a tract, or items of real property because of an unresolved objection
39 made under subsection (b), the court shall remove those tracts, parts of
40 tracts, or items of real property from the list of tracts and real property
41 provided under section 4.6 of this chapter.

42 (d) A judgment and order for sale shall contain the final listing of

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1 affected properties **and the name of at least one (1) of the owners of**
2 **each tract or item of real property**, and shall substantially follow this
3 form:

4 "Whereas, notice has been given of the intended application for
5 a judgment against these tracts and real property, and no
6 sufficient defense has been made or cause has been shown why
7 judgment should not be entered against these tracts for taxes, and
8 real property special assessments, penalties, and costs due and
9 unpaid on them, therefore it is considered by the court that
10 judgment is hereby entered against the below listed tracts and real
11 property in favor of the state of Indiana for the amount of taxes,
12 special assessments, penalties, and costs due severally on them;
13 and it is ordered by the court that the several tracts or items of real
14 property be sold as the law directs. Payments for taxes, special
15 assessments, penalties, and costs made after this judgment but
16 before the sale shall reduce the judgment accordingly."

17 (e) The order of the court constitutes the list of tracts and real
18 property that shall be offered for sale under section 5 of this chapter.

19 (f) The court that enters judgment under this section shall retain
20 exclusive continuing supervisory jurisdiction over all matters and
21 claims relating to the tax sale.

22 (g) No error or informality in the proceedings of any of the officers
23 connected with the assessment, levying, or collection of the taxes that
24 does not affect the substantial justice of the tax itself shall invalidate or
25 in any manner affect the tax or the assessment, levying, or collection of
26 the tax.

27 (h) Any irregularity, informality, omission, or defective act of one
28 (1) or more officers connected with the assessment or levying of the
29 taxes may be, in the discretion of the court, corrected, supplied, and
30 made to conform to law by the court, or by the officer (in the presence
31 of the court).

32 SECTION 12. IC 6-1.1-24-5 IS AMENDED TO READ AS
33 FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 5. (a) When a tract or
34 an item of real property is subject to sale under this chapter, it must be
35 sold in compliance with this section.

36 (b) The sale must:
37 (1) be held at the times and place stated in the notice of sale; and
38 (2) ~~except as provided in section 5.5 of this chapter~~, not extend
39 beyond October 31 of the year of sale.

40 (c) A tract or an item of real property may not be sold under this
41 chapter to collect:

42 (1) delinquent personal property taxes; or

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- 1 (2) taxes or special assessments which are chargeable to other real
- 2 property.
- 3 (d) A tract or an item of real property may not be sold under this
- 4 chapter if all the delinquent taxes, penalties, and special assessments
- 5 on the tract or an item of real property and the amount prescribed by
- 6 section 2(a)(3)(D) of this chapter, reflecting the costs incurred by the
- 7 county due to the sale, are paid before the time of sale.
- 8 (e) The county treasurer shall sell the tract or real property, subject
- 9 to the right of redemption, to the highest bidder at public auction.
- 10 However, a tract or an item of real property may not be sold for an
- 11 amount which is less than the sum of:
- 12 (1) the delinquent taxes and special assessments on each tract or
- 13 item of real property;
- 14 (2) the taxes and special assessments on each tract or item of real
- 15 property that are due and payable in the year of the sale,
- 16 regardless of whether the taxes and special assessments are
- 17 delinquent;
- 18 (3) all penalties which are due on the delinquencies;
- 19 (4) the amount prescribed by section 2(a)(3)(D) of this chapter
- 20 reflecting the costs incurred by the county due to the sale;
- 21 (5) any unpaid costs which are due under section 2(b) of this
- 22 chapter from a prior tax sale; and
- 23 (6) other reasonable expenses of collection, including title search
- 24 expenses, uniform commercial code expenses, and reasonable
- 25 attorney's fees incurred by the date of the sale.
- 26 (f) For purposes of the sale, it is not necessary for the county
- 27 treasurer to first attempt to collect the real property taxes or special
- 28 assessments out of the personal property of the owner of the tract or
- 29 real property.
- 30 (g) The county auditor shall serve as the clerk of the sale.

31 SECTION 13. IC 6-1.1-24-5.3 IS AMENDED TO READ AS
 32 FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 5.3. (a) This section
 33 applies to the following:

34 **(1) A person who:**

- 35 **(A) owns a fee interest, a life estate interest, or the**
- 36 **equitable interest of a contract purchaser in an unsafe**
- 37 **building or unsafe premises in the county in which a sale is**
- 38 **held under this chapter; and**
- 39 **(B) is subject to an order issued under IC 36-7-9-5(a)(2),**
- 40 **IC 36-7-9-5(a)(3), IC 36-7-9-5(a)(4), or IC 36-7-9-5(a)(5)**
- 41 **regarding which the conditions set forth in**
- 42 **IC 36-7-9-10(a)(1) through IC 36-7-9-10(a)(4) exist.**

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- (2) A person who:**
 - (A) owns a fee interest, a life estate interest, or the equitable interest of a contract purchaser in an unsafe building or unsafe premises in the county in which a sale is held under this chapter; and**
 - (B) is subject to an order issued under IC 36-7-9-5(a), other than an order issued under IC 36-7-9-5(a)(2), IC 36-7-9-5(a)(3), IC 36-7-9-5(a)(4), or IC 36-7-9-5(a)(5), regarding which the conditions set forth in IC 36-7-9-10(b)(1) through IC 36-7-9-10(b)(4) exist.**
- (3) A person who is the defendant in a court action brought under IC 36-7-9-18, IC 36-7-9-19, IC 36-7-9-20, IC 36-7-9-21, or IC 36-7-9-22 in the county in which a sale is held under this chapter that has resulted in a judgment in favor of the plaintiff and the unsafe condition that caused the action to be brought has not been corrected.**
- (4) A person who has any of the following relationships to a person, partnership, corporation, or legal entity described in subdivisions (1), (2), or (3):**
 - (A) A partner of a partnership.**
 - (B) An officer or majority stockholder of a corporation.**
 - (C) The person who directs the activities or has a majority ownership in a legal entity other than a partnership or corporation.**
- (†) (5) A person who, in the county in which a sale is held under this chapter, owes:**
 - (A) delinquent taxes;**
 - (B) special assessments;**
 - (C) penalties;**
 - (D) interest; or**
 - (E) costs directly attributable to a prior tax sale;**

on a tract of real property listed under section 1 of this chapter.
- (‡) (6) A person who is an agent of the person described in subdivision (†); this subsection.**
 - (b) A person subject to this section may not purchase a tract offered for sale under section 5 or 5.5 of this chapter.**
 - (c) The county treasurer shall require each person who will be bidding at the tax sale to sign a statement in a form substantially similar to the following:**

"Indiana law prohibits a person who owes delinquent taxes, special assessments, penalties, interest, or costs directly attributable to a prior tax sale from purchasing tracts or

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1 items of real property at a tax sale. I hereby affirm under the
 2 penalties for perjury that I do not owe delinquent taxes,
 3 special assessments, penalties, interest, costs directly
 4 attributable to a prior tax sale, amounts from a final
 5 adjudication in favor of a political subdivision in this county,
 6 any civil penalties imposed for the violation of a building code
 7 or ordinance of this county, or any civil penalties imposed by
 8 a health department in this county. Further, I hereby
 9 acknowledge that any successful bid I make in violation of this
 10 statement is subject to forfeiture. In the event of forfeiture,
 11 the amount of my bid shall be applied to the delinquent taxes,
 12 special assessments, penalties, interest, costs, judgments, or
 13 civil penalties I owe, and a certificate will be issued to the
 14 county executive."

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

- 20 (1) apply the amount of the person's bid to the person's delinquent
- 21 taxes, special assessments, penalties, and interest;
- 22 (2) remit the amounts owed from a final adjudication or civil
- 23 penalties in favor of a political subdivision to the appropriate
- 24 political subdivision; and offer the real property for sale again
- 25 (3) notify the county auditor that the sale has been forfeited.

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

29 (e) **A county treasurer may decline to forfeit a sale under this**
 30 **section because of inadvertence or mistake, lack of actual**
 31 **knowledge by the bidder, substantial harm to other parties with**
 32 **interests in the tract or item of real property, or other substantial**
 33 **reasons. If the treasurer declines to forfeit a sale, the treasurer**
 34 **shall:**

- 35 (1) prepare a written statement explaining the reasons for
- 36 declining to forfeit the sale; and
- 37 (2) retain the written statement as an official record.

38 SECTION 14. IC 6-1.1-24-6 IS AMENDED TO READ AS
 39 FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 6. (a) When a tract or
 40 an item of real property is offered for sale under this chapter ~~for two (2)~~
 41 ~~consecutive tax sales~~ and an amount is not received equal to or in
 42 excess of the minimum sale price prescribed in section 5(e) of this

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1 chapter, the county **executive** acquires a lien in the amount of the
 2 minimum sale price. This lien attaches on the day after the last date on
 3 which the tract or item was offered for sale. ~~the second time.~~

4 (b) When a county **executive** acquires a lien under this section, the
 5 county auditor shall issue a tax sale certificate to the county **executive**
 6 in the manner provided in section 9 of this chapter. The county auditor
 7 shall date the certificate the day that the county **executive** acquires the
 8 lien. When a county **executive** acquires a certificate under this section,
 9 the county **executive** has the same rights as a purchaser. ~~However, the~~
 10 ~~county shall hold the certificate for the taxing units described in~~
 11 ~~subsection (c):~~

12 (c) When a lien is acquired by a county **executive** under this section,
 13 no money shall be paid by the county **executive**. However, each of the
 14 taxing units having an interest in the taxes on the tract shall be charged
 15 with the full amount of all delinquent taxes due them.

