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Nina H. Tamburo

Partner, O'Keefe Ashenden Lyons & Ward, Chicago, IL

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The Illinois Property Tax System: an Overview

By Nina H. Tamburo

Property taxes in Illinois are just one way taxpayers purchase government services. Property taxes generate revenue that funds airports, school districts, forest preserves; county, city, and municipal departments and services; and governmental employees' salaries and pensions. While many taxpayers become irate and discouraged by the property tax system upon receipt of their tax bills, the time for action to reduce tax liability actually occurs several months to one year before these bills are issued. Failure to pay property taxes in Illinois results in the accrual of interest, penalties, and in extreme cases, the sale of the delinquent taxes leading to the possible loss of the property.

Tax systems can appear intricately confusing to most taxpayers. However, a proper understanding of the assessment process enables property owners to reduce their tax liability, thereby increasing the profitability of their property. Individuals and corporations should view the tax sale process as a tool for acquiring property, often at below-market prices. This article presents an overview of the property tax system in Illinois. It discusses the tax appeal process and describes how a taxpayer should take advantage of every appeal level available to ensure the most equitable assessment and the lowest tax liability.

Additionally, this article describes the tax sale process so that a taxpayer will understand his rights upon the sale of property, and corporations or other potential taxbuyers will recognize the advantages of acquiring

Nina Hennessy Tamburo is a partner with the law firm of O'Keefe Ashenden Lyons & Ward. She graduated from Loyola University Chicago School of Law in 1988 at which time she was hired by O'Keefe as an associate after clerking for them. In the Fall of 1990, she joined the firm's Property Tax Group. She practices before the Cook County Assessor and the Cook County Board of (Tax) Appeals and will practice before the Cook County Board of Review. She also administers the firm's deed practice. She is a member of the American Bar Association, Illinois State Bar Association, Chicago Bar Association and the Institute for Professionals in Taxation. She can be reached at <ntamburo@oalw.com>.

properties through the tax sale process.

I. The Property Tax Assessment Process

Initially, the assessor will review a property and establish its assessment, which ultimately translates into a property tax. An assessment is a percentage of the property's fair market value and is the base amount upon which the tax is calculated. The Illinois Property Tax Code ("Code")¹ governs the assessment process. The Code provides several exceptions to the general assessment procedures which, when applied, may reduce or eliminate an assessment, thus affecting the tax. These exceptions (which will be discussed summarily in this article) identify properties excluded from taxation by reason of their ownership or use, and properties with reduced taxes resulting from special assessment procedures implemented for social policy reasons.

In general, property taxes are calculated based on a property's assessed valuation, or assessment, which is 33.33% of the property's "fair cash value"² (also known as "fair market value"). The Illinois Supreme Court described "fair cash value" as "what the property would bring at a voluntary sale where the owner is ready, willing, and able to sell but not compelled to do so, and the buyer is ready, willing, and able to buy but not forced [to do so]."³ In Cook County, properties are classified into categories, and each category is assessed at a different percentage of market value. For example, assessments of residential properties are based upon 16% of the property's estimated fair market value, whereas assessments of commercial properties reflect 38% of their estimated fair market value. The Illinois Department of Revenue determines an

"equalizer," which is a factor in calculating the tax. The equalizer multiplied by the assessment has the effect of making all assessments reflect 33.33% of fair market value of all property within a county. Because Cook County classifies property as described below, its equalizer usually exceeds two. In contrast, all properties outside Cook County are assessed at 33.33% of fair market value, so usually the assessment of all property equals the fair market value of all property within the county and any equalizer applied to them equals one. Sections A and B below analyze the assessment process, distinguishing between Cook County and the rest of Illinois.

A. The Assessment Process Outside of Cook County

The elected county assessor (or supervisor of assessments where an assessor has not been elected) evaluates properties outside of Cook County during general assessment years,⁴ which usually occur every four years. If the property did not exist in the general assessment year (new construction), or if there has been an addition or demolition of a portion of a property,⁵ the assessor may assess the property in a non-general assessment year. In these situations, the assessor must "prorate" the assessments. This means assessing the building proportionately from the date an occupancy permit was issued or the building was "substantially completed or initially occupied"⁶ until December 31 of that year. In the case of demolition, the assessment is made from the date the building became "uninhabitable or unfit for occupancy or for customary use"⁷ until December 31 of that year. Therefore, if a building was under construction from January 1 through September 30 and became occupied on

October 1, the assessor would only assess the building for three months of the year. Similarly, if fire destroyed the building on November 1, the assessor would only assess it for two months of the year.

Once the assessor evaluates a parcel of property, a notice of the property's new assessment is published in a newspaper circulated in the county where the property is located.⁸ Furthermore, a notice of the change in assessment is mailed to the taxpayer, providing an opportunity to contest the assessment.⁹ Taxpayers contest excessive assessments because larger assessments equate to higher taxes. To contest an assessment outside of Cook County, taxpayers have several avenues of appeal.

1. Appeals to the Board of Review

A taxpayer may call the assessor's office at any time prior to a reassessment to ask about a possible increase in assessment. Generally, assessors value a property based upon the cost to construct the same property at the time of the reassessment. Many assessors also consider the recent selling prices of similar properties. If an increase is expected, the taxpayer may try to obtain a lower assessment by submitting documentation highlighting significant factors which reduce his property's value. For example, a homeowner may identify decreases in selling prices of similar homes located near her property; a commercial property owner may point out a vacancy within his commercial or industrial property; a residential landlord may demonstrate a reduction in rents generated by her rental property. The assessor may then recognize that these factors affect the property's market value, and may reduce a property's assessment accordingly before

issuing an increase in assessment to the Board of Review.

Upon receipt of a notice of increase in reassessment, the taxpayer should file a complaint with the applicable Board of Review within thirty days from the date of the notice.¹⁰ The Board has specific forms which must be completed when filing a complaint; the taxpayer should attach any documentation that supports a lower market value. A lower market value translates into a lower assessment, which consequently leads to lower taxes. This documentation might include an appraisal, income statements, or vacancy information. If the documentation justifies a reduction in assessment, the Board will generally grant relief. A taxpayer who fails to file a timely complaint forfeits any opportunity for relief using this avenue.

2. Appeals to the Property Tax Appeal Board Or the Circuit Court

A taxpayer who is unsatisfied with the value determined by the Board of Review may file a complaint with the Illinois Property Tax Appeal Board ("PTAB")¹¹ or with the circuit court of the county in which the property is located.¹² The PTAB provides an informal hearing before one or more hearing officers. At the hearing, the state's attorney represents the assessor. A taxpayer who complains to the appropriate circuit court will experience a "tax objection proceeding" in a formal setting before a judge; the state's attorney's office also represents the assessor in this forum. The taxpayer should be aware that the PTAB has the authority to *increase* an assessment with respect to any complaint filed before it. On the other hand, the circuit court lacks this authority and will deny relief when an assessment reduction is not

justified. The time for filing complaints before the PTAB and the circuit court is based upon different events.

To proceed before the PTAB, the taxpayer must file a complaint with the Board of Review and must appear at the hearing.¹³ A complaint to the PTAB must be filed within thirty days of the date of the notice from the Board. For example, assume the Board denies a taxpayer relief by a letter dated May 1, 1998. To proceed before the PTAB, the taxpayer must file his complaint with the PTAB by May 31, 1998.