16 SECTION 15. IC 6-1.1-24-6.1 IS AMENDED TO READ AS
 17 FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 6.1. (a) The county
 18 ~~commissioners executive~~ may:

19 (1) by resolution, identify properties:

20 (A) that are described in section 6.7(a) of this chapter; and

21 (B) concerning which the county ~~commissioners executive~~
 22 desire to offer to the public the certificates of sale acquired by
 23 the county **executive** under section 6 of this chapter;

24 (2) publish notice in accordance with IC 5-3-1 of the date, time,
 25 and place for a public sale of the certificates of sale that is not
 26 earlier than ninety (90) days after the last date the notice is
 27 published; and

28 (3) sell each certificate of sale covered by the resolution for a
 29 price that:

30 (A) is less than the minimum sale price prescribed by section
 31 5(e) of this chapter; and

32 (B) includes any costs to the county **executive** directly
 33 attributable to the sale of the certificate of sale.

34 (b) Notice of the list of properties prepared under subsection (a) and
 35 the date, time, and place for the public sale of the certificates of sale
 36 shall be published in accordance with IC 5-3-1. The notice must:

37 (1) include a description of the property by parcel number and
 38 common address;

39 (2) specify that the county ~~commissioners executive~~ will accept
 40 bids for the certificates of sale for the price referred to in
 41 subsection (a)(3);

42 (3) specify the minimum bid for each parcel;

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- 1 (4) include a statement that a person redeeming each tract or item
- 2 of real property after the sale of the certificate must pay:
- 3 (A) the amount of the minimum bid under section 5(e) of this
- 4 chapter for which the tract or item of real property was last
- 5 offered for sale;
- 6 (B) ten percent (10%) of the amount for which the certificate
- 7 is sold;
- 8 (C) the attorney's fees and costs of giving notice under
- 9 IC 6-1.1-25-4.5;
- 10 (D) the costs of a title search or of examining and updating the
- 11 abstract of title for the tract or item of real property; and
- 12 (E) all taxes and special assessments on the tract or item of
- 13 real property paid by the purchaser after the sale of the
- 14 certificate plus interest at the rate of ten percent (10%) per
- 15 annum on the amount of taxes and special assessments paid by
- 16 the purchaser on the redeemed property; and

17 (5) include a statement that, if the certificate is sold for an amount
 18 more than the minimum bid under section 5(e) of this chapter for
 19 which the tract or item of real property was last offered for sale
 20 and the property is not redeemed, the owner of record of the tract
 21 or item of real property who is divested of ownership at the time
 22 the tax deed is issued may have a right to the tax sale surplus.

23 SECTION 16. IC 6-1.1-24-6.3 IS AMENDED TO READ AS
 24 FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 6.3. (a) The sale of
 25 certificates of sale under this chapter must be held at the time and place
 26 stated in the notice of sale.

27 (b) A certificate of sale may not be sold under this chapter if the
 28 following are paid before the time of sale:

- 29 (1) All the delinquent taxes, penalties, and special assessments on
- 30 the tract or an item of real property.
- 31 (2) The amount prescribed by section 2(a)(3)(D) of this chapter,
- 32 reflecting the costs incurred by the county due to the sale.

33 (c) The county ~~commissioners~~ **executive** shall sell the certificate of
 34 sale, subject to the right of redemption, to the highest bidder at public
 35 auction.

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

37 SECTION 17. IC 6-1.1-24-6.4 IS AMENDED TO READ AS
 38 FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 6.4. (a) When a
 39 certificate of sale is sold under this chapter, the purchaser at the sale
 40 shall immediately pay the amount of the bid to the county treasurer.

41 The county treasurer shall apply the payment in the following manner:

- 42 (1) First, to the taxes, special assessments, penalties, and costs

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1 described in section 5(e) of this chapter.
 2 (2) Second, to other delinquent property taxes in the manner
 3 provided in IC 6-1.1-23-5(b).
 4 (3) Third, to a separate "tax sale surplus fund".
 5 (b) The:
 6 (1) owner of record of the real property at the time the tax deed is
 7 issued who is divested of ownership by the issuance of a tax deed;
 8 or
 9 (2) purchaser of the certificate or the purchaser's assignee, upon
 10 redemption of the tract or item of real property;
 11 may file a verified claim for money that is deposited in the tax sale
 12 surplus fund. If the claim is approved by the county auditor and the
 13 county treasurer, the county auditor shall issue a warrant to the
 14 claimant for the amount due.
 15 (c) An amount deposited in the tax sale surplus fund shall be
 16 transferred by the county auditor to the county general fund, **the**
 17 **redevelopment fund, the unsafe building fund, or the housing trust**
 18 **fund, as directed by the county executive**, and may not be disbursed
 19 under subsection (b) if it is claimed more than three (3) years after the
 20 date of its receipt.
 21 (d) Upon the assignment of the certificate of sale to the purchaser,
 22 the county auditor shall indicate on the certificate the amount for which
 23 the certificate of sale was sold.
 24 SECTION 18. IC 6-1.1-24-6.7 IS AMENDED TO READ AS
 25 FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 6.7. ~~(a) After each tax~~
 26 ~~sale conducted under this chapter, the county auditor shall prepare and~~
 27 ~~deliver to the county commissioners a list of all properties:~~
 28 ~~(1) that have been offered for sale in two (2) consecutive tax~~
 29 ~~sales;~~
 30 ~~(2) that have not received a bid for at least the amount required~~
 31 ~~under section 5 of this chapter;~~
 32 ~~(3) that are not subject to the provisions of section 6.5 of this~~
 33 ~~chapter;~~
 34 ~~(4) on which the county has acquired a lien under section 6 of this~~
 35 ~~chapter; and~~
 36 ~~(5) for which the county is eligible to take title.~~
 37 ~~(b) (a) The county commissioners shall executive may:~~
 38 (1) by resolution, identify the property described under ~~subsection~~
 39 ~~(a) section 6 of this chapter~~ that the county ~~commissioners desire~~
 40 **executive desires** to transfer to a nonprofit corporation for use for
 41 the public good; and
 42 (2) set a date, time, and place for a public hearing to consider the

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1 transfer of the property to a nonprofit corporation.
2 ~~(c)~~ **(b)** Notice of the list prepared **property identified** under
3 subsection ~~(b)~~ **(a)** and the date, time, and place for the hearing on the
4 proposed transfer of the property on the list shall be published in
5 accordance with IC 5-3-1. The notice must include a description of the
6 property by:

- 7 (1) legal description; and
- 8 (2) parcel number or street address, or both.

9 The notice must specify that the county ~~commissioners~~ **executive** will
10 accept applications submitted by nonprofit corporations as provided in
11 subsection ~~(f)~~ **(d)** and hear any opposition to a proposed transfer.

12 ~~(d)~~ **(c)** After the hearing set under subsection ~~(b)~~; **(a)**, the county
13 ~~commissioners~~ **executive** shall by resolution make a final
14 determination concerning:

- 15 (1) the properties that are to be transferred to a nonprofit
16 corporation;
- 17 (2) the nonprofit corporation to which each property is to be
18 transferred; and
- 19 (3) the terms and conditions of the transfer.

20 ~~(e)~~ This subsection applies only to a county having a consolidated
21 city. The resolution of the county ~~commissioners~~ prepared under
22 subsection (d) shall be forwarded to the county executive for approval.
23 The county executive may remove any properties from the list of
24 properties to be transferred that is prepared under subsection (d). The
25 final list of properties to be transferred to nonprofit corporations shall
26 be approved by the county executive and returned to the county
27 ~~commissioners~~.

28 ~~(f)~~ **(d)** To be eligible to receive property under this section, a
29 nonprofit corporation must file an application with the county
30 ~~commissioners~~; **executive**. The application must state the property that
31 the corporation desires to acquire, the use to be made of the property,
32 and the time period anticipated for implementation of the use. The
33 application must be accompanied by documentation verifying the
34 nonprofit status of the corporation and be signed by an officer of the
35 corporation. If more than one (1) application for a single property is
36 filed, the county ~~commissioners~~ **executive** shall determine which
37 application is to be accepted based on the benefit to be provided to the
38 public and the neighborhood and the suitability of the stated use for the
39 property and the surrounding area.

40 ~~(g)~~ **(e)** After the hearing set under subsection ~~(b)~~ **(a)** and the final
41 determination of properties to be transferred under subsection ~~(d)~~ or
42 ~~(e)~~; **(c)**, whichever is applicable, the county ~~commissioners~~; **executive**,

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1 on behalf of the county, shall cause all delinquent taxes, special
 2 assessments, penalties, interest, and costs of sale to be removed from
 3 the tax duplicate and the county auditor to prepare a deed transferring
 4 the property to the nonprofit corporation. The deed shall provide for:

- 5 (1) the use to be made of the property;
 6 (2) the time within which the use must be implemented and
 7 maintained;
 8 (3) any other term and conditions that are established by the
 9 county ~~commissioners~~; **executive**; and
 10 (4) the reversion of the property to the county **executive** if the
 11 grantee nonprofit corporation fails to comply with the terms and
 12 conditions.

13 If the grantee nonprofit corporation fails to comply with the terms and
 14 conditions of the transfer and title to the property reverts to the county
 15 **executive**, the property may be retained by the county **executive** or
 16 disposed of under any of the provisions of this chapter or IC 6-1.1-24,
 17 or both.