In contrast, a complaint in the circuit court must be filed seventy-five days after the first penalty date of the final installment tax bill for the year in question.¹⁴ A taxpayer who decides to file in the circuit court must wait until the second installment tax bill is due, and then must file a complaint in the circuit court within seventy-five days of the first penalty date indicated on that tax bill. For example, if the first penalty date is October 1, the taxpayer must file a complaint with the circuit court by December 14. Due to the large number of complaints before the PTAB and the circuit court, an appeal may pend for several years before it is heard.

PTAB decisions are appealable to the circuit court of the county where the property is located, except when a taxpayer seeks a reduction in assessment of more than \$300,000. The reduction amount in controversy influences whether an appeal goes to the circuit court or the appellate court. When a taxpayer requests a reduction of more than \$300,000, his complaint should be filed with the appropriate appellate court in the district where the property is located.¹⁵ Taxpayers can appeal decisions of the circuit court through the traditional court system.

B. The Assessment Process Within Cook County

Cook County is divided into three districts that are reassessed on a triennial basis.¹⁶ Properties located within the City of Chicago were reassessed for the 1997 tax year, while properties in the north and northwest suburbs of Cook County will be reassessed for the 1998 tax year, and properties in the south and southwest suburbs of Cook County will be reassessed for the 1999 tax year. Cook County categorizes its properties into nine classes of property,¹⁷ each with a different assessment ratio ranging from 16% for residential property to 38% for commercial property. As described above, properties located outside Cook County are assessed at 33.33% of fair market value.¹⁸

1. Reassessment

The assessor begins the reassessment process by issuing a notice of proposed assessed valuation¹⁹ for each property within a township subject to reassessment.²⁰ For most properties, the assessor's notice consists of a 3" x 5" postcard containing the property's prior assessment and its proposed reassessment. However, for single family residences and residential properties with less than five units, the assessor provides notice via a letter containing a detailed description of the property. This notice includes not only the property's prior and proposed assessment, but also the assessor's estimated size of the house and the land upon which it sits, a description of the house (including the number of rooms and bathrooms), and the assessor's proposed fair market value. For complex commercial and industrial properties such as large manufacturing plants and distribution centers,

as well as the majority of office buildings in downtown Chicago, the assessor employs a different procedure. Rather than independently attempting to determine fair market value for these types of properties, the assessor issues a letter requesting that the taxpayer submit documentation establishing the property's fair market value. The assessor then utilizes this documentation to determine an assessment.

2. *Assessment Complaints Filed with the Assessor and/or the Cook County Board of (Tax) Appeals*

Unlike their counterparts outside of Cook County, Cook County taxpayers have an additional avenue of appeal. A Cook County taxpayer has a definite time period within which to file a complaint with the assessor's office. This time period begins to run when the assessor issues the notices discussed above. A taxpayer who disagrees with a property's assessment generally has a thirty-day time frame within which to file a complaint with the assessor's office. It should be noted that the assessor sets filing deadlines for all townships, even those not subject to reassessment. Taxpayers dissatisfied with their assessments in the non-reassessment townships, therefore, have an opportunity to file a complaint with respect to their properties. A taxpayer who is unsatisfied with the assessor's final assessment may file a complaint with the Cook County Board of (Tax) Appeals.²¹ In late 1998, this administrative body will become a Board of Review. The Board of Appeals establishes filing deadlines which generally fall between November and July each year. Therefore, a taxpayer should contact the Board of Appeals early to determine the specified filing period for his property. While homeowners may appear on

their own behalf before the Board of Appeals, owners of commercial and industrial properties must be represented by attorneys.

3. *Complaints Before the Property Tax Appeal Board or the Circuit Court of Cook County*

If the taxpayer is dissatisfied with the Board of Appeals' decision, he may file a tax objection in the Circuit Court of Cook County. A taxpayer must file this objection within seventy-five days after the first penalty date reflected on the second installment tax bill.²² As of the 1996 tax year, a residential taxpayer could, alternatively, file a complaint with the PTAB. Beginning with the 1997 tax year, all other property owners have this option.²³ The PTAB is new to Cook County and, initially, will not have a large backlog of cases. In contrast, tax objection cases for 1992 are still pending in the Circuit Court. On February 6, 1997, the Circuit Court issued a decision declaring unconstitutional new legislation governing tax objection proceedings. Subsequent to this decision, no tax objection cases were heard. An appeal was made to the Illinois Supreme Court and on March 19, 1998, the Supreme Court rendered its decision. The Supreme Court held the legislation constitutional.²⁴ The Circuit Court is now beginning to hear tax objection cases, which prior to the Circuit Court's decision, were ready for settlement or trial. The court will not begin calling new cases until the fall of 1998. In any event, tax refunds will not be instantaneous.

C. Property Exempted from Taxation

Certain properties in Illinois may be partially or totally exempted from property taxation due to ownership. Properties owned by the following entities may qualify for property tax exemption: counties, cities, and villages;²⁵ municipal corporations and agencies;²⁶ park, forest preserve, and conservation districts;²⁷ schools and military academies;²⁸ public transportation systems;²⁹ public water districts;³⁰ the United States;³¹ the State of Illinois;³² housing authorities;³³ port districts;³⁴ and airport authorities and airports.³⁵

In addition, property in Illinois may qualify for exemption on the basis of its exclusive use or purpose. Tax exemptions may apply to properties used exclusively for the following purposes: religious purposes or religious and school purposes;³⁶ burial purposes;³⁷ charitable or beneficent purposes, including homes for the elderly, facilities for the developmentally disabled, not-for-profit health maintenance organizations, and free public libraries;³⁸ fire protection purposes;³⁹ agricultural or horticultural purposes;⁴⁰ parking purposes (when the parking area is part of a property for which an exemption already applies);⁴¹ and patriotic and civic purposes.⁴²

A taxpayer who believes he is being taxed on property qualified for exemption should file a complaint with the Board of Review or with the Board of Appeals.⁴³ Each of these entities have guidelines regarding documentation that must be submitted to establish the exemption. The guidelines prescribe different levels of documentation for the various grounds of exemption. For example, exemptions sought based upon the charitable use of a property are difficult to obtain since strict guidelines must be

followed.

The Board of Appeals and Board of Review will review the documentation for accuracy and completeness, will request additional documentation as necessary, and will make a recommendation as to exemption. At that point, the appropriate Board will forward all the information to the Illinois Department of Revenue⁴⁴ ("IDOR"), which makes the final determination of exemption. If the taxpayer disagrees with the IDOR's decision, he must file a protest letter with the IDOR within twenty days of the date of its determination letter. An IDOR administrative law judge will then conduct a formal hearing. If the taxpayer is dissatisfied with the administrative law judge's order, the taxpayer must file a complaint in the circuit court within thirty days.

1. Exemptions Available To Homeowners

Four property tax exemptions are available exclusively to Illinois homeowners. Of these exemptions, two apply only to senior citizens. The remaining two exemptions apply to all homeowners.

a. Senior Citizens Homestead Exemption

The Senior Citizens Homestead Exemption⁴⁵ applies to homeowners who are at least sixty-five years of age, who are liable for the payment of property taxes, and who own and occupy the property to which the exemption applies. The exemption works by reducing the property's equalized assessment⁴⁶ by a maximum of \$2,500 in Cook County and by a maximum of \$2,000 for the rest of Illinois. A \$2,500 assessment reduction translates into a

property tax reduction of approximately \$500. Even if the taxpayer becomes a resident of a nursing home,⁴⁷ the exemption continues as long as a spouse (who must also qualify for the exemption) resides in the property. Moreover, if the property is vacant but still owned by the qualified taxpayer or spouse, the exemption survives.

b. Senior Citizens Assessment Freeze Homestead Exemption

In addition to the Senior Citizens Homestead Exemption, senior citizens on a fixed income may take advantage of the Senior Citizens Assessment Freeze Homestead Exemption⁴⁸ by filing an application with the assessor. To qualify, the taxpayer must: be sixty-five years of age or older; own the property (or lease it, provided it is a single family residence); have a household income of less than \$35,000; and be liable for payment of the property taxes. The exemption works by freezing the taxpayer's property assessment at the level of the year prior to the year in which the taxpayer qualifies. For example, a senior citizen living in a home valued at \$100,000 would be taxed on an assessment of \$16,000 in Cook County or \$33,333 outside of Cook County in Year 1. During a reassessment year (Year 2), assume the assessor increases the assessment by 10% to \$17,600 and \$36,666, respectively. A senior citizen who qualified for this exemption would still pay taxes based upon the lower Year 1 amount, \$16,000 or \$33,333. The final tax bill would also include the deduction for the Senior Citizen Homestead Exemption discussed above. In all other respects, this exemption works the same as the Senior Citizens Homestead Exemption.

c. General Homestead Exemption

A taxpayer who owns residential property and uses the property as a principal dwelling place can qualify for a general homestead exemption. Occupants who lease single family homes may also qualify if liable for the property taxes. This exemption works by reducing the equalized assessment by \$4,500 in Cook County and by \$3,500 in the rest of Illinois. Married persons residing in two separate residences can split the exemption equally, with each qualifying for 50% of the total reduction.⁴⁹

d. Homestead Improvement Exemption

Property owners who renovate their homes are also entitled to some property tax relief. The Homestead Improvement Exemption applies to property owned and used exclusively for residential purposes where an increase in the assessment resulted solely from new construction or improvements. For example, if a second floor is added to a one-story home, the exemption will apply to the value attributable to the addition. The exemption applies to the value added to the property by the new improvement. The taxpayer may use this exemption for four years, or until the next general assessment of the property — whichever is later.⁵⁰

2. Special Assessment Property

The Code provides special assessment procedures for various types of properties for public policy reasons (i.e., to address environmental concerns). This article addresses some common "special properties."

Residential property located in a historic district qualifies for an assessment reduction upon renovation. To qualify, the property must be listed in the National Register of Historic Places or the Illinois Register of Historic Places, and must be designated "historic" by county or municipal ordinance. The reduction will be maintained for an eight year period. During years nine through twelve, the property's assessment will increase annually by 25% of the property's fair cash value until the property is assessed at 100% of its fair cash value in the twelfth year.⁵¹

Farmland also receives special assessment treatment. It is valued according to its productivity under a specific statutory formula.⁵² In Cook County, for example, the value is 16% of the price the farmland would bring on the open market, or 90% of its 1983 equalized assessed value per acre.⁵³ The price the farmland would bring on the open market is determined by sales of similar properties or, most likely, by an appraisal.

Special assessment procedures also exist for coal developing properties,⁵⁴ sports stadiums,⁵⁵ open spaces (such as golf courses, areas abutting parks, forests, and wildlife preserves), and historic sites.⁵⁶ All of these special assessment procedures implement specific public policy goals encouraging certain types of development or environmental conservation.

II. The Tax Payment Process

Once the assessment process is complete, assessments are "equalized" across each county. The IDOR calculates the "equalizer" to ensure that a given county's total assessment reflects 33 1/3% of the total fair market value of all property within the county. The fair market value of the property within the county

has been determined through the assessment process discussed above. The county clerk applies the equalizer to each assessment, resulting in an "equalized assessment." After each taxing district has established its budget, the county clerk determines each taxing district's tax rate. The tax rate is multiplied by the equalized assessment to determine each taxpayer's tax liability. Each county's treasurer then prepares and processes the property tax bills. While the county clerks uniformly establish the appropriate tax rates throughout Illinois, the payment process differs slightly.

A. Equalization Process

Equalization guarantees that property owners in the same taxing district, but in different counties, assume a proportionate share of a district's tax burden. Once the Board of Review and Board of Appeals complete the property assessment process, they certify the assessments and then forward them to the county clerk.⁵⁷ The county clerks then forward the assessments to the IDOR for equalization. The IDOR reviews the property tax assessments and compares them to the estimated fair market value of all properties within a county. Next, the IDOR determines fair market value by analyzing sales of similar properties, appraisals, and other reasonable means of determining market value.⁵⁸ The IDOR then determines the average assessment level for a county over a three year period.⁵⁹ If the current total assessment is lower than this average, the IDOR calculates an equalizer to bring the current assessment up to the average. The county clerk applies this equalizer to each property's assessment, resulting in an equalized assessment. In Cook County, the IDOR applies a weighing process which "equalizes" the

property taxes for each property classification so that overall the county's property is taxed at 33.33% of its fair market value.⁶⁰ Because there are more properties assessed below 33.33% in Cook County than above, Cook County's equalizer almost always exceeds two.

B. Calculation of the Tax Rate

A property's tax rate is based on each taxing district's levy or budget. The levy is based on the amount of revenue that a local government or school district requires to operate in a given year. Under the Truth in Taxation Law,⁶¹ a taxing district must give public notice and conduct a hearing if its current levy exceeds the previous year's by 5% or more.⁶² Once the levy is determined, the taxing district forwards it to the county clerk, who calculates the tax rate for each taxing district. The county clerk then forwards his calculations to the county treasurer, who applies the tax rate to the equalized assessment, prepares the tax bills,⁶³ and collects the taxes.

C. The Property Tax Bill

Each tax bill must be mailed to the taxpayer thirty days before taxes are due.⁶⁴ The tax bill may be mailed directly to a mortgage lender; however, the lender is then responsible for mailing a copy of the bill to the taxpayer.⁶⁵ The property tax bill contains an itemization of the tax rate for each taxing district, as well as the property's permanent index number, the assessment, the equalization factor, and the equalized assessment.⁶⁶

D. Payment of the Property Tax Bill

Property taxes automatically become a lien

against the property as of January 1 of the tax year. If a taxpayer does not pay his property taxes, the lien for property taxes will be superior to all other liens against the property, including mortgages.⁶⁷ Therefore, a property could be sold for delinquent taxes even though a prior mortgage exists; a tax deed arising from the sale would supersede the mortgage. While the taxing process is the same for all counties in Illinois, the payment process is not.