18 SECTION 19. IC 6-1.1-25-4 IS AMENDED TO READ AS
 19 FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 4. (a) The period for
 20 redemption of real property sold under IC 6-1.1-24 is:

- 21 (1) one (1) year after the date of sale;
 22 (2) one hundred twenty (120) days after the date of sale to a
 23 purchasing agency qualified under IC 36-7-17; **or**
 24 (3) one hundred twenty (120) days after the date of sale of real
 25 property on the list prepared under IC 6-1.1-24-1.5. ~~or~~
 26 ~~(4) one hundred twenty (120) days after the date of sale under~~
 27 ~~IC 6-1.1-24-5.5(b).~~

28 (b) The period for redemption of real property:

- 29 (1) on which the county **executive** acquires a lien under
 30 IC 6-1.1-24-6; and
 31 (2) for which the certificate of sale is not sold under
 32 IC 6-1.1-24-6.1;

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

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

- 36 (1) on which the county **executive** acquires a lien under
 37 IC 6-1.1-24-6; and
 38 (2) for which the certificate of sale is sold under IC 6-1.1-24;

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

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

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1 certificate in the office of the county auditor. If real property that
 2 appears on the list prepared under IC 6-1.1-24-1.5 is offered for sale
 3 and an amount that is at least equal to the minimum sale price required
 4 under IC 6-1.1-24-5(e) is not received, the county auditor shall issue a
 5 deed to the real property, ~~in the manner provided in IC 6-1.1-24-6.5.~~
 6 **subject to this chapter.**

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

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

- 19 (1) all easements, covenants, declarations, and other deed
- 20 restrictions shown by public records;
- 21 (2) laws, ordinances, and regulations concerning governmental
- 22 police powers, including zoning, building, land use,
- 23 improvements on the land, land division, and environmental
- 24 protection; and
- 25 (3) liens and encumbrances created or suffered by the grantee.

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

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

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

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

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1 certification, the certified amount is subject to collection as delinquent
 2 personal property taxes under IC 6-1.1-23. Notwithstanding
 3 IC 6-1.1-4-12.4 and IC 6-1.1-4-12.6, the assessed value of such an
 4 interest shall be zero (0) until production commences.

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

11 SECTION 20. IC 6-1.1-25-4.5 IS AMENDED TO READ AS
 12 FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 4.5. (a) Except as
 13 provided in subsection (d), a purchaser or the purchaser's assignee is
 14 entitled to a tax deed to the property that was sold only if:

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

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

19 (3) not later than nine (9) months after the date of the sale:

20 (A) the purchaser or the purchaser's assignee; or

21 (B) in a county where the county auditor and county treasurer
 22 have an agreement under section 4.7 of this chapter, the
 23 county auditor;

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

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

30 (1) the redemption period specified in section 4(b) of this chapter
 31 has expired;

32 (2) the property has not been redeemed within the period of
 33 redemption specified in section 4(b) of this chapter; and

34 (3) not later than ninety (90) days after the date the county
 35 **executive** acquires the lien under IC 6-1.1-24-6, the county
 36 auditor gives notice of the sale to:

37 (A) the owner of record at the time the lien was acquired; and

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

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

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- 1 (1) the redemption period specified in section 4(c) of this chapter
 2 has expired;
- 3 (2) the property has not been redeemed within the period of
 4 redemption specified in section 4(c) of this chapter; and
- 5 (3) not later than ninety (90) days after the date of sale of the
 6 certificate of sale under IC 6-1.1-24, the purchaser gives notice of
 7 the sale to:
- 8 (A) the owner of record at the time of the sale; and
- 9 (B) any person with a substantial property interest of public
 10 record in the tract or real property.
- 11 ~~(d)~~ A purchaser or the purchaser's assignee is entitled to a tax deed
 12 to the property that was sold under IC 6-1.1-24-5.5(b) only if:
- 13 ~~(1)~~ the redemption period specified in section 4(a)(4) of this
 14 chapter has expired;
- 15 ~~(2)~~ the property has not been redeemed within the period of
 16 redemption specified in section 4(a)(4) of this chapter; and
- 17 ~~(3)~~ not later than ninety (90) days after the date of the sale, the
 18 purchaser or the purchaser's assignee gives notice of the sale to:
- 19 ~~(A)~~ the owner of record at the time of the sale; and
- 20 ~~(B)~~ any person with a substantial property interest of public
 21 record in the tract or real property.
- 22 ~~(e)~~ **(d)** The person required to give the notice under subsection (a),
 23 (b), or (c) shall give the notice by sending a copy of the notice by
 24 certified mail, **return receipt requested**, to:
- 25 (1) the owner of record at the time of the:
- 26 (A) sale of the property;
- 27 (B) acquisition of the lien on the property under IC 6-1.1-24-6;
 28 or
- 29 (C) sale of the certificate of sale on the property under
 30 IC 6-1.1-24;
- 31 at the last address of the owner for the property, as indicated in
 32 the records of the county auditor; and
- 33 (2) any person with a substantial property interest of public record
 34 at the address for the person included in the public record that
 35 indicates the interest.
- 36 However, if the address of the person with a substantial property
 37 interest of public record is not indicated in the public record that
 38 created the interest and cannot be located by ordinary means by the
 39 person required to give the notice under subsection (a), (b), or (c), the
 40 person may give notice by publication in accordance with **Indiana**
 41 **Trial Rule 4.13 and** IC 5-3-1-4 once each week for three (3)
 42 consecutive weeks.

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1 Ⓢ (e) The notice that this section requires shall contain at least the
2 following:

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

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

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

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

10 (5) The name of the:

11 (A) purchaser or purchaser's assignee;

12 (B) county **executive** that acquired the lien on the property
13 under IC 6-1.1-24-6; or

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

16 (6) A statement that any person may redeem the tract or real
17 property.

18 (7) The components of the amount required to redeem the tract or
19 real property.

20 (8) A statement that an entity identified in subdivision (5) is
21 entitled to reimbursement for additional taxes or special
22 assessments on the tract or real property that were paid by the
23 entity subsequent to the tax sale, lien acquisition, or purchase of
24 the certificate of sale, and before redemption, plus interest.

25 (9) A statement that the tract or real property has not been
26 redeemed.

27 (10) A statement that an entity identified in subdivision (5) is
28 entitled to receive a deed for the tract or real property if it is not
29 redeemed before the expiration of the period of redemption
30 specified in section 4 of this chapter.

31 (11) A statement that an entity identified in subdivision (5) is
32 entitled to reimbursement for costs described in section 2(e) of
33 this chapter.

34 (12) The date of expiration of the period of redemption specified
35 in section 4 of this chapter.

36 (13) A statement that if the property is not redeemed, the owner
37 of record at the time the tax deed is issued may have a right to the
38 tax sale surplus, if any.

39 (14) The street address, if any, or a common description of the
40 tract or real property.

41 (15) The key number or parcel number of the tract or real
42 property.

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1 ~~(g)~~ **(f)** The notice under this section must include not more than one
 2 (1) tract or item of real property listed and sold in one (1) description.
 3 However, when more than one (1) tract or item of real property is
 4 owned by one (1) person, all of the tracts or real property that are
 5 owned by that person may be included in one (1) notice.

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

9 ~~(i)~~ **(h)** The notice required by this section is considered sufficient if
 10 the notice is mailed to the address required under subsection ~~(e)~~. **(d)**.

11 ~~(j)~~ **(i)** The notice under this section and the notice under section 4.6
 12 of this chapter are not required for persons in possession not shown in
 13 the public records.

14 ~~(k)~~ **(j)** If the purchaser fails to:

15 (1) comply with subsection (c)(3); or

16 (2) petition for the issuance of a tax deed within the time
 17 permitted under section 4.6(a) of this chapter;

18 the certificate of sale reverts to the county **executive** and may be
 19 retained by the county **executive** or sold under IC 6-1.1-24-6.1.

20 SECTION 21. IC 6-1.1-25-4.6 IS AMENDED TO READ AS
 21 FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 4.6. (a) After the
 22 expiration of the redemption period specified in section 4 of this
 23 chapter but not later than six (6) months after the expiration of the
 24 period of redemption:

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

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

32 file a verified petition in the same court and under the same cause
 33 number in which the judgment of sale was entered **verifying that the**
 34 **notice required by section 4.5 of this chapter was given, listing the**
 35 **persons served, specifying the date and means of service, and**
 36 asking the court to direct the county auditor to issue a tax deed if the
 37 real property is not redeemed from the sale. Notice of the filing of this
 38 petition shall be given to the same parties and in the same manner as
 39 provided in section 4.5 of this chapter, except that, if notice is given by
 40 publication, only one (1) publication is required. The notice required
 41 by this section is considered sufficient if the notice is sent to the
 42 address required by ~~section 4.5(e)~~ **section 4.5(d)** of this chapter. **The**

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1 **verified petition must include the certificate of service required by**
 2 **Trial Rule 5.** Any person owning or having an interest in the tract or
 3 real property may file a written objection to the petition with the court
 4 not later than thirty (30) days after the date the petition was filed. If a
 5 written objection is timely filed, the court shall conduct a hearing on
 6 the objection.

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

12 (1) The time of redemption has expired.

13 (2) The tract or real property has not been redeemed from the sale
 14 before the expiration of the period of redemption specified in
 15 section 4 of this chapter.

16 (3) Except with respect to a petition for the issuance of a tax deed
 17 under a sale of the certificate of sale on the property under
 18 IC 6-1.1-24-6.1, all taxes and special assessments, penalties, and
 19 costs have been paid.

20 (4) The notices required by this section and section 4.5 of this
 21 chapter have been given.

22 (5) The petitioner has complied with all the provisions of law
 23 entitling the petitioner to a deed.

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

29 (c) Upon application by the grantee of a valid tax deed in the same
 30 court and under the same cause number in which the judgment of sale
 31 was entered, the court shall enter an order to place the grantee of a
 32 valid tax deed in possession of the real estate. The court may enter any
 33 orders and grant any relief that is necessary or desirable to place or
 34 maintain the grantee of a valid tax deed in possession of the real estate.

35 (d) Except as provided in subsections (e) and (f), if the court refuses
 36 to enter an order directing the county auditor to execute and deliver the
 37 tax deed because of the failure of the petitioner under subsection (a) to
 38 fulfill the requirements of this section, the court shall order the return
 39 of the purchase price minus a penalty of twenty-five percent (25%) of
 40 the amount of the purchase price. Penalties paid under this subsection
 41 shall be deposited in the county general fund.