1. Payment of Taxes

For all Illinois counties outside of Cook County, taxes are payable in two equal installments. The first installment is due on June 1, and the second is due on September 1 of each year. After these dates, interest of 1.5% per month accrues on past due taxes, until either the payment of the taxes or forfeiture of the property to the state.⁶⁸ If the property is forfeited to the state, the delinquent taxes become the property of the state and may be sold to satisfy the delinquency.

Cook County has adopted an accelerated method of billing. The first tax bill reflects an installment payment equal to 50% of the prior year's total tax and is payable March 1.⁶⁹ If the first installment is not paid by March 1, interest accrues at 1.5% per month until the taxes are paid or the property is forfeited to the state.⁷⁰ The second tax bill reflects the balance of taxes due and generally is payable on September 1. This second installment tax bill contains the final equalized assessed valuation, tax rate, equalizer, and itemized tax rates applied by the appropriate taxing district. If the taxes are not paid, they will be subject to sale by the county collector to satisfy the delinquency.⁷¹

2. Tax Delinquencies

After the tax payment date has passed, the county collector will file an application for judgment requesting a judicial order sanctioning the sale of all delinquent taxes. The collector must publish notice of the filing of this application at least ten days before he files it. In counties with a population of more than 3,000,000, the collector must publish notice no later than ninety days after the taxes become delinquent.⁷² Furthermore, the collector must mail (by certified or registered mail) a notice of delinquency to the taxpayer at least fifteen days before the application date.⁷³ A taxbuyer who purchases the delinquent taxes must follow the procedures discussed below to acquire title or a deed to the property.

Until the date of the tax sale, a taxpayer may pay the delinquent taxes plus accrued interest and penalties.⁷⁴ In addition, a taxpayer who has not previously raised an argument⁷⁵ for a reduced assessment may file a request for a certificate of error with the assessor's office.⁷⁶ A certificate of error *should* prevent a tax sale of the property; however, this does not always occur. Accordingly, a taxpayer should pay the taxes and wait for the refund resulting from the certificate of error rather than risk the loss of property.⁷⁷

III. Tax Sales

Tax sales benefit the general public by forcing payment of real estate taxes by either the owner of the property or a taxbuyer when the owner refuses or is unable to pay. The Treasurer's office conducts tax sales throughout the year. At an annual tax sale, the Treasurer's office offers for sale the delinquent taxes of a prior year. At scavenger sales, which

are generally held in odd-numbered years, (1993, 1995, 1997, etc.), the Treasurer sells taxes which are delinquent for two or more years. Taxbuyers may also purchase taxes "over-the-counter" or through forfeiture sales which include taxes not purchased at either the annual or scavenger sales. The scavenger sale provides the best opportunity for a taxbuyer to acquire property with a minimal investment.

There are three types of tax sales in Illinois: the annual sale, the forfeiture sale, and the scavenger sale. While all three of these sales occur at different times and under different procedures, the outcome for the taxpayer is the same: he loses all ownership rights in the property unless he pays the delinquent taxes. A taxbuyer who purchases the delinquent taxes must petition the circuit court for a deed to the property. The Code contains provisions for requiring notice to be served upon all owners and parties with an interest in the property. These provisions must be followed, or the court will not issue a tax deed. If the taxpayer fails to redeem his property by paying the delinquent taxes, penalties, interest, and costs within a specified period of time *and* the taxbuyer complies with the Code, then the court will issue a tax deed to the taxbuyer. The tax deed transfers title to the property to the taxbuyer. Upon issuance of the tax deed, the taxpayer generally loses all ownership rights to the property.

From a business owner's perspective, the tax sale process provides an opportunity to acquire property at below-market prices. This is especially beneficial for business owners who want to expand their businesses in industrial and commercial areas, but who are unable to locate the owners of abandoned properties. The business owner can purchase a property's delinquent taxes through any one of the three different tax sales. Upon completion of the sale,

the business owner receives a certificate of purchase which entitles him to file a petition in the circuit court to obtain the title or deed to the property. The complicated procedures involved in the tax sale process are discussed in more detail below.

The Code protects a taxpayer's/property owner's rights during the tax sale process by requiring that he receive at least three notices advising him of the impending sale of the delinquent taxes. Additionally, the notices must identify the time period during which he may pay the delinquent taxes (plus interest and penalties) to "redeem" the property from the impending tax sale. To retain ownership of the property, a taxpayer must act quickly in responding to the notices.

A. *The Annual Sale*

Once the court issues an order granting the collector's application for judgment and sale, the annual tax sale⁷⁸ is held. The annual tax sale is usually held in February or March of the year following the year in which the taxes were due. In early 1999, the 1997 annual sale will occur, and will include all unpaid taxes for the 1997 tax year (which were due and payable in the Fall of 1998). A person who wants to bid at a tax sale must register with the Collector's office prior to the sale. Failure to register will prevent a person from bidding.⁷⁹

The Treasurer's office sells properties in order by volume number and then by permanent index number. The "volume" identifies the collector's book containing the tax payment histories of specific properties. At the sale, delinquent taxes are offered by permanent index number in an auction-style bidding process. Taxbuyers bid for properties based upon the percentage of penalty/interest

they are willing to accept on the delinquent taxes. The highest penalty interest percentage that a person may bid is 18%.⁸⁰

The taxbuyer willing to accept the lowest percentage of interest receives the property, the percentage which the delinquent taxpayer must pay to redeem the property, "wins" the auction. Ideally, the taxbuyer would like to acquire the property with a bid of 18%, but competition among bidders for the same property drives the interest rate down. If the taxbuyer then pays the outstanding taxes, the county clerk will issue him a certificate of purchase,⁸¹ which enables the taxbuyer to petition the court for a tax deed. A taxpayer trying to redeem his taxes from the sale must pay the full amount of outstanding taxes, the taxbuyer's costs related to purchasing the taxes, and penalties and interest on the delinquent taxes.

B. *The Forfeiture Sale*

Delinquent taxes that are not sold at the annual tax sale or at the scavenger sale discussed below will be forfeited⁸² to the state.⁸³ After providing written notice to the taxpayer, the county collector may offer the delinquent taxes to any bidder at any time. Therefore, a person desiring to acquire a property by means of a forfeiture sale may do so at any time of the year by filing an application with the collector's office.

If the taxpayer redeems the delinquent taxes within two months of the tax sale, he must pay interest at a rate of 3% of the amount of the delinquent taxes per month.⁸⁴ Every six months from the date of the tax sale until twenty-four months from the tax sale, the taxpayer must pay interest at a rate of 12% every six months.⁸⁵ A taxpayer who does not redeem the property within twenty-four months of the tax

sale must pay 48% interest on the amount of the delinquent taxes, plus 6% per year for every year thereafter.⁸⁶

C. *The Scavenger Sale*

A scavenger sale generally occurs at least every two years.⁸⁷ The most recent scavenger sale occurred in late July, 1997. The next scavenger sale will most likely occur late in the summer of 1999. A scavenger sale offers properties on which all or part of the taxes have been delinquent or forfeited, as discussed above, for two or more tax years.⁸⁸

Strict rules apply to scavenger sales. Prior abuses induced the legislature to restructure the scavenger sale process. Previously, owners of severely delinquent parcels could satisfy the delinquency by having another person purchase the taxes on their behalf for minimal amounts. Now, any person who wishes to bid at the scavenger sale must register with the collector's office at least five days before the first day of the sale⁸⁹ and must certify that he has no interest in the property and is not acting on behalf of someone with an interest.⁹⁰ Penalties will be applied against ineligible bidders. Specifically, ineligible bidders can be held personally liable for the full amount of delinquent taxes or for accumulated interest, penalties, and costs.⁹¹ In addition, an ineligible bidder may be found guilty of scavenger sale fraud, a Class A misdemeanor. A subsequent conviction for tax sale fraud is a Class 4 felony.⁹²

Similar to the annual sale, the scavenger sale is conducted in an auction format. The property is sold to the highest bidder, even if the bid amount is less than the total tax delinquency (including any interest and penalty). The minimum bid is \$250 unless the total

delinquency is less than \$500, in which case the minimum bid is 50% of the delinquency.⁹³ The taxbuyer is not required to pay any of the taxes which became delinquent prior to the sale, but rather can obtain title to the property by paying the bid price plus costs associated with the registration process, attorney's fees, and costs for obtaining and processing the tax deed. The taxbuyer is required to pay any taxes which become delinquent subsequent to the sale.⁹⁴

D. *The Tax Deed Process*

Purchasing the delinquent taxes at a tax sale is a prerequisite to actually obtaining title to a property. The Code provides very specific procedures which a taxbuyer must follow in order to obtain title to the property. The taxbuyer must file a petition in the circuit court seeking a court order directing the county clerk to issue the taxbuyer a tax deed.⁹⁵ The taxbuyer must provide the sheriff and circuit court clerk with notices to be served on owners and other parties, such as lenders, with an interest in the property sold.⁹⁶ The notices inform the interested person of the tax sale and his right to pay or redeem the delinquent taxes. The notices must be served within a specific time period or the court may deem them insufficient. If the taxbuyer complies with all of the provisions of the Code, the court will order the county clerk to issue a tax deed. Upon recording the deed, the taxbuyer will legally own the property.

1. *The Redemption Period*

Throughout the tax deed process, the taxpayer, or anyone with a financial or legal interest in the property, has the opportunity to redeem or pay the delinquent taxes plus costs and penalties. The taxpayer may determine the

redemption period based on the type of property sold, but will be advised of the time period from notices sent by the taxbuyer. If the property is vacant, non-farm land, a residential building of seven or more units, or commercial or industrial property, then the period of redemption expires six months from the date of sale.⁹⁷ If the property is residential and contains no more than six units, then the redemption period expires two years and six months from the date of sale.⁹⁸ For all other types of property, the redemption period expires two years from the date of sale.⁹⁹ The taxbuyer may extend the redemption period up to three years from the date of sale.¹⁰⁰

A taxpayer desiring to redeem his property should obtain an estimate of redemption from the county clerk's office. The estimate of redemption will indicate the amount the taxbuyer paid to purchase the delinquent taxes, the amount interest accruing, the amount of delinquent taxes, the amount necessary to redeem the delinquent taxes, and the current redemption date. The estimate will also indicate that the amount necessary to redeem the property is subject to increase and will indicate the date when the amount will increase. In order to retain his ownership rights the taxpayer must redeem his property before the redemption period expires. Ideally, the taxpayer should redeem the property *before* additional interest accrues.

The taxbuyer has one year from the date of the expiration of the redemption period (or, if applicable, the extended period of redemption) to obtain and record the tax deed. If the taxbuyer fails to obtain and record the tax deed within one year, the certificate of purchase or the tax deed will be void and the taxbuyer will lose any money invested to acquire the property.¹⁰¹

2. Notices of Sale to Owners, Occupants, and Interested Parties

Once a taxbuyer successfully bids for a property at a tax sale and obtains a certificate of purchase, he must strictly comply with the Code to obtain a tax deed. Specifically, the taxbuyer must file a petition in the circuit court to acquire a tax deed to the property.¹⁰² The taxbuyer must instruct the county clerk and the circuit court clerk to serve notices of the tax sale and the redemption date by certified mail. Furthermore, the taxbuyer must instruct the sheriff to serve these notices personally upon the owners of the property and any persons with an interest in the property.¹⁰³ In addition, the taxbuyer must publish notice of the tax sale three times in a newspaper in the county where the property is located.¹⁰⁴ Consequently, an owner or other interested party will receive at least four notices of the tax sale and the tax deed proceedings pending in the circuit court before a taxbuyer can obtain a tax deed to the property. To prepare these notices, the taxbuyer should obtain the following:

- (1) From a reputable title company, a commitment for title insurance which will list the owners, lienholder, and other parties with an interest in the property;¹⁰⁵
- (2) From the treasurer's office, the last two years of tax bills, which will indicate the last assessee of record and his last known address; and
- (3) From the county clerk, an estimate of redemption which indicates the amount of money necessary to redeem the delinquent taxes.¹⁰⁶

a. Due Diligent Inquiry to Locate All Interested Parties

The taxbuyer must perform a duly diligent inquiry to ascertain and locate all parties with an interest in the property sold. Due diligence is “a search or investigation which a diligent man, intent on ascertaining a fact, would usually and ordinarily make.”¹⁰⁷ Due diligence requires that the taxbuyer identify all parties with an interest of record by considering the commitment for title insurance, by searching the public records of the county in which the property is located, and by inspecting the property itself.

Courts require strict compliance with the Code’s notice-serving provisions.¹⁰⁸ For example, an appellate court ruled that the circuit court’s issuance of a tax deed was erroneous because the taxbuyer had indicated the wrong municipality on the notices to the interested parties.¹⁰⁹ “[H]aving the means before his eyes of ascertaining the truth, by merely looking, in regard to a fact about which it is his duty to know, if he fails to look, he does not act in good faith.”¹¹⁰ In another case, the court dismissed a petition for tax deed because the taxbuyer failed to serve notice to a person occupying the property which was sold. A married couple occupied the property, but the public records indicated that only the husband held title to it. The wife’s name, however, appeared on a mailbox at the subject property. The court determined that the taxbuyer would have discovered the wife upon inspection of the property, but at a minimum should have posted a sign on the door requesting that all occupants of the building contact him regarding the tax sale. These cases emphasize that a taxbuyer should go to great lengths to identify the owners and other parties with an interest in a property.

b. Notice to the Last Assessee/Taxpayer of Record

Within four months and fifteen days after the date of sale, the taxbuyer must provide the county clerk with a notice advising the last assessee or taxpayer of record of the tax sale and of the opportunity to redeem the delinquent taxes.¹¹¹ The county clerk will mail this notice by certified mail to the last assessee of record. This notice is commonly referred to as a “first notice” or a “22-5 notice.” It contains the amount, determined at the time of the mailing of the notice, which an interested party must pay in order to redeem the delinquent taxes.

c. Sheriff’s and Clerk’s Notices and Publication

Two sets of notices must be served within a two-month period beginning five months prior to the redemption date, and ending three months before the redemption date (“notice serving period”). These two notices contain identical information¹¹² including information regarding the pending tax deed proceedings, the expiration date of the period of redemption, and the date on which the taxbuyer will appear in court to obtain a tax deed. A petition for tax deed is also filed within the same time frame.¹¹³

The taxbuyer must ensure that the sheriff personally delivers one set of notices to all owners, occupants, and parties interested in the property.¹¹⁴ If the sheriff is unable to serve these parties, he must mail the notices by certified mail within the notice-serving period.¹¹⁵

The taxbuyer must also instruct the circuit court clerk to mail a set of notices, almost identical to those served by the sheriff, by

certified mail. The clerk mails these notices to the property owners at their last known addresses, and to all other persons with an interest in the property.¹¹⁶ Finally, the taxbuyer must publish a notice three times in a newspaper in the county where the property is located.¹¹⁷ If the taxbuyer, after diligent inquiry, cannot determine the owners or other interested parties, then the publication will suffice by providing notice to all unknown owners or interested parties.¹¹⁸ The notice also contains the names of all parties who have been identified as having a possible interest in the property, but whose addresses have not been located.