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

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1 (1) the petitioner under subsection (a) has made a bona fide
 2 attempt to comply with the statutory requirements under
 3 subsection (b) for the issuance of the tax deed but has failed to
 4 comply with these requirements; and
 5 (2) the court refuses to enter an order directing the county auditor
 6 to execute and deliver the tax deed because of the failure to
 7 comply with these requirements;
 8 the county auditor shall not execute the deed but shall refund the
 9 purchase money plus six percent (6%) interest per annum from the
 10 county treasury to the purchaser, the purchaser's successors or
 11 assignees, or the purchaser of the certificate of sale under IC 6-1.1-24.
 12 The tract or item of real property, if it is then eligible for sale under
 13 IC 6-1.1-24, shall be placed on the delinquent list as an initial offering
 14 under IC 6-1.1-24-6.

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

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

21 (g) A tax deed executed under this section vests in the grantee an
 22 estate in fee simple absolute, free and clear of all liens and
 23 encumbrances created or suffered before or after the tax sale except
 24 those liens granted priority under federal law, and the lien of the state
 25 or a political subdivision for taxes and special assessments that accrue
 26 subsequent to the sale. However, the estate is subject to all easements,
 27 covenants, declarations, and other deed restrictions and laws governing
 28 land use, including all zoning restrictions and liens and encumbrances
 29 created or suffered by the purchaser at the tax sale. The deed is prima
 30 facie evidence of:

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

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

39 SECTION 22. IC 6-1.1-25-9 IS AMENDED TO READ AS
 40 FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 9. (a) When a county
 41 acquires title to real property under IC 6-1.1-24 and this chapter, the
 42 county **executive** may dispose of the real property under IC 36-1-11 or

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1 subsection (e). The proceeds of any sale under IC 36-1-11 shall be
2 applied as follows:

3 (1) First, to the cost of the sale or offering for sale of the real
4 property, including the cost of:

5 (A) maintenance;

6 (B) preservation;

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

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

10 (E) preparation of the property for sale;

11 (F) advertising; and

12 (G) appraisal.

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

16 (A) maintenance;

17 (B) preservation;

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

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

21 (E) preparation of the property for sale;

22 (F) advertising; and

23 (G) appraisal.

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

27 (4) Fourth, any surplus remaining into the county general fund.

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

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

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

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

38 (d) If the county **executive** determines ~~under IC 36-1-11~~ that any
39 real property ~~so~~ acquired **under this section** should be retained by the
40 county, then the county **executive** shall not dispose of the real property.
41 The county executive may repair, maintain, equip, alter, and construct
42 buildings upon the real property so retained in the same manner

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1 prescribed for other county buildings.

2 (e) The county **executive** may transfer title to real property
3 described in subsection (a) to the redevelopment commission at no cost
4 to the commission for sale, or grant, or **other disposition** under
5 IC 36-7-14-22.2, **IC 36-7-14-22.5**, IC 36-7-15.1-15.1, or
6 IC 36-7-15.1-15.2, or **IC 36-7-15.1-15.5**.

7 (f) **If the real property is located in a geographic area that is not**
8 **served by a redevelopment commission and the county executive**
9 **determines that any real property acquired under this section**
10 **should be held for later sale or transfer by the county executive, the**
11 **county executive shall wait until an appropriate time to dispose of**
12 **the real property. The county executive may do the following:**

- 13 (1) **Examine, classify, manage, protect, insure, and maintain**
14 **the property being held.**
- 15 (2) **Eliminate deficiencies (including environmental**
16 **deficiencies), carry out repairs, remove structures, make**
17 **improvements, and control the use of the property.**
- 18 (3) **Lease the property while it is being held.**

19 **The county executive may enter into contracts to carry out part or**
20 **all of the functions described in subdivisions (1) through (3).**

21 SECTION 23. IC 36-1-8-16 IS ADDED TO THE INDIANA CODE
22 AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY
23 1, 2006]: **Sec. 16. (a) If a county executive disposes of real property,**
24 **the property taxes collected for each item of the real property,**
25 **beginning in the year following the year the real property is sold or**
26 **otherwise conveyed, shall be disbursed as follows:**

- 27 (1) **Fifty percent (50%) in the same manner and in the same**
28 **proportions as property taxes in general are disbursed.**
- 29 (2) **Fifty percent (50%) to the county executive that sold or**
30 **otherwise conveyed the parcel.**

31 (b) **Disbursements to the county executive under subsection**
32 **(a)(2) shall be deposited into the unsafe building fund and shall be**
33 **used only for one (1) or more of the purposes authorized under**
34 **IC 36-7-14-22.5 or IC 36-7-15.1-15.5**

35 (c) **The county executive shall forward a copy of each resolution**
36 **that disposes or otherwise conveys real property to the county**
37 **auditor.**

38 (d) **The disbursement of property taxes under subsection (a)**
39 **shall continue for five (5) years after the property is sold or**
40 **otherwise conveyed.**

41 SECTION 24. IC 36-7-9-2 IS AMENDED TO READ AS
42 FOLLOWS [EFFECTIVE JULY 1, 2006]: **Sec. 2. As used in this**

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

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

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

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

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

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

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

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1 **"Known or recorded substantial property interest" means any**
2 **right in real property, including a fee interest, a life estate interest,**
3 **a future interest, a mortgage interest, or an equitable interest of a**
4 **contract purchaser, that:**

5 **(1) may be affected in a substantial way by actions authorized**
6 **by this chapter; and**

7 **(2) is held by a person whose identity and address may be**
8 **determined from:**

9 **(A) an instrument recorded in the recorder's office of the**
10 **county where the unsafe premises is located;**

11 **(B) written information or actual knowledge received by**
12 **the department (or, in the case of a consolidated city, the**
13 **enforcement authority); or**

14 **(C) a review of department (or, in the case of a**
15 **consolidated city, the enforcement authority) records that**
16 **is sufficient to identify information that is reasonably**
17 **ascertainable.**

18 "Substantial property interest" means any right in real property that
19 may be affected in a substantial way by actions authorized by this
20 chapter, including a fee interest, a life estate interest, a future interest,
21 a present possessory interest, a mortgage interest, or an equitable
22 interest of a contract purchaser. In a consolidated city, the interest
23 reflected by a deed, lease, license, mortgage, land sale contract, or lien
24 is not a substantial property interest unless the deed, lease, license,
25 mortgage, land sale contract, lien, or evidence of it is:

26 (1) recorded in the office of the county recorder; or

27 (2) the subject of a written information that is received by the
28 division of development services and includes the name and
29 address of the holder of the interest described.

30 SECTION 25. IC 36-7-9-7 IS AMENDED TO READ AS
31 FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 7. (a) A hearing must
32 be held relative to each order of the enforcement authority, except for
33 an order issued under section 5(a)(2), 5(a)(3), 5(a)(4), or 5(a)(5) of this
34 chapter. An order issued under section 5(a)(2), 5(a)(3), 5(a)(4), or
35 5(a)(5) of this chapter becomes final ten (10) days after notice is given,
36 unless a hearing is requested before the ten (10) day period ends by a
37 person holding a fee interest, life estate interest, mortgage interest, or
38 equitable interest of a contract purchaser in the unsafe premises. The
39 hearing shall be conducted by the hearing authority.

40 (b) The hearing shall be held on a business day no earlier than ten
41 (10) days after notice of the order is given. The hearing authority may,
42 however, take action at the hearing, or before the hearing if a written

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1 request is received by the enforcement authority not later than five (5)
 2 days after notice is given, to continue the hearing to a business day not
 3 later than fourteen (14) days after the hearing date shown on the order.
 4 Unless the hearing authority takes action to have the continued hearing
 5 held on a definite, specified date, notice of the continued hearing must
 6 be given to the person to whom the order was issued at least five (5)
 7 days before the continued hearing date, in the manner prescribed by
 8 section 25 of this chapter. If the order being considered at the
 9 continued hearing was served by publication, it is sufficient to give
 10 notice of the continued hearing by publication unless the enforcement
 11 authority has received information in writing that enables it to make
 12 service under section 25 of this chapter by a method other than
 13 publication.

14 (c) The person to whom the order was issued, any person having a
 15 substantial property interest in the unsafe premises that are the subject
 16 of the order, or any other person with an interest in the proceedings
 17 may appear in person or by counsel at the hearing. Each person
 18 appearing at the hearing is entitled to present evidence, cross-examine
 19 opposing witnesses, and present arguments.

20 (d) At the conclusion of any hearing at which a continuance is not
 21 granted, the hearing authority may make findings and take action to:

- 22 (1) affirm the order;
- 23 (2) rescind the order; or
- 24 (3) modify the order, but unless the person to whom the order was
 25 issued, or counsel for that person, is present at the hearing, the
 26 hearing authority may modify the order in only a manner that
 27 makes its terms less stringent.

28 (e) In addition to affirming the order, in those cases in which the
 29 hearing authority finds that there has been a willful failure to comply
 30 with the order, the hearing authority may **do any of the following:**

- 31 (1) Impose a civil penalty in an amount not to exceed five
 32 thousand dollars (\$5,000). The effective date of the civil penalty
 33 may be postponed for a reasonable period, after which the hearing
 34 authority may order the civil penalty reduced or stricken if the
 35 hearing authority is satisfied that all work necessary to fully
 36 comply with the order has been done. For purposes of an appeal
 37 under section 8 of this chapter or enforcement of an order under
 38 section 17 of this chapter, action of the hearing authority is
 39 considered final upon the affirmation of the order, even though
 40 the hearing authority may retain jurisdiction for the ultimate
 41 determination ~~of a fine~~ **related to the civil penalty. In the**
 42 **hearing authority's exercise of continuing jurisdiction, the**

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1 hearing authority may, in addition to reducing or striking the
 2 civil penalty, impose an additional civil penalty in an amount
 3 not to exceed five thousand dollars (\$5,000). The additional
 4 civil penalty may be imposed if:

5 (A) at least six (6) months have passed since the earlier
 6 imposition of a civil penalty;

7 (B) the order is not being reviewed under section 8 of this
 8 chapter; and

9 (C) the hearing authority finds that:

10 (i) significant work on the premises to comply with the
 11 affirmed order has not been accomplished; and

12 (ii) the premises have a negative effect on property
 13 values or the quality of life of the surrounding area or
 14 the premises require the provision of services by local
 15 government in excess of the services required by
 16 ordinary properties.

17 (2) Impose a fine in an amount not to exceed five hundred
 18 dollars (\$500) on a person subject to the order. The fine may
 19 be imposed for each day the person fails to comply with the
 20 order.

21 ~~(e)~~ (f) If, at a hearing, a person to whom an order has been issued
 22 requests an additional period to accomplish action required by the
 23 order, and shows good cause for this request to be granted, the hearing
 24 authority may grant the request. However, as a condition for allowing
 25 the additional period, the hearing authority may require that the person
 26 post a performance bond to be forfeited if the action required by the
 27 order is not completed within the additional period.

28 ~~(f)~~ (g) The board or commission having control over the department
 29 shall, at a public hearing, after having given notice of the time and
 30 place of the hearing by publication in accordance with IC 5-3-1, adopt
 31 a schedule setting forth the maximum amount of performance bonds
 32 applicable to various types of ordered action. The hearing authority
 33 shall use this schedule to fix the amount of the performance bond
 34 required under subsection ~~(e)~~ (f).

35 ~~(g)~~ (h) The record of the findings made and action taken by the
 36 hearing authority at the hearing shall be available to the public upon
 37 request. However, neither the enforcement authority nor the hearing
 38 authority is required to give any person notice of the findings and
 39 action.

40 ~~(h)~~ (i) If a civil penalty or fine under subsection ~~(d)~~ (e) is unpaid
 41 for more than fifteen (15) days after payment of the civil penalty
 42 or fine is due, the civil penalty or fine may be collected from any

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1 **person against whom the hearing officer assessed the civil penalty**
2 **or fine. A civil penalty or fine may be collected under this**
3 **subsection** in the same manner as costs under section 13 **or 13.5** of this
4 chapter. The amount of the civil penalty **or fine** that is collected shall
5 be deposited in the unsafe building fund.

6 SECTION 26. IC 36-7-9-8 IS AMENDED TO READ AS
7 FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 8. (a) An action taken
8 under section 7(d) **or 7(e)** of this chapter is subject to review by the
9 circuit or superior court of the county in which the unsafe premises are
10 located, on request of:

11 (1) any person who has a substantial property interest in the
12 unsafe premises; or

13 (2) any person to whom that order was issued.

14 (b) A person requesting judicial review under this section must file
15 a verified complaint including the findings of fact and the action taken
16 by the hearing authority. The complaint must be filed within ten (10)
17 days after the date when the action was taken.

18 (c) An appeal under this section is an action de novo. The court may
19 affirm, modify, or reverse the action taken by the hearing authority.

20 SECTION 27. IC 36-7-9-10 IS AMENDED TO READ AS
21 FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 10. (a) The
22 enforcement authority may cause the action required by an order issued
23 under section 5(a)(2), 5(a)(3), 5(a)(4), or 5(a)(5) of this chapter to be
24 performed by a contractor if:

25 (1) the order has been served, in the manner prescribed by section
26 25 of this chapter, on each person having a **known or recorded**
27 fee interest, life estate interest, or equitable interest of a contract
28 purchaser in the unsafe premises that are the subject of the order;

29 (2) the order has not been complied with;

30 (3) a hearing was not requested under section 5(b)(6) of this
31 chapter, or, if a hearing was requested, the order was affirmed at
32 the hearing; and

33 (4) the order is not being reviewed under section 8 of this chapter.

34 (b) The enforcement authority may cause the action required by an
35 order, other than an order under section 5(a)(2), 5(a)(3), 5(a)(4), or
36 5(a)(5) of this chapter, to be performed if:

37 (1) service of an order, in the manner prescribed by section 25 of
38 this chapter, has been made on each person having a **known or**
39 **recorded** substantial property interest in the unsafe premises that
40 are the subject of the order;

41 (2) the order has been affirmed or modified at the hearing in such
42 a manner that all persons having a substantial property interest in

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- 1 the unsafe premises that are the subject of the order are currently
- 2 subject to an order requiring the accomplishment of substantially
- 3 identical action;
- 4 (3) the order, as affirmed or modified at the hearing, has not been
- 5 complied with; and
- 6 (4) the order is not being reviewed under section 8 of this chapter.

7 (c) If action is being taken under this section on the basis of an order
 8 that was served by publication, it is sufficient to serve the statement by
 9 publication and indicate that the enforcement authority intends to
 10 perform the work, unless the authority has received information in
 11 writing that enables it to make service under section 25 of this chapter
 12 by a method other than publication.

13 SECTION 28. IC 36-7-9-11 IS AMENDED TO READ AS
 14 FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 11. (a) The work
 15 required by an order of the enforcement authority may be performed in
 16 the following manner:

17 (1) If the work is being performed under an order other than an
 18 order under section 5(a)(2), 5(a)(3), or 5(a)(4) of this chapter, and
 19 if the cost of this work is estimated to be less than ten thousand
 20 dollars (\$10,000), the department, acting through the unit's
 21 enforcement authority or other agent, may perform the work by
 22 means of the unit's own workers and equipment owned or leased
 23 by the unit. Notice that this work is to be performed must be given
 24 to all persons with a substantial property interest, in the manner
 25 prescribed in subsection (c), at least ten (10) days before the date
 26 of performance of the work by the enforcement authority. This
 27 notice must include a statement that an amount representing a
 28 reasonable estimate of the cost incurred by the enforcement
 29 authority in processing the matter and performing the work may,
 30 if not paid, be recorded after a hearing as a lien against all persons
 31 having a fee interest, life estate interest, or equitable interest of a
 32 contract purchaser in the unsafe premises.

33 (2) If the work is being performed under an order other than an
 34 order under section 5(a)(2), 5(a)(3), or 5(a)(4) of this chapter, and
 35 if the estimated cost of this work is ten thousand dollars (\$10,000)
 36 or more, this work must be let at public bid to a contractor
 37 licensed and qualified under law. The obligation to pay costs
 38 imposed by section 12 of this chapter is based on the condition of
 39 the unsafe premises at the time the public bid was accepted.
 40 Changes occurring in the condition of the unsafe premises after
 41 the public bid was accepted do not eliminate or diminish this
 42 obligation.

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1 (3) If the work is being performed under an order issued under
 2 section 5(a)(2), 5(a)(3), or 5(a)(4) of this chapter, the work may
 3 be performed by a contractor who has been awarded a base bid
 4 contract to perform the work for the enforcement authority, or by
 5 the department, acting through the unit's enforcement authority or
 6 other governmental agency and using the unit's own workers and
 7 equipment owned or leased by the unit. Work performed under an
 8 order issued under section 5(a)(2), 5(a)(3), or 5(a)(4) of this
 9 chapter may be performed without further notice to the persons
 10 holding a fee interest, life estate interest, or equitable interest of
 11 a contract purchaser, and these persons are liable for the costs
 12 incurred by the enforcement authority in processing the matter
 13 and performing the work, as provided by section 12 of this
 14 chapter.

15 (b) Bids may be solicited and accepted for work on more than one
 16 (1) property if the bid reflects an allocation of the bid amount among
 17 the various unsafe premises in proportion to the work to be
 18 accomplished. The part of the bid amount attributable to each of the
 19 unsafe premises constitutes the basis for calculating the part of the
 20 costs described by section 12(a)(1) of this chapter.

21 (c) All persons who have a **known or recorded** substantial property
 22 interest in the unsafe premises and are subject to an order other than an
 23 order under section 5(a)(2), 5(a)(3), or 5(a)(4) of this chapter must be
 24 notified about the public bid in the manner prescribed by section 25 of
 25 this chapter, by means of a written statement including:

- 26 (1) the name of the person to whom the order was issued;
 27 (2) a legal description or address of the unsafe premises that are
 28 the subject of the order;
 29 (3) a statement that a contract is to be let at public bid to a
 30 licensed contractor to accomplish work to comply with the order;
 31 (4) a description of work to be accomplished;
 32 (5) a statement that both the bid price of the licensed contractor
 33 who accomplishes the work and an amount representing a
 34 reasonable estimate of the cost incurred by the enforcement
 35 authority in processing the matter of the unsafe premises may, if
 36 not paid, be recorded after a hearing as a lien against all persons
 37 having a fee interest, life estate interest, or equitable interest of a
 38 contract purchaser in the unsafe premises;
 39 (6) the time of the bid opening;
 40 (7) the place of the bid opening; and
 41 (8) the name, address, and telephone number of the enforcement
 42 authority.

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1 (d) If the notice of the statement that public bids are to be let is
2 served by publication, the publication must include the information
3 required by subsection (c), except that it need only include a general
4 description of the work to be accomplished. The publication must also
5 state that a copy of the statement of public bid may be obtained from
6 the enforcement authority.

7 (e) Notice of the statement that public bids are to be let must be
8 given, at least ten (10) days before the date of the public bid, to all
9 persons who have a **known or recorded** substantial property interest
10 in the property and are subject to an order other than an order under
11 section 5(a)(2), 5(a)(3), or 5(a)(4) of this chapter.

12 (f) If action is being taken under this section on the basis of an order
13 that was served by publication, it is sufficient to serve the statement
14 that public bids are to be let by publication, unless the enforcement
15 authority has received information in writing that enables the unit to
16 make service under section 25 of this chapter by a method other than
17 publication.