3. *Hearing in the Circuit Court*

After the taxbuyer serves the appropriate parties with notice of the tax sale and the tax deed proceedings, and the period of redemption has expired, the taxbuyer must file an application for tax deed with the circuit court.¹¹⁹ The notices sent to interested parties will contain a date indicating when the matter will be set for hearing. On that date the taxbuyer will appear in court to request that the matter be set before a judge for hearing. A taxpayer who seeks to contest the tax deed process should appear in court on the date indicated. However, if the taxpayer has not redeemed the delinquent taxes by the court date, and if the court finds that the taxbuyer fully complied with the Code, then the taxpayer will be unable to protect his ownership interest. The taxbuyer will present the court with documentation and testimony showing compliance with the Code, and absent any material errors, the court will enter an order directing the county clerk to issue a tax deed to the taxbuyer. The taxpayer's financial inability

to redeem the taxes does not constitute a valid defense to a tax deed proceeding, and will not prevent a court from issuing a tax deed.

4. *Contesting Tax Deeds*

Once issued, a tax deed can only be contested under limited circumstances. First, the taxpayer or other interested party may appeal an order directing the county clerk to issue a tax deed within thirty days of entry of the order.¹²⁰ Second, after those thirty days and within two years of the entry of the order directing the county clerk to issue the tax deed, the taxpayer may file a petition seeking to void the tax deed.¹²¹ This petition (commonly known as a "Section 2-1401 petition") is only available on the following grounds: (1) the taxes which were the subject of the sale were paid before the sale; (2) the property was exempt from taxation at the time of the sale; (3) the taxbuyer obtained the tax deed through fraud or deception; or (4) the person contesting entry of the order establishes his recorded ownership or other interest in the property, and establishes that the taxbuyer did not perform a duly diligent inquiry. This fourth ground can be established by proving that the sheriff and circuit court clerk failed to serve the contesting person, or that the published notice did not name the interested person.¹²²

Third, a taxpayer can contest issuance of the tax deed by filing a petition within three months of the entry of the order directing issuance of a tax deed.¹²³ However, this third option is limited to circumstances in which an owner (or possibly a tenant liable for the property taxes) occupied the property, and the property is located in a Cook County. In addition, the owner of the property must have resided on the property on the date the redemption period

expired, and the order directing the county clerk to issue the tax deed must have been obtained as a result of a negligent or willful error made by either the county clerk's office or the collector's office. Furthermore, the taxpayer must have relied upon the error to his or her detriment.¹²⁴ Reliance is detrimental if it "played a substantial part, and so was a substantial factor, in influencing the decision"¹²⁵ of the taxpayer not to redeem the delinquent taxes.

IV. Conclusion

Illinois taxpayers have several avenues for obtaining reductions in property tax liability. Successful tax reduction is directly related to the taxpayer's aggressiveness and the submission of reliable evidence of fair market value. The taxpayer should take advantage of every level of appeal available to ensure the most equitable assessment and the lowest tax liability. In addition, timely tax payment will prevent the accrual of interest resulting in higher liability.

Taxpayers failing to timely pay their taxes risk losing their property through the tax sale process. The provisions governing the tax sale process, however, provide the taxpayer with ample opportunity to redeem the delinquent taxes and prevent the loss of ownership rights. The tax sale process is also a valuable tool for individuals and corporations seeking to acquire property for less than its fair market value. Knowledge of the intricacies of the Illinois property tax system provides the taxpayer with tools for obtaining property tax relief. This knowledge also provides the taxbuyer the opportunity to obtain delinquent properties relatively inexpensively.

Endnotes

- ¹ See 35 ILL. COMP. STAT. ANN. 200/1-1 (West 1996 & Supp. Nov. 1997).
- ² 35 ILL. COMP. STAT. ANN. 200/9-145 (West 1994 & Supp. Mar. & Nov. 1997).
- ³ Springfield Marine Bank v. Property Tax Appeal Board, 256 N.E.2d 334, 336 (Ill. 1970). See also *People ex rel. McGaughey v. Wilson*, 12 N.E.2d 5 (Ill. 1937).
- ⁴ See 35 ILL. COMP. STAT. ANN. 200/9-155 (West 1996).
- ⁵ See 35 ILL. COMP. STAT. ANN. 200/9-160 (West 1996).
- ⁶ *Id.*
- ⁷ 35 ILL. COMP. STAT. ANN. 200/9-180 (West 1996).
- ⁸ See 35 ILL. COMP. STAT. ANN. 200/12-10 (West 1996).
- ⁹ See 35 ILL. COMP. STAT. ANN. 200/12-30 (West 1996 & Supp. 1997).
- ¹⁰ See 35 ILL. COMP. STAT. ANN. 200/16-55 (West 1996).
- ¹¹ See 35 ILL. COMP. STAT. ANN. 200/16-160 (West 1997).
- ¹² See 35 ILL. COMP. STAT. ANN. 200/23-10 (West 1996 & Supp. 1997).
- ¹³ See 35 ILL. COMP. STAT. ANN. 200/16-160 (West 1997).
- ¹⁴ See 35 ILL. COMP. STAT. ANN. 200/23-10 (West 1996 & Supp. 1997).

¹⁵ See 35 ILL. COMP. STAT. ANN. 200/16-195 (West 1996 & Supp. Mar. & Nov. 1997).

¹⁶ See 35 ILL. COMP. STAT. ANN. 200/9-220 (West 1996 & Supp. 1997).

¹⁷ Class 1-Vacant land assessed at 22%; Class 2-Residential assessed at 16%, includes condominiums, cooperatives, and multi-unit residential buildings with no more than six units; Class 3-Apartments; Class 4-Properties owned by not-for-profit organizations, includes golf clubs; Class 5-Commercial and industrial properties; Class 6-Special incentive for commercial and industrial properties; Class 7-Special incentive for commercial properties in qualified commercial development projects; Class 8-Special incentive for newly constructed commercial and industrial properties and rehabbed commercial and industrial properties; Class 9-Special incentive for rehabilitation of apartment buildings with 50% of the units reserved for low- to mid-income housing.

¹⁸ See *id.*

¹⁹ See 35 ILL. COMP. STAT. ANN. 200/12-55 (West 1996) as amended by P.A. 90-4, 1997 Ill. Legis. Serv. 137 (West 1997).