18 SECTION 29. IC 36-7-9-13 IS AMENDED TO READ AS
19 FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 13. (a) If all or any part
20 of the costs listed in section 12 of this chapter remain unpaid for any
21 unsafe premises (other than unsafe premises owned by a governmental
22 entity) for more than fifteen (15) days after the completion of the work,
23 the enforcement authority does not act under section 13.5 of this
24 chapter, and the enforcement authority determines that there is a
25 reasonable probability of obtaining recovery, the enforcement authority
26 shall prepare a record stating:

- 27 (1) the name and last known address of each person who held a
- 28 fee interest, life estate interest, or equitable interest of a contract
- 29 purchaser in the unsafe premises from the time the order requiring
- 30 the work to be performed was recorded to the time that the work
- 31 was completed;
- 32 (2) the legal description or address of the unsafe premises that
- 33 were the subject of work;
- 34 (3) the nature of the work that was accomplished;
- 35 (4) the amount of the unpaid bid price of the work that was
- 36 accomplished; and
- 37 (5) the amount of the unpaid average processing expense.

38 The record must be in a form approved by the state board of accounts.

39 (b) The enforcement authority, or its head, shall swear to the
40 accuracy of the record before the clerk of the circuit court and deposit
41 the record in the clerk's office. Notice that the record has been filed and
42 that a hearing on the amounts indicated in the record may be held must

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1 be sent **in the manner prescribed by section 25 of this chapter to all**
 2 **of the following:**

3 (1) The persons named in the record. ~~in the manner prescribed by~~
 4 ~~section 25 of this chapter.~~

5 (2) **Any mortgagee that has a known or recorded substantial**
 6 **property interest.**

7 (c) If, within thirty (30) days after the notice required by subsection
 8 (b), a person named in the record **or a mortgagee** files with the clerk
 9 of the circuit court a written petition objecting to the claim for payment
 10 and requesting a hearing, the clerk shall enter the cause on the docket
 11 of the circuit or superior court as a civil action, and a hearing shall be
 12 held on the question in the manner prescribed by IC 4-21.5. However,
 13 issues that could have been determined under section 8 of this chapter
 14 may not be entertained at the hearing. At the conclusion of the hearing,
 15 the court shall either sustain the petition or enter a judgment against the
 16 persons named in the record for the amounts recorded or for modified
 17 amounts.

18 (d) If no petition is filed under subsection (c), the clerk of the circuit
 19 court shall enter the cause on the docket of the court and the court shall
 20 enter a judgment for the amounts stated in the record.

21 (e) A judgment under subsection (c) or (d), to the extent that it is not
 22 satisfied under IC 27-2-15, is a debt and a lien on all the real and
 23 personal property of the person named, or a joint and several debt and
 24 lien on the real and personal property of the persons named **in the**
 25 **record prepared under subsection (a)**. The lien on real property is
 26 perfected against all creditors and purchasers when the judgment is
 27 entered on the judgment docket of the court. The lien on personal
 28 property is perfected by filing a lis pendens notice in the appropriate
 29 filing office, as prescribed by the Indiana Rules of Trial Procedure.

30 (f) Judgments rendered under this section may be enforced in the
 31 same manner as all other judgments are enforced.

32 SECTION 30. IC 36-7-9-13.5 IS AMENDED TO READ AS
 33 FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 13.5. (a) This section
 34 does not apply to the collection of an amount if a court determines
 35 under section 13 of this chapter that the enforcement authority is not
 36 entitled to the amount.

37 (b) If all or any part of the costs listed in section 12 of this chapter
 38 remain unpaid for any unsafe premises (other than unsafe premises
 39 owned by a governmental entity) for more than fifteen (15) days after
 40 completion of the work, the enforcement authority may send notice
 41 under section 25 of this chapter to each person who held a **known or**
 42 **recorded** fee interest, life estate interest, or equitable interest of a

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1 contract purchaser in the unsafe premises. **If the notice is sent, the**
2 **enforcement authority shall also send notice to any mortgagee with**
3 **a known or recorded substantial property interest.** The notice must
4 require full payment of the amount owed within thirty (30) days.

5 (c) If full payment of the amount owed is not made less than thirty
6 (30) days after the notice is delivered, the enforcement officer may
7 certify the following information to the county auditor:

8 (1) The name of each person who held a **known or recorded** fee
9 interest, life estate interest, or equitable interest of a contract
10 purchaser in the unsafe premises.

11 (2) The description of the unsafe premises, as shown by the
12 records of the county auditor.

13 (3) The amount of the delinquent payment, including all costs
14 described in section 12 of this chapter.

15 (d) The county auditor shall place the total amount certified under
16 subsection (c) on the tax duplicate for the affected property as a special
17 assessment. The total amount, including accrued interest, shall be
18 collected as delinquent taxes are collected.

19 (e) An amount collected under subsection (d), after all other taxes
20 have been collected and disbursed, shall be disbursed to the unsafe
21 building fund.

22 (f) A judgment entered under section 13, **19, 21, or 22** of this
23 chapter may be **certified to the auditor and** collected under this
24 section. However, a judgment lien need not be obtained under section
25 13 of this chapter before a debt is certified under this section.

26 SECTION 31. IC 36-7-9-14 IS AMENDED TO READ AS
27 FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 14. (a) The
28 enforcement authority shall establish in its operating budget a fund
29 designated as the unsafe building fund. Any balance remaining at the
30 end of a fiscal year shall be carried over in the fund for the following
31 year and does not revert to the general fund.

32 (b) Money for the unsafe building fund may be received from any
33 source, including appropriations by local, state, or federal governments,
34 and donations. The following money shall be deposited in the fund:

35 (1) Money received as payment for or settlement of obligations or
36 judgments established under sections 9 through 13 and 17
37 through 22 of this chapter.

38 (2) Money received from bonds posted under section 7 of this
39 chapter.

40 (3) Money received in satisfaction of receivers' notes or
41 certificates that were issued under section 20 of this chapter and
42 were purchased with money from the unsafe building fund.

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- 1 (4) Money received for payment or settlement of civil penalties or
 2 **fin**es imposed under section 7 of this chapter.
 3 (5) Money received from the collection of special assessments
 4 under section 13.5 of this chapter.
 5 (c) Money in the unsafe building fund may be used for the expenses
 6 incurred in carrying out the purposes of this chapter, including:
 7 (1) the cost of obtaining reliable information about the identity
 8 and location of each person who owns a substantial property
 9 interest in unsafe premises;
 10 (2) the cost of an examination of an unsafe building by a
 11 registered architect or registered engineer not employed by the
 12 department;
 13 (3) the cost of surveys necessary to determine the location and
 14 dimensions of real property on which an unsafe building is
 15 located;
 16 (4) the cost of giving notice of orders, notice of statements of
 17 rescission, notice of continued hearing, and notice of statements
 18 that public bids are to be let in the manner prescribed by section
 19 25 of this chapter;
 20 (5) the bid price of work by a contractor under section 10 or
 21 sections 17 through 22 of this chapter;
 22 (6) the cost of emergency action under section 9 of this chapter;
 23 and
 24 (7) the cost of notes or receivers' certificates issued under section
 25 20 of this chapter.
 26 (d) Payment of money from the unsafe building fund must be made
 27 in accordance with applicable law.
 28 SECTION 32. IC 36-7-9-18.1 IS ADDED TO THE INDIANA
 29 CODE AS A NEW SECTION TO READ AS FOLLOWS
 30 [EFFECTIVE JULY 1, 2006]: **Sec. 18.1. (a) A court acting under**
 31 **section 17 of this chapter may condition the granting of a period of**
 32 **time to accomplish the action required by an order on the posting**
 33 **of a performance bond that will be forfeited if the action required**
 34 **by the order is not completed within the period the court allows.**
 35 **Before granting a period of time that is conditioned on the posting**
 36 **of a bond, the court may require that the requesting person justify**
 37 **the request with a workable and financially supported plan. If the**
 38 **court determines that a significant amount of work must be**
 39 **accomplished to comply with the order, the court may require that**
 40 **the bond specify interim completion standards and provide that the**
 41 **bond is forfeited if any of these interim completion standards are**
 42 **not substantially met.**

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1 **(b) An amount collected under subsection (a) on a forfeited bond**
2 **shall be deposited in the unsafe building fund.**

3 SECTION 33. IC 36-7-9-19 IS AMENDED TO READ AS
4 FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 19. (a) A court acting
5 under section 17 of this chapter may impose a civil **forfeiture penalty**
6 not to exceed ~~one~~ **five** thousand dollars (~~\$1,000~~) **(\$5,000)** against any
7 person if the conditions of section 18 of this chapter are met. The
8 **forfeiture penalty** imposed may not be substantially less than the cost
9 of complying with the order, unless that cost exceeds ~~one~~ **two** thousand
10 **five hundred** dollars (~~\$1,000~~) **(\$2,500)**. The effective date of the
11 **forfeiture penalty** may be postponed for a period not to exceed thirty
12 (30) days, after which the court may order the **forfeiture penalty**
13 reduced or stricken if it is satisfied that all work necessary to fully
14 comply with the order has been done.

15 (b) On request of the enforcement authority the court shall enter a
16 judgment in the amount of the ~~forfeiture~~ **penalty**. If there is more than
17 one (1) party defendant, the ~~forfeiture~~ **penalty** is separately applicable
18 to each defendant. The amount of a ~~forfeiture~~ **penalty** that is collected
19 shall be deposited in the unsafe building fund.

20 SECTION 34. IC 36-7-9-25 IS AMENDED TO READ AS
21 FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 25. (a) Notice of orders,
22 notice of continued hearings without a specified date, notice of a
23 statement that public bids are to be let, and notice of claims for
24 payment must be given by:

- 25 (1) sending a copy of the order or statement by registered or
26 certified mail to the residence or place of business or employment
27 of the person to be notified, with return receipt requested;
28 (2) delivering a copy of the order or statement personally to the
29 person to be notified; or
30 (3) leaving a copy of the order or statement at the dwelling or
31 usual place of abode of the person to be notified **and sending by**
32 **first class mail a copy of the order or statement to the last**
33 **known address of the person to be notified.**

34 (b) If ~~after a reasonable effort~~, service is not obtained by a means
35 described in subsection (a) **and the hearing authority concludes that**
36 **a reasonable effort has been made to obtain service**, service may be
37 made by publishing a notice of the order or statement in accordance
38 with IC 5-3-1 in the county where the unsafe premises are located.
39 However, publication may be made on consecutive days. If service of
40 an order is made by publication, the publication must include the
41 information required by subdivisions (1), (2), (4), (5), (6), (7), and (9)
42 of section 5(b) of this chapter, and must also include a statement

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1 indicating generally what action is required by the order and that the
 2 exact terms of the order may be obtained from the enforcement
 3 authority. **The hearing authority may make a determination about**
 4 **whether a reasonable effort has been made to obtain service by the**
 5 **means described in subsection (a) on the basis of information**
 6 **provided by the department (or, in the case of a consolidated city,**
 7 **the enforcement authority). The hearing authority is not required**
 8 **to make the determination at a hearing. The hearing authority**
 9 **must make the determination in writing.**

10 (c) When service is made by any of the means described in this
 11 section, except by mailing or by publication, the person making service
 12 must make an affidavit stating that he has made the service, the manner
 13 in which service was made, to whom the order or statement was issued,
 14 the nature of the order or statement, and the date of service. The
 15 affidavit must be placed on file with the enforcement authority.

16 (d) The date when notice of the order or statement is considered
 17 given is as follows:

18 (1) If the order or statement is delivered personally or left at the
 19 dwelling or usual place of abode, notice is considered given on
 20 the day when the order or statement is delivered to the person or
 21 left at **his the person's** dwelling or usual place of abode.

22 (2) If the order or statement is mailed, notice is considered given
 23 on the date shown on the return receipt, or, if no date is shown, on
 24 the date when the return receipt is received by the enforcement
 25 authority.

26 (3) Notice by publication is considered given on the date of the
 27 second day that publication was made.

28 ~~(e) Notice of orders, notice of continued hearings without a~~
 29 ~~specified date, and notice of a statement that public bids are to be let~~
 30 ~~need not be given to a person holding a property interest in an unsafe~~
 31 ~~premises if:~~

32 ~~(1) no instrument reflecting the property interest held by the~~
 33 ~~person is recorded in the recorder's office of the county where the~~
 34 ~~unsafe premises is located;~~

35 ~~(2) the order or statement was recorded in accordance with~~
 36 ~~section 26 of this chapter; and~~

37 ~~(3) the enforcement authority has received neither written~~
 38 ~~information nor actual notice of the identity of the person who~~
 39 ~~holds a property interest in the unsafe premises.~~

40 (e) A person **with a property interest in an unsafe premises** who
 41 **fails to does not:**

42 (1) record an instrument reflecting ~~an the~~ interest; ~~in his unsafe~~

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1 premises or

2 (2) if an instrument reflecting the interest is not recorded,
3 provide to the department (or, in the case of a consolidated
4 city, the enforcement authority) in writing the person's name
5 and address, and the location of the unsafe premises;

6 is considered deemed to consent to action taken under this chapter
7 relative to which waive notice would otherwise be given: under this
8 section.

9 (f) The department (or, in the case of a consolidated city, the
10 enforcement authority), may, for the sake of administrative
11 convenience, publish notice under subsection (b) at the same time
12 notice is attempted under subsection (a). If published notice is
13 given as described in subsection (b), the hearing authority shall
14 subsequently make a determination about whether a reasonable
15 effort has been made to obtain service by the means described in
16 subsection (a).

17 SECTION 35. IC 36-7-14-22.5 IS ADDED TO THE INDIANA
18 CODE AS A NEW SECTION TO READ AS FOLLOWS
19 [EFFECTIVE JULY 1, 2006]: Sec. 22.5. (a) This section applies to
20 the following:

21 (1) Real property:

22 (A) that was acquired by the commission to carry out a
23 redevelopment project, an economic development area
24 project, or an urban renewal project; and

25 (B) relative to which the commission has, at a public
26 hearing, decided that the real property is not needed to
27 complete the redevelopment activity, an economic
28 development activity, or urban renewal activity in the
29 project area.

30 (2) Real property acquired under this chapter that is not in a
31 redevelopment project area, economic development area, or
32 an urban renewal project area.

33 (3) Parcels of property secured from the county under
34 IC 6-1.1-25-9(e) that were acquired by the county under
35 IC 6-1.1-24 and IC 6-1.1-25.

36 (4) Real property donated or transferred to the commission to
37 be held and disposed of under this section.

38 However, this section does not apply to property acquired under
39 section 32.5 of this chapter.

40 (b) The commission may do the following to or for real property
41 described in subsection (a):

42 (1) Examine, classify, manage, protect, insure, and maintain

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the property.

(2) Eliminate deficiencies (including environmental deficiencies), carry out repairs, remove structures, and make improvements.

(3) Control the use of the property.

(4) Lease the property.

(5) Use any powers under section 12.2 of this chapter in relation to the property.

(c) The commission may enter into contracts to carry out part or all of the functions described in subsection (b).

(d) The commission may extinguish all delinquent taxes, special assessments, and penalties relative to real property donated to the commission to be held and disposed of under this section. The commission shall provide the county auditor with a list of the real property on which delinquent taxes, special assessments, and penalties are extinguished under this subsection.

(e) Real property described in subsection (a) may be sold, exchanged, transferred, granted, donated, or otherwise disposed of in any of the following ways:

(1) In accordance with section 22, 22.2, 22.6, or 22.7 of this chapter.

(2) In accordance with the provisions authorizing an urban homesteading program under IC 36-7-17.

(f) In disposing of real property under subsection (e), the commission may:

(1) group together properties for disposition in a manner that will best serve the interest of the community, from the standpoint of both human and economic welfare; and

(2) group together nearby or similar properties to facilitate convenient disposition.

SECTION 36. IC 36-7-14-22.6 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 22.6. (a) As used in this section, "abutting landowner" means an owner of property that:

(1) touches, borders on, or is contiguous to the property that is the subject of sale; and

(2) does not constitute a:

(A) public easement; or

(B) public right-of-way.

(b) As used in this section, "offering price" means the appraised value of real property plus all costs associated with the sale, including:

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- (1) appraisal fees;
- (2) title insurance;
- (3) recording fees; and
- (4) advertising costs.

(c) If the assessed value of a tract of real property to be sold is less than fifteen thousand dollars (\$15,000), based on the most recent assessment of the tract or of the tract of which it was a part before it was acquired, the commission may proceed under this section.

(d) The commission may determine that:

- (1) the highest and best use of the tract is sale to an abutting landowner;
- (2) the cost to the public of maintaining the tract equals or exceeds the estimated fair market value of the tract; or
- (3) it is economically unjustifiable to sell the tract under section 22 of this chapter.

(e) Not more than ten (10) days after the commission makes a determination under subsection (d), the commission shall publish a notice in accordance with IC 5-3-1 identifying the tracts intended for sale by legal description and, if possible, by key number and street address. The notice must also include the offering price and a statement that:

- (1) the property may not be sold to a person who is ineligible under IC 36-1-11-16; and
- (2) an offer to purchase the property submitted by a trust (as defined in IC 30-4-1-1(a)) must identify each:
 - (A) beneficiary of the trust; and
 - (B) settlor empowered to revoke or modify the trust.

At the time of publication of notice under this subsection, the commission shall send notice by certified mail to all abutting landowners. This notice shall contain the same information as the published notice.

(f) The commission shall also have each tract appraised. The appraiser must be a person who is professionally engaged in making appraisals, a person licensed under IC 25-34.1, or an employee of the political subdivision who is familiar with the value of the tract. However, if the assessed value of a tract is less than six thousand dollars (\$6,000), based on the most recent assessment of the tract or of the tract of which it was a part before it was acquired, the commission is not required to have the tract appraised.

(g) If, not more than ten (10) days after the date of publication

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1 of the notice under subsection (e), the commission receives one (1)
 2 or more eligible offers to purchase a tract listed in the notice at or
 3 in excess of the offering price, the commission shall conduct the
 4 negotiation and sale of the tract under section 22(f), 22(g), and 22(i)
 5 of this chapter.

6 (h) Notwithstanding subsection (g), if not more than ten (10)
 7 days after the date of publication of the notice under subsection (e)
 8 the commission does not receive from any person other than an
 9 abutting landowner an eligible offer to purchase the tract at or in
 10 excess of the offering price, the commission shall conduct the
 11 negotiation and sale of the tract as follows:

12 (1) If only one (1) eligible abutting landowner makes an
 13 eligible offer to purchase the tract, then subject to
 14 IC 36-1-11-16 and without further appraisal or notice, the
 15 commission shall offer to negotiate for the sale of the tract
 16 with that abutting landowner.

17 (2) If more than one (1) eligible abutting landowner submits
 18 an eligible offer to purchase the tract, the tract shall be sold
 19 to the eligible abutting landowner who submits the highest
 20 eligible offer for the tract and who complies with any
 21 requirement under subsection (e)(2).

22 (3) If no eligible abutting landowner submits an eligible offer
 23 to purchase the tract, the commission may sell the tract to any
 24 person who submits the highest eligible offer for the tract,
 25 except a person who is ineligible to purchase the tract under
 26 IC 36-1-11-16.

27 SECTION 37. IC 36-7-14-22.7 IS ADDED TO THE INDIANA
 28 CODE AS A NEW SECTION TO READ AS FOLLOWS
 29 [EFFECTIVE JULY 1, 2006]: Sec. 22.7. (a) The commission may
 30 dispose of real property to which section 22.5 of this chapter
 31 applies by following the procedure set forth in this section.

32 (b) The commission shall first have the property appraised by
 33 two (2) appraisers. The appraisers must be:

34 (1) persons who are professionally engaged in making
 35 appraisals;

36 (2) persons who are licensed under IC 25-34.1; or

37 (3) employees of the political subdivision familiar with the
 38 value of the property.

39 The appraisers shall make a joint appraisal of the property.

40 (c) The commission may:

41 (1) negotiate a sale or transfer; and

42 (2) dispose of the property;

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at a value that is not less than the appraised value determined under subsection (b).