²⁰ As with counties outside of Cook County, the Assessor must also publish a list of all of the assessments in a newspaper of general circulation within the county. See 35 ILL. COMP. STAT. ANN. 200/12-20 (West 1996).

²¹ The Cook County Board of Tax Appeals has been eliminated by statute and will be replaced by the Board of Review as of the first Monday in December of 1998. See 35 ILL. COMP. STAT. ANN. 200/16-95 (West Supp. 1997).

²² See 35 ILL. COMP. STAT. ANN. 200/23-10 (West 1996).

²³ See 35 ILL. COMP. STAT. ANN. 200/16-160 (West 1997).

²⁴ *Devine v. Murphy*, No. 82965, 1998 WL 123186 (Ill. Mar. 19, 1998) (presently subject to withdrawal or revision by the court).

²⁵ See ILL. COMP. STAT. ANN. 200/15-60 (West 1996) as amended by P.A. 90-176 1997 Ill. Legis. Serv. 2668 (West 1997).

²⁶ See 35 ILL. COMP. STAT. ANN. 200/15-75, 200/15-110 to 15-120 (West 1996).

²⁷ See 35 ILL. COMP. STAT. ANN. 200/15-105, 200/15-150 (West 1996).

²⁸ See 35 ILL. COMP. STAT. ANN. 200/15-35 (West 1996) and 200/15-90 (West 1996).

²⁹ See 35 ILL. COMP. STAT. ANN. 200/15-100 (West 1996), as amended by P.A. 90-562, 1997 Ill. Legis. Serv. 5727 (West 1997).

³⁰ See 35 ILL. COMP. STAT. ANN. 200/15-140 (West 1996).

³¹ See 35 ILL. COMP. STAT. ANN. 200/15-50 (West 1996).

³² See 35 ILL. COMP. STAT. ANN. 200/15-55 (West 1996 & Supp. 1997).

³³ See 35 ILL. COMP. STAT. ANN. 200/15-95 (West 1996).

³⁴ See 35 ILL. COMP. STAT. ANN. 200/15-155 (West 1996).

³⁵ See 35 ILL. COMP. STAT. ANN. 200/15-160 (West 1996).

³⁶ See 35 ILL. COMP. STAT. ANN. 200/15-40 (West 1996).

³⁷ See 35 ILL. COMP. STAT. ANN. 200/15-45 (West 1996).

³⁸ See 35 ILL. COMP. STAT. ANN. 200/15-65 (West 1996 & Supp. Mar. & Nov. 1997), as amended by P.A. 90-207, 1997 Ill. Legis. Serv. 2776 (West 1997).

³⁹ See 35 ILL. COMP. STAT. ANN. 200/15-70 (West 1996).

⁴⁰ See 35 ILL. COMP. STAT. ANN. 200/15-85 (West 1996).

- ⁴¹ See 35 ILL. COMP. STAT. ANN. 200/15-125 (West 1996).
- ⁴² See 35 ILL. COMP. STAT. ANN. 200/15-145 (West 1996).
- ⁴³ See 35 ILL. COMP. STAT. ANN. 200/16-130 (West 1996 & Supp. 1997).
- ⁴⁴ See *id.*; 35 ILL. COMP. STAT. ANN. 200/16-70 (West 1996).
- ⁴⁵ See 35 ILL. COMP. STAT. ANN. 200/15-170 (West 1996) *as amended by* P.A. 90-471, 1997 Ill. Legis. Serv. 4853 (West 1997).
- ⁴⁶ The equalized assessment is calculated by multiplying the equalizer by the assessment. Equalizers are discussed later in this article.
- ⁴⁷ See 35 ILL. COMP. STAT. ANN. 200/15-172 (West 1996 & Supp. 1997), *as amended by* P.A. 90-531, 1997 Ill. Legis. Serv. 5289 (West 1997).
- ⁴⁸ See 35 ILL. COMP. STAT. ANN. 200/15-172 (West 1993) *as amended by* P.A. 90-531 § 5, 1997 Ill. Legis. Serv. 5289-92 (West 1997).
- ⁴⁹ See 35 ILL. COMP. STAT. ANN. 200/15-175 (West 1996 & Supp. 1997), *as amended by* P.A. 90-552, 1997 Ill. Legis. Serv. 5577 (West 1997).
- ⁵⁰ See 35 ILL. COMP. STAT. ANN. 200/15-180 (West 1996 & Supp. 1997), *as amended by* P.A. 90-186, 1997 Ill. Legis. Serv. 2710 (West 1997).
- ⁵¹ See 35 ILL. COMP. STAT. ANN. 200/10-50 (West 1996); 35 ILL. COMP. STAT. ANN. 200/10-55 (West 1996).
- ⁵² See 35 ILL. COMP. STAT. ANN. 200/10-115 (West 1996 & Supp. 1997).
- ⁵³ See 35 ILL. COMP. STAT. ANN. 200/10-130 (West 1996 & Supp. 1997).
- ⁵⁴ See 35 ILL. COMP. STAT. ANN. 200/10-170 (West 1996).
- ⁵⁵ See 35 ILL. COMP. STAT. ANN. 200/10-205
- (West 1996).
- ⁵⁶ See 35 ILL. COMP. STAT. ANN. 200/10-155 (West 1996).
- ⁵⁷ See 35 ILL. COMP. STAT. ANN. 200/16-90 (West 1996); 35 ILL. COMP. STAT. ANN. 200/16-150 (West 1996 & Supp. 1997).
- ⁵⁸ See 35 ILL. COMP. STAT. ANN. 200/17-5 (West 1996).
- ⁵⁹ The IDOR is required to maintain and utilize sales ratio studies in the equalization process. The studies compare sale prices to assessments. See 35 ILL. COMP. STAT. ANN. 200/17-10 (West 1996).
- ⁶⁰ See 35 ILL. COMP. STAT. ANN. 200/17-5 (West 1997).
- ⁶¹ See 35 ILL. COMP. STAT. ANN. 200/18-55 (West 1996).
- ⁶² See 35 ILL. COMP. STAT. ANN. 200/18-70, 75, 80, 85 (West 1996).
- ⁶³ See 35 ILL. COMP. STAT. ANN. 200/18-270 (West 1996).
- ⁶⁴ See 35 ILL. COMP. STAT. ANN. 200/20-5 (West 1996).
- ⁶⁵ See 35 ILL. COMP. STAT. ANN. 200/20-10 (West 1996).
- ⁶⁶ See 35 ILL. COMP. STAT. ANN. 200/20-15 (West 1996).
- ⁶⁷ See 35 ILL. COMP. STAT. ANN. 200/21-75 (West 1996 & Supp. 1997).
- ⁶⁸ See 35 ILL. COMP. STAT. ANN. 200/21-15 (West 1996), *as amended by* P.A. 90-336, 1997 Ill. Legis. Serv. 3834 (West 1997).
- ⁶⁹ See 35 ILL. COMP. STAT. ANN. 200/21-25, 30 (West 1996).
- ⁷⁰ See *id.*
- ⁷¹ See 35 ILL. COMP. STAT. ANN. 200/21-110 (West

1996).