(d) Disposal of real property under this chapter is subject to the approval of the commission. The commission may not approve a disposal of property without conducting a public hearing after giving notice under IC 5-3-1.

(e) In addition to any other reason for disapproving a disposal of property under this section, the commission may disapprove a sale of a tract of residential property to any bidder who does not by affidavit declare that the bidder will reside on that property for at least one (1) year after the bidder obtains possession of the property.

SECTION 38. IC 36-7-15.1-15.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2006]: **Sec. 15.5. (a) This section applies to the following:**

(1) Real property:

(A) that was acquired by the commission to carry out a redevelopment project, an economic development area project, or an urban renewal project; and

(B) relative to which the commission has, at a public hearing, decided that the real property is not needed to complete the redevelopment activity, an economic development area activity, or urban renewal activity in the project area.

(2) Real property acquired under this chapter that is not in a redevelopment project area, an economic development area, or an urban renewal project area.

(3) Parcels of property secured from the county under IC 6-1.1-25-9(e) that were acquired by the county under IC 6-1.1-24 and IC 6-1.1-25.

(4) Real property donated or transferred to the commission to be held and disposed of under this section.

However, this section does not apply to property acquired under section 22.5 of this chapter.

(b) The commission may do the following to or for real property described in subsection (a):

(1) Examine, classify, manage, protect, insure, and maintain the property.

(2) Eliminate deficiencies (including environmental deficiencies), carry out repairs, remove structures, and make improvements.

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- 1 **(3) Control the use of the property.**
- 2 **(4) Lease the property.**
- 3 **(5) Use any powers under section 7(a) or 7(b) of this chapter**
- 4 **in relation to the property.**
- 5 **(c) The commission may enter into contracts to carry out part**
- 6 **or all of the functions described in subsection (b).**
- 7 **(d) The commission may extinguish all delinquent taxes, special**
- 8 **assessments, and penalties relative to real property donated to the**
- 9 **commission to be held and disposed of under this section. The**
- 10 **commission shall provide the county auditor with a list of the real**
- 11 **property on which delinquent taxes, special assessments, and**
- 12 **penalties are extinguished under this subsection.**
- 13 **(e) Real property described in subsection (a) may be sold,**
- 14 **exchanged, transferred, granted, donated, or otherwise disposed of**
- 15 **in any of the following ways:**
- 16 **(1) In accordance with section 15, 15.1, 15.2, 15.6, or 15.7 of**
- 17 **this chapter.**
- 18 **(2) In accordance with the provisions authorizing an urban**
- 19 **homesteading program under IC 36-7-17.**
- 20 **(f) In disposing of real property under subsection (e), the**
- 21 **commission may:**
- 22 **(1) group together properties for disposition in a manner that**
- 23 **will best serve the interest of the community, from the**
- 24 **standpoint of both human and economic welfare; and**
- 25 **(2) group together nearby or similar properties to facilitate**
- 26 **convenient disposition.**
- 27 **SECTION 39. IC 36-7-15.1-15.6 IS ADDED TO THE INDIANA**
- 28 **CODE AS A NEW SECTION TO READ AS FOLLOWS**
- 29 **[EFFECTIVE JULY 1, 2006]: Sec. 15.6. (a) As used in this section,**
- 30 **"abutting landowner" means an owner of property that:**
- 31 **(1) touches, borders on, or is contiguous to the property that**
- 32 **is the subject of sale; and**
- 33 **(2) does not constitute a:**
- 34 **(A) public easement; or**
- 35 **(B) public right-of-way.**
- 36 **(b) As used in this section, "offering price" means the appraised**
- 37 **value of real property plus all costs associated with the sale,**
- 38 **including:**
- 39 **(1) appraisal fees;**
- 40 **(2) title insurance;**
- 41 **(3) recording fees; and**
- 42 **(4) advertising costs.**

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1 (c) If the assessed value of a tract of real property to be sold is
2 less than fifteen thousand dollars (\$15,000), based on the most
3 recent assessment of the tract or of the tract of which it was a part
4 before it was acquired, the commission may proceed under this
5 section.

6 (d) The commission may determine that:
7 (1) the highest and best use of the tract is sale to an abutting
8 landowner;
9 (2) the cost to the public of maintaining the tract equals or
10 exceeds the estimated fair market value of the tract; or
11 (3) it is economically unjustifiable to sell the tract under
12 section 15 of this chapter.

13 (e) Not more than ten (10) days after the commission makes a
14 determination under subsection (d), the commission shall publish
15 a notice in accordance with IC 5-3-1 identifying the tracts intended
16 for sale by legal description and, if possible, by key number and
17 street address. The notice must also include the offering price and
18 a statement that:

- 19 (1) the property may not be sold to a person who is ineligible
20 under IC 36-1-11-16; and
- 21 (2) an offer to purchase the property submitted by a trust (as
22 defined in IC 30-4-1-1(a)) must identify each:
 - 23 (A) beneficiary of the trust; and
 - 24 (B) settlor empowered to revoke or modify the trust.

25 At the time of publication of notice under this subsection, the
26 commission shall send notice by certified mail to all abutting
27 landowners. This notice shall contain the same information as the
28 published notice.

29 (f) The commission shall also have each tract appraised. The
30 appraiser must be a person who is professionally engaged in
31 making appraisals, a person licensed under IC 25-34.1, or an
32 employee of the political subdivision who is familiar with the value
33 of the tract. However, if the assessed value of a tract is less than six
34 thousand dollars (\$6,000), based on the most recent assessment of
35 the tract or of the tract of which it was a part before it was
36 acquired, the commission is not required to have the tract
37 appraised.

38 (g) If, not more than ten (10) days after the date of publication
39 of the notice under subsection (e), the commission receives one (1)
40 or more eligible offers to purchase a tract listed in the notice at or
41 in excess of the offering price, the commission shall conduct the
42 negotiation and sale of the tract under section 15(f), 15(g), and 15(i)

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of this chapter.

(h) Notwithstanding subsection (g), if not more than ten (10) days after the date of publication of the notice under subsection (e) the commission does not receive from any person other than an abutting landowner an eligible offer to purchase the tract at or in excess of the offering price, the commission shall conduct the negotiation and sale of the tract as follows:

(1) If only one (1) eligible abutting landowner makes an eligible offer to purchase the tract, then subject to IC 36-1-11-16 and without further appraisal or notice, the commission shall offer to negotiate for the sale of the tract with that abutting landowner.

(2) If more than one (1) eligible abutting landowner submits an eligible offer to purchase the tract, the tract shall be sold to the eligible abutting landowner who submits the highest eligible offer for the tract and who complies with any requirement under subsection (e)(2).

(3) If no eligible abutting landowner submits an eligible offer to purchase the tract, the commission may sell the tract to any person who submits the highest eligible offer for the tract, except a person who is ineligible to purchase the tract under IC 36-1-11-16.

SECTION 40. IC 36-7-15.1-15.7 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 15.7. (a) The commission may dispose of real property to which section 15.5 of this chapter applies by following the procedure set forth in this section.

(b) The commission shall first have the property appraised by two (2) appraisers. The appraisers must be:

- (1) persons professionally engaged in making appraisals;
- (2) persons licensed under IC 25-34.1; or
- (3) employees of the political subdivision familiar with the value of the property.

The appraisers shall make a joint appraisal of the property.

(c) The commission may:

- (1) negotiate a sale or transfer; and
- (2) dispose of the property;

at a value that is not less than the appraised value determined under subsection (b).

(d) Disposal of real property under this chapter is subject to the approval of the commission. The commission may not approve a disposal of property without conducting a public hearing after

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giving notice under IC 5-3-1.

(e) In addition to any other reason for disapproving a disposal of property under this section, the commission may disapprove a sale of a tract of residential property to any bidder who does not by affidavit declare that the bidder will reside on that property for at least one (1) year after the bidder obtains possession of the property.

SECTION 41. IC 36-7-17-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 3. (a) The agency designated or established in section 2 of this chapter may acquire real property in the name of the unit, for use as provided in this chapter.

(b) Under IC 6-1.1-24-4.5, the county auditor shall provide a list of real property on which one (1) or more installments of taxes are delinquent.

(c) Under IC 6-1.1-25-1 and IC 6-1.1-25-4, the agency may acquire the deed for real property purchased at tax sale for the purposes of this chapter one hundred twenty (120) days after the date of sale, after compliance with the notice provisions of IC 6-1.1-25-4.5.

~~(d) Under IC 6-1.1-24-6.5, the agency may acquire the deed for real property that was offered for sale but for which an adequate bid under IC 6-1.1-24-5(e) was not received by identifying the properties that the agency desires to acquire for urban homesteading or redevelopment purposes.~~

~~(e) (d)~~ Under IC 6-1.1-25-7.5, the agency may acquire the deed for real property for which the holder of the certificate of sale has failed to request that the county auditor execute and deliver a deed within one hundred twenty (120) days after issuance of the certificate.

~~(f) (e)~~ In addition to real property acquired through tax sale for the purposes of this chapter, the agency may acquire real property by purchase or gift.

SECTION 42. IC 36-7-17-12 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 12. (a) A property for which no one applies in two (2) successive drawings held under this chapter may be sold at public auction to the highest bidder.

(b) The proceeds of the sale of real property acquired under ~~IC 6-1.1-24-6.5~~ or IC 6-1.1-25-7.5 shall be applied to the cost of the sale, including advertising and appraisal.

(c) If any proceeds remain after payment of the costs under subsection (b), the proceeds shall be applied to the payment of taxes removed from the tax duplicate under ~~IC 6-1.1-24-6.5(e)~~ or IC 6-1.1-25-7.5(e).

(d) If any proceeds remain after payment of the taxes under

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1 subsection (c), the proceeds shall be deposited in the county general
2 fund.

3 SECTION 43. THE FOLLOWING ARE REPEALED [EFFECTIVE
4 JULY 1, 2006]: IC 6-1.1-24-4.1; IC 6-1.1-24-5.5; IC 6-1.1-24-6.5.

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