⁷² See 35 ILL. COMP. STAT. ANN. 200/21-115 (West 1996 & Supp. 1997).

⁷³ See 35 ILL. COMP. STAT. ANN. 200/21-135 (West 1996 & Supp. 1997), *as amended by* P.A. 90-334, 1997 Ill. Legis. Serv. 3833 (West 1993).

⁷⁴ See 35 ILL. COMP. STAT. ANN. 200/21-165 (West 1996).

⁷⁵ Such an argument may include, but is not limited to, destruction of the property, recent sale, etc.

⁷⁶ See 35 ILL. COMP. STAT. ANN. 200/14-15 (West 1996 & Supp. 1997), *as amended by* P.A. 90-562, 1997 Ill. Legis. Serv. 5724 (West 1997); 35 ILL. COMP. STAT. ANN. 200/14-20 (West 1996), *as amended by* P.A. 90-552, 1997 Ill. Legis. Serv. 5576 (West 1997).

⁷⁷ See 35 ILL. COMP. STAT. ANN. 200/14-10 (West 1996 & Supp. 1997).

⁷⁸ See 35 ILL. COMP. STAT. ANN. 200/21-190 to 255 (West 1996 & Supp. 1997).

⁷⁹ See 35 ILL. COMP. STAT. ANN. 200/21-220 (West 1996).

⁸⁰ See 35 ILL. COMP. STAT. ANN. 200/21-215 (West 1996).

⁸¹ See 35 ILL. COMP. STAT. ANN. 200/21-240 (West 1996); 35 ILL. COMP. STAT. ANN. 21-250 (West 1996 & Supp. 1997).

⁸² See 35 ILL. COMP. STAT. ANN. 200/21-225 (West 1996).

⁸³ *See id.*

⁸⁴ See 35 ILL. COMP. STAT. ANN. 200/21-75 (West 1996).

⁸⁵ *See id.*

⁸⁶ *See id.*

⁸⁷ See 35 ILL. COMP. STAT. ANN. 200/21-145 (West

1996 & Supp. 1997).

⁸⁸ *See id.*

⁸⁹ See 35 ILL. COMP. STAT. ANN. 200/21-270 (West 1996).

⁹⁰ See 35 ILL. COMP. STAT. ANN. 200/21-275 (West 1996).

⁹¹ See 35 ILL. COMP. STAT. ANN. 200/21-280 (West 1996).

⁹² See 35 ILL. COMP. STAT. ANN. 200/21-290 (West 1996).

⁹³ See 35 ILL. COMP. STAT. ANN. 200/21-260 (West 1996), *as amended by* P.A. 90-514, 1997 Ill. Legis. Serv. 5233 (West 1997).

⁹⁴ The requirement that all taxes which become due and payable subsequent to the sale must be paid prior to the issuance of the tax deed applies to annual and forfeiture sales as well. See 35 ILL. COMP. STAT. ANN. 200/22-40 (West 1996 & Supp. 1997).

⁹⁵ See 35 ILL. COMP. STAT. ANN. 200/22-30 (West 1996).

⁹⁶ See 35 ILL. COMP. STAT. ANN. 200/22-15 (West 1996 & Supp. 1997).

⁹⁷ See 35 ILL. COMP. STAT. ANN. 200/21-350 (a) (West 1996).

⁹⁸ This redemption period may be shortened to two years if the taxbuyer files a verified petition with the court within four months of the date of sale attesting that the property is abandoned. See 35 ILL. COMP. STAT. ANN. 200/21-350 (b) (West 1996).

⁹⁹ *See id.*

¹⁰⁰ See 35 ILL. COMP. STAT. ANN. 200/21-385 (West 1996).

¹⁰¹ *See id.*

¹⁰² See 35 ILL. COMP. STAT. ANN. 200/22-30 (West 1996).

¹⁰³ See 35 ILL. COMP. STAT. ANN. 200/22-25 (West 1996).

¹⁰⁴ See 35 ILL. COMP. STAT. ANN. 200/22-20 (West 1996).

¹⁰⁵ There are other means for obtaining this information. Specifically, the taxbuyer may obtain a tract index search and a judgment and lien search from a title insurance company. The taxbuyer may also perform a manual search of the records of the recorder of deeds and the registrar of titles to determine these parties. Although these means are acceptable and are used with some frequency by taxbuyers, they are less reliable than obtaining a commitment for title insurance, preferably from a company with considerable experience in tax deed matters.

¹⁰⁶ The taxbuyer may calculate the amount to redeem utilizing the books which the County Clerk maintains, but obtaining an estimate of redemption from the County Clerk provides more accuracy and less risk for the taxbuyer.

¹⁰⁷ *In re County Treasurer*, 576 N.E.2d 255, 261 (Ill. App. Ct. 1991), *appeal denied*, 580 N.E.2d 115 (1991).

¹⁰⁸ See 35 ILL. COMP. STAT. ANN. 200/22-40 (West 1996 & Supp. 1997).

¹⁰⁹ See *Ohr v. Prairie Material Sales Inc.*, 426 N.E.2d 947, 949 (Ill. App. Ct. 1981) (determining that listing the wrong municipality failed to meet the strict compliance requirements).

¹¹⁰ *In re County Treasurer*, 336 N.E.2d 167, 170 (Ill. App. Ct. 1975); *citing Keeney v. Glos*, 101 N.E. 943 (1913).

¹¹¹ See 35 ILL. COMP. STAT. ANN. 200/22-5 (West 1996 & Supp. 1997).

¹¹² See 35 ILL. COMP. STAT. ANN. 200/22-101 (West 1996).

¹¹³ See 35 ILL. COMP. STAT. ANN. 200/22-30 (West 1996).

¹¹⁴ See 35 ILL. COMP. STAT. ANN. 200/22-10 (West 1996 & Supp. 1997).

¹¹⁵ See 35 ILL. COMP. STAT. ANN. 200/22-15 (West 1996 & Supp. 1997); *In re County Treasurer*, 572 N.E.2d 1107 (Ill. App. Ct. 1991).

¹¹⁶ See 35 ILL. COMP. STAT. ANN. 200/22-25 (West 1996).

¹¹⁷ See 35 ILL. COMP. STAT. ANN. 200/22-20 (West 1996).

¹¹⁸ See *id.*

¹¹⁹ See 35 ILL. COMP. STAT. ANN. 200/22-30 (West 1996).

¹²⁰ See 35 ILL. COMP. STAT. ANN. 200/22-40 (West 1996 & Supp. 1997).

¹²¹ See 35 ILL. COMP. STAT. ANN. 200/22-45 (West 1996 & Supp. 1997); 735 ILL. COMP. STAT. ANN. 5/2-1401 (West 1996 & Mar. & Nov. Supp. 1997), *as amended by P.A. 90-141*, 1997 Ill. Legis. Serv. 2560 (West 1997).

¹²² See 35 ILL. COMP. STAT. ANN. 200/22-45 (West 1996 & Supp. 1997).

¹²³ See *id.*

¹²⁴ See *id.*

¹²⁵ *Vaughn v. Speaker*, 53 N.E.2d 885, 891 (Ill. 1989), *cert. denied*, 492 U.S. 907 (1989).

